

**BYLAWS
OF
ANN ARBOR SUMMER FESTIVAL, INC.**

**ARTICLE I
NAME, PRINCIPAL OFFICE, AND REGISTERED AGENT**

SECTION 1.01 NAME AND PRINCIPAL OFFICE. The name of the corporation shall be the Ann Arbor Summer Festival, Inc. (the “Festival”), a nonprofit charitable, educational and literary corporation incorporated under the laws of the State of Michigan, and its principal offices shall be in the City of Ann Arbor in the State of Michigan or at such a place as the Board of Trustees shall determine from time to time.

SECTION 1.02 REGISTERED AGENT. The Festival shall have and continuously maintain a registered office in the State of Michigan (which may be identical with the principal office) and the Board of Trustees of the Festival shall appoint and continuously maintain in service a registered agent in the State of Michigan, who shall be an individual resident of the State of Michigan or a corporation registered in Michigan, whether for profit or not for profit.

**ARTICLE II
PURPOSES**

SECTION 2.01 PURPOSES. The Festival is organized exclusively for charitable, educational, and literary purposes, including for such purposes the making of distributions under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States internal revenue law). The Festival was established as and continues to be an equal collaboration between the City of Ann Arbor (“City”) and the University of Michigan (“University”). City and University representatives work together throughout the year on the Festival’s Board of Trustees and as Festival volunteers to cultivate a mutually beneficial campus-community collaboration. The more specific purposes of the Festival are to stimulate, promote and develop interest in the performing arts, to educate the public in the performing arts and to advance the culture in the field of performing arts by means of forming and operating a regional program of the performing arts.

SECTION 2.02 PURPOSES – NOT LIMITED. The foregoing enumeration of the purposes of the Festival is made in furtherance, and not in limitation, of the powers conferred upon the Festival by law and is not intended, by the mention of any particular purpose, in any manner to limit or restrict any of the powers of the Festival, other than as provided below.

SECTION 2.03 NONPROFIT OPERATION. The Festival shall be operated exclusively for charitable, educational and literary purposes; no Trustee shall have any interest in or title to the property, funds or earnings of the Festival in the Trustee's individual or private capacity; and no part of its net earnings shall inure to the benefit of any Trustee, officer, member or other private individual. No substantial part of its activities shall consist of carrying on propaganda or otherwise attempting to influence legislation nor shall the Festival participate or intervene in any political campaign on behalf of any candidate for public office.

ARTICLE III
GENERAL STRUCTURE

SECTION 3.01 ORGANIZED ON A NONSTOCK BASIS. The Festival is organized upon a nonstock basis as set forth in Article III of the Festival's Articles of Incorporation.

SECTION 3.02 GOVERNANCE. The Festival shall be governed by the Board of Trustees, which shall have general authority to supervise, manage and control the Festival in order to further the purposes of the Festival as set forth in Article II. The Festival shall be managed on a day-to-day basis through an Executive Director and an Executive Board comprised of certain key officers and such other individuals pursuant to Articles VI and VII.

ARTICLE IV
BOARD OF TRUSTEES

SECTION 4.01 NUMBER AND COMPOSITION OF TRUSTEES. The Board of Trustees shall consist of the Trustees having the power to vote, who shall not exceed thirty-four in number. Of these, one shall be an ex officio voting position held by the Mayor of Ann Arbor and one shall be an ex officio voting position held by the Secretary of the University of Michigan or the Secretary's designee. At all times, to the fullest extent possible, the number of Trustees on the Board whose nominations are subject to approval by the City shall equal the number of Trustees whose nominations are subject to approval by the University. The exact number of Trustees shall be determined from time to time by resolution of the Board of Trustees. The Festival Executive Director shall have the right to attend all meetings of the Board of Trustees, except executive sessions.

SECTION 4.02 NOMINATION PROCESS. The Board of Trustees shall nominate candidates to the Board on behalf of the City and University and shall seek approval from the City and University of their respective nominations. The Board of Trustees may appoint a committee to nominate candidates to the Board as provided in Section 9.05. The Board of Trustees shall notify the City Clerk and the Secretary of the University of the names of candidates nominated. The City Council may approve the nomination of City candidates by resolution, or the City shall notify the Festival within 90 days of receipt of the names of candidates nominated if it objects to the nomination of a candidate to the Board of Trustees. The University shall notify the Festival within 90 days of receipt from the Board of Trustees of

names of candidates nominated if it objects to the nomination of a University candidate to the Board. If an objection is made, the Board of Trustees shall nominate a new candidate and follow the preceding procedures until a candidate is accepted without objection.

SECTION 4.03 ELECTION AND TERMS OF OFFICE. After nomination under Section 4.02, Trustees shall be elected by the affirmative vote of the majority of the Board of Trustees then in office. Trustees shall be elected for a three-year term and may serve for up to three consecutive three-year terms. Former Trustees shall be eligible for nomination and to stand for election after being off the Board for three consecutive years.

SECTION 4.04 REMOVAL BY BOARD OF TRUSTEES. Any Trustee may be removed from office, with or without cause, by the affirmative vote of the majority of the Trustees then in office.

SECTION 4.05 REMOVAL BY CITY OR UNIVERSITY. The City may remove from office any Trustee the City approved and the University may remove from office any Trustee the University approved, with or without cause. Removal from office is effective immediately and does not require any additional action by the Board of Trustees.

SECTION 4.06 VACANCIES. Vacancies occurring on the Board of Trustees by reason of retirement, removal, death, resignation or other inability to serve as a Trustee approved by the City shall be filled by another person whose nomination is approved by the City. Vacancies occurring on the Board of Trustees by reason of retirement, removal, death, resignation or other inability to serve as a Trustee approved by the University shall be filled by another person whose nomination is approved by the University. The Festival shall provide notice of a vacancy to the City Clerk and the Secretary of the University within 14 days.

The Board of Trustees shall nominate a candidate to fill the vacancy following the process provided in Section 4.02, and shall be elected by the affirmative vote of the majority of the Board of Trustees then in office. Trustees elected to fill a vacancy shall hold office only for the remainder of the vacant term until the next election of Trustees. If elected at the next election, a Trustee first elected to fill a vacancy shall be elected for a full three-year term and may, if elected, serve up to three three-year terms.

SECTION 4.07 RESIGNATION. Any Trustee may resign at any time by giving written notice to the President of the Board of Trustees, Secretary, or the Executive Director. The notice shall take effect at the time specified in the notice.

SECTION 4.08 NON-ASSIGNABILITY AND TERMINATION. Trusteeship in the Festival shall not be assignable *inter vivos* by any Trustee, nor shall Trusteeship pass to any personal representative, heir, or devisee. Trusteeship of any Trustee shall cease upon death, resignation, or upon removal action by the Board of Trustees, City, or University.

SECTION 4.09 COMPENSATION. No member of the Board of Trustees shall be entitled to any compensation for his or her services as a Trustee; except that the foregoing shall not prevent the Board of Trustees from providing reasonable compensation to a person who is

serving as a Trustee for special or unusual services which are above and beyond the scope of normal Trustees' services, from reimbursing any Trustee for expenses actually and necessarily incurred in the performance of his or her duties as a Trustee or from entering into a contract directly or indirectly with a Trustee for the providing of goods and/or services to the Festival, if the contract is in the best interest of the Festival and on fair and reasonable terms.

ARTICLE V
MEETINGS OF THE BOARD OF TRUSTEES

SECTION 5.01 ANNUAL MEETING. The Board of Trustees shall meet during the month of September each year, at the date, time and place as the Board of Trustees may determine, for the purpose of electing successors to each of the Trustees whose term shall expire in that year, electing officers and considering business as may properly be brought before the meeting.

SECTION 5.02 REGULAR AND SPECIAL MEETINGS. In addition to the annual meeting, there shall be at least four regular meetings of the Board of Trustees each year. Regular meetings may be held at times and places as the Board of Trustees may from time to time determine at a prior meeting or as shall be directed or approved by the vote or written consent of all of the Trustees. Special meetings of the Board of Trustees may be called by the President of the Board and shall be called by the President or Secretary upon written request of any four Trustees.

SECTION 5.03 NOTICES. Written notice of the annual meeting shall be mailed or provided by e-mail to each Trustee not less than 10 or more than 60 days prior to the date set for the meeting. Three days written notice shall be given for the special meetings of the Board of Trustees, and the notice shall state the time, place and purpose or purposes of the meeting. Except as otherwise provided by law, no notice shall be required for regular meetings of the Board of Trustees or for adjourned meetings, whether annual, regular or special.

SECTION 5.04 WAIVER OF NOTICE. Notice of the time, place and purpose of any meeting of the Board of Trustees or committee of the Board of Trustees may be waived by e-mail or other writing, either before or after the meeting, or in another manner as may be permitted by the laws of Michigan. Attendance of a person at any meeting of the Board of Trustees or of a committee of the Board of Trustees constitutes a waiver of notice of the meeting except when the person attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 5.05 QUORUM. Half of the total number of Trustees then in office, or of the members of a committee thereof, constitutes a quorum for the transaction of business. The vote of a majority of the Trustees present at any meeting at which there is a quorum shall be the act of the Board of Trustees or of the committee, as the case may be, unless a greater number is required by these Bylaws or by the laws of Michigan.

SECTION 5.06 PARTICIPATION IN MEETINGS REMOTELY. A member of the Board of Trustees may participate in a meeting by means of telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other. All persons shall be advised of the communications equipment being used and the names of the persons in the conference shall be divulged to all persons. Participation in the meeting in this manner constitutes presence in person at the meeting.

SECTION 5.07 ACTION WITHOUT A MEETING. Any action required or permitted to be taken at a meeting of the Board of Trustees may be taken without a meeting if, before or after the action, all of the Trustees then in office severally or collectively consent thereto in writing. The written consents shall be filed with the minutes of the proceedings of the Board of Trustees and shall have the same effect as a vote of the Trustees for all purposes.

SECTION 5.08 PARLIAMENTARY PROCEDURE. The rules contained in the current edition of Robert's Rules of Order Newly Revised shall guide the Board of Trustees; however, parliamentary procedure shall be flexible and may be adjusted in the President's discretion to best serve the needs of the Board of Trustees. No parliamentary procedure shall be followed that is inconsistent with these bylaws and the Board of Trustees shall not adopt or follow any operating rules, regulations, or guidelines not expressly allowed by these bylaws.

ARTICLE VI **DUTIES AND POWERS OF BOARD OF TRUSTEES**

SECTION 6.01 POWERS OF BOARD. The Board of Trustees shall have charge, control and management of the business, property, affairs and funds of the Festival and shall have the power and authority to do and perform all acts and functions not inconsistent with these bylaws, the Articles of Incorporation or the laws of Michigan. In addition to and not in limitation of all powers, express or implied, now or hereafter conferred upon boards of directors or trustees of nonprofit corporations, the Board of Trustees shall have the power to borrow or raise money for corporate purposes; to issue bonds, notes or debentures; to secure such obligations by mortgage or other lien upon any or all of the property of the corporation, whether at the time owned or thereafter acquired; and to guarantee the debt of any affiliated or subsidiary nonprofit corporation or other entity, whenever the same shall be in the best interests of the corporation and in furtherance of its purposes.

SECTION 6.02 APPOINTMENT OF AUDITORS. The Board of Trustees shall annually appoint independent accountants to examine and render a report on the financial statements of the Festival as of the close of each fiscal year.

ARTICLE VII **OFFICERS**

SECTION 7.01 SELECTION AND NUMBER. All nominations for officers shall be made by the Nominating Committee after consultation with the Executive Committee. The

Board of Trustees shall elect a President, a Secretary, a Treasurer, and one or more Vice Presidents, and may elect an Assistant Secretary and/or an Assistant Treasurer. The President and Treasurer shall be Trustees, and other officers may also be Trustees. Any two of the above offices, except those of President and Treasurer, may be held by the same person, but no officer shall execute, acknowledge, or verify an instrument in more than one capacity.

SECTION 7.02 TERM OF OFFICE, RESIGNATION AND REMOVAL. An officer shall hold office for the term for which the officer is elected and until the officer's successor is elected, or until the officer's resignation or removal. An officer may resign by written notice to the President of the Board of Trustees, Secretary, or the Executive Director. The resignation is effective upon its receipt or at a subsequent time specified in the notice of resignation. An officer may be removed with or without cause by an affirmative vote of the Board of Trustees then in office. The removal of an officer shall be without prejudice to the officer's contract rights, if any. The election of an officer does not of itself create contract rights.

SECTION 7.03 TERM OF OFFICE OF THE PRESIDENT. The President shall be elected to a term of one year and may stand for election for a second year at the next annual meeting. No Trustee shall serve more than two consecutive years as President of the Board.

SECTION 7.04 TERM OF OFFICE OF VICE PRESIDENT(S). The sole Vice President, if only one vice president is elected, or the first Vice President, if two or more vice presidents are elected, shall be elected for a term of one year. The sole Vice President or First Vice President is expected to run for a second year as Vice President and then expected to succeed to the Presidency. Accordingly, before nominating an individual to serve as the sole or First Vice President, the Nominating Committee shall discuss with the prospective nominee his or her willingness to commit to serve the Festival as a Board Trustee, First Vice President and, if elected, President for a total of four years.

Additional Vice Presidents, if any, shall be elected for a term of one year.

SECTION 7.05 TERM OF OFFICE OF THE TREASURER AND SECRETARY. The Treasurer and Secretary shall be elected to a term of one year and may be elected for one or more additional one-year terms.

SECTION 7.06 VACANCIES. The Board of Trustees may fill any vacancies in any office occurring for whatever reason. Nominations and elections for vacancies shall be made as described in Section 7.01 above.

ARTICLE VIII
DUTIES OF OFFICERS

SECTION 8.01 AUTHORITY. All officers, employees and agents of the Festival shall have such authority and perform such duties in the conduct and management of the business and affairs of the Festival as may be designated by the Board of Trustees and these Bylaws.

SECTION 8.02 PRESIDENT. The President shall be the chief executive officer of the Festival and shall see that all orders and resolutions of the Board of Trustees are carried into effect, and shall have the general powers of supervision and management usually vested in the chief executive officer of a corporation. The President shall be the Chairman of the Board of Trustees and shall preside at all Board meetings at which the President is present. The President shall, in addition, chair meetings of the Executive Committee. The President shall be an ex officio member of the Nominating Committee.

SECTION 8.03 THE SOLE OR FIRST VICE PRESIDENT. The sole or First Vice President shall, in the absence or disability of the President, perform the President's duties and exercise the President's powers and shall perform other duties as the Board of Trustees or the President may from time to time prescribe.

As provided in Section 7.04, the sole or First Vice President is expected to succeed to the Presidency. During his or her first year in office, the sole or First Vice President shall have no defined duties, but shall be expected to become familiar with the charge and undertakings of the various Festival standing committees and ad hoc committees, if any, and attend Executive Committee meetings. During the second year in office, the sole or First Vice President shall, in consultation with the President, take such responsibilities and perform such activities as the sole or First Vice President, the President and/or the Executive Committee agree.

SECTION 8.04 OTHER VICE PRESIDENTS. The duties of additional vice presidents, if any, shall be as assigned by the President and/or the Executive Committee from time to time.

SECTION 8.05 SECRETARY. The Secretary shall attend all meetings of the Board of Trustees and shall ensure that all votes and minutes of all proceedings are recorded in a book to be kept for that purpose. The Secretary shall give or cause to be given notice of meetings of the Board of Trustees as required by these Bylaws. The Secretary shall ensure that the seal of the Festival is kept in safe custody (if a seal is adopted by the Board of Trustees) and, when authorized by the Board, shall affix the same to any instrument requiring it, and when so affixed it shall be attested to by the Secretary's signature, or by the signature of the Treasurer or an Assistant Secretary. The Secretary may delegate any of the Secretary's duties, powers and authorities to an Assistant Secretary, unless the delegation is disapproved by the Board of Trustees.

SECTION 8.06 TREASURER. The Treasurer shall oversee the custody of the corporate funds and securities; shall oversee the keeping of full and accurate accounts of receipts and disbursements in books of the Festival; and shall ensure the deposit of all moneys and other valuable effects in the name and to the credit of the Festival in such depositories as may be designated by the Board of Trustees. The Treasurer shall cause to be rendered to the President and the Board of Trustees whenever the President or the Board may require it, an account of the Treasurer's financial transactions and of the financial condition of the Festival. The Treasurer may delegate any of the Treasurer's duties, powers and authorities to an Assistant Treasurer unless the delegation is disapproved by the Board of Trustees.

SECTION 8.07 ASSISTANT SECRETARY AND ASSISTANT TREASURER. The Assistant Secretary shall perform the duties and exercise the powers and authorities of the Secretary in case of the Secretary's absence or disability. The Assistant Treasurer shall perform the duties and exercise the powers and authorities of the Treasurer in case of the Treasurer's absence or disability. The Assistant Secretary and Assistant Treasurer shall also perform other duties as may be delegated to them by the Secretary and Treasurer, respectively, unless the delegation is disapproved by the Board of Trustees, and also other duties as the Board of Trustees may prescribe.

ARTICLE IX
COMMITTEES

SECTION 9.01 EXECUTIVE COMMITTEE. The Board of Trustees may, by resolution passed by a majority of Trustees then in office, appoint three or more Trustees as an executive committee to exercise all powers and authorities of the Board in management of the business and affairs of the Festival, provided, however, that the committee shall not have power or authority to:

- (a) Amend the Articles of Incorporation;
- (b) Adopt a plan or agreement of merger or consolidations;
- (c) Recommend or approve the sale, lease or exchange of all or substantially all of the Festival's property and assets or recommend its dissolution;
- (d) Amend these Bylaws;
- (e) Fill vacancies in the Board of Trustees; or

SECTION 9.02 OTHER COMMITTEES. The Board of Trustees from time to time may, by resolution, appoint additional committees of two or more Trustees to have the authority as shall be specified by the Board in the resolution making the appointments. The Board of Trustees may designate one or more Trustees as alternate members of any committee who may replace an absent or disqualified member at any meeting thereof.

SECTION 9.03 PARTICIPATION IN MEETINGS REMOTELY. A member of the Executive Committee or any committee designated by the Board may participate in a meeting by means of telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other. All persons shall be advised of the communications equipment being used and the names of the persons in the conference shall be divulged to all persons. Participation in the meeting in this manner constitutes presence in person at the meeting.

SECTION 9.04 ACTION WITHOUT A MEETING. Any action required or permitted to be taken at a meeting of the Executive Committee or any committee designated by the Board may be taken without a meeting if, before or after the action, all of the committee members then in office or all of the committee members severally or collectively consent thereto in writing.

The written consents shall be filed with the minutes of the proceedings of the committee and shall have the same effect as a vote of the committee for all purposes.

SECTION 9.05 NOMINATING COMMITTEE. The Board of Trustees shall appoint a nominating committee having at least two Trustees to propose nominations of Trustees and officers.

ARTICLE X
FESTIVAL EXECUTIVE DIRECTOR

SECTION 10.01 FESTIVAL EXECUTIVE DIRECTOR. The Festival Executive Director shall be selected by the Board of Trustees or a duly authorized committee as the chief operating officer of the Festival responsible to the President and shall have general powers of supervision and management over the day-to-day operations of the Festival.

ARTICLE XI
INDEMNIFICATION

SECTION 11.01 SCOPE OF INDEMNIFICATION. The Festival shall indemnify its Trustees, officers, and non-Trustee volunteers to the maximum extent permitted by law for any claim brought against them provided the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Festival and, with respect to any criminal action or proceeding, had no reasonable cause to believe that the conduct was unlawful. Without limiting the foregoing, the Festival shall indemnify, to the fullest extent authorized or permitted by law, any person, and the person's heirs and legal representatives, who is made or threatened to be made a party to any action, suit or proceeding (whether civil, criminal, administrative or investigative and whether formal or informal) whether brought by or in the right of the Festival or otherwise, by reason of the fact that the person is or was a Trustee, officer, employee, non-Trustee volunteer, or agent of the Festival or the person served on any formally constituted advisory body or committee of the Festival or the Board of Trustees, or that the person is or was serving at the request of the Festival as a trustee, partner, shareholder, member, officer, director, employee, non-Trustee volunteer, or agent of any other foreign or domestic corporation, business corporation, partnership, joint venture, trust, association, or any other enterprise against expenses (including attorney's fees), judgments, penalties, fines, and amounts paid in settlement, actually and reasonably incurred by the person in connection with the action, suit or proceeding.

SECTION 11.02 PROCEDURAL AUTHORIZATION. Any indemnification under Section 11.01 (unless ordered by a court) shall be made by the Festival only as authorized in the specific case but shall not be arbitrarily denied. The Festival must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in Section 11.01. The determination shall be made in any of the following ways:

- (a) By a majority vote of a quorum of the Board of Trustees consisting of trustees who are not parties to the action, suit, or proceeding.
- (b) If the quorum described in clause (a) above is not obtainable, by a committee of Trustees who are not parties to the action. The committee shall consist of not less than two disinterested Trustees.
- (c) By independent legal counsel in a written opinion.

SECTION 11.03 LIABILITY INSURANCE. Notwithstanding the foregoing, the indemnification provided to any person described in Section 8.01 of the Bylaws shall be only in excess of any valid and collectible insurance or other source of indemnification available for the benefit of the person, including without limitation, any benefit available under any insurance of the Festival, and no rights of subrogation are intended to be created hereby. Notwithstanding any limit on indemnification under applicable law, the Festival may purchase and maintain insurance on behalf of any person described in Section 11.01 of the Bylaws against any liability asserted against the person or incurred by the person in any Festival capacity or arising out of the person's status as such, whether or not the Festival would otherwise have the power to indemnify the person against such liability under the circumstances.

SECTION 11.04 CHANGES IN MICHIGAN LAW. If there are any changes in the Michigan statutory provisions applicable to the Festival and relating to the subject matter of this article, the indemnification to which any person shall be entitled shall be determined by the changed provisions, but only to the extent that the change permits the corporation to provide broader indemnification rights than the provisions permitted the Festival to provide before the change.

ARTICLE XII
TERMINATION OF PARTICIPATION IN FESTIVAL

SECTION 12.01 TERMINATION. The City or University, by vote of the City Council or University Regents respectively, may terminate its participation in the governance of the Festival upon written notice to the Festival's Executive Director. The termination will not become effective until at least six months after receipt by the Festival's Executive Director of the written notice provided by the City or University.

SECTION 12.02 PROVISIONS PERTAINING TO TERMINATING COLLABORATION. Upon the effective date of the termination of the participation in the governance of the Festival by the City or University, those provisions of the Bylaws and Articles of Incorporation pertaining to the terminating entity shall be considered void and no longer unenforceable as to the terminating entity only. All other provisions of the Bylaws and Articles of Incorporation are valid and enforceable and shall remain in effect.

ARTICLE XIII
GENERAL PROVISIONS

SECTION 13.01 FISCAL YEAR. The fiscal year of the Festival shall begin on October 1 and ends on September 30.

SECTION 13.02 DISSOLUTION. Upon the dissolution of the Festival, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the Festival, distribute all of the assets of the Festival to an organization or organizations that are organized and operated exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

SECTION 13.03 SEVERABILITY. If any provisions of these Bylaws shall be held invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions of these Bylaws shall not be impaired thereby, nor shall the validity, legality, or enforceability of any non-defective provision be in any way affected or impaired.

SECTION 13.04 AMENDMENTS. The Bylaws of the Festival may be amended, altered or repealed, in whole or in part, by the affirmative vote of a majority of the Trustees then in office at any meeting of the Board of Trustees duly held in accordance with these Bylaws, provided that notice of the meeting includes notice of the proposed amendment, alternative or repeal, and provided further that, without the consent of the City and the University, the Board of Trustees shall not make, alter or repeal any provision of the Bylaws of the Festival respecting terminating collaboration, the number, classification or qualifications of Trustees, the manner in which Trustees are nominated, approved, or elected, or the manner in which Trustee vacancies are filled.

Approved and adopted by the Board of Trustees on _____.