

**BYLAWS
OF
TUCSON CELTIC FESTIVAL ASSOCIATION, INC. (TCFA)**



Article I - Offices and Corporate Seal

Section 1. Name of Corporation. The name of the Corporation shall be TUCSON CELTIC FESTIVAL ASSOCIATION , INC. (TCFA), hereinafter referred to as the TCFA. The TCFA was established April 1987, and incorporated October 1991 as a nonprofit organization.

Section 2. Principal Office. The principal office (Mailing Address) of the TCFA, an Arizona nonprofit corporation, shall be PO Box 40665, Tucson, AZ 85717, or such place as the Board of Directors may designate. The Board of Directors may change the location of the principal office by majority approval of the Board.

Section 3. Corporate Seal. A corporate seal shall not be requisite to the validity of any instrument executed by or on behalf of the TCFA, but nevertheless if in any instance a corporate seal be used, the same shall be a circle having on the circumference thereof the name of the TCFA and in the center the words "corporate seal", the year incorporated, and the State where incorporated.

Article II - Objective and Purposes

Section 1. The TCFA is a nonprofit public benefit corporation. It is organized under the Nonprofit Public Benefit Corporation Law by the State of Arizona for charitable purposes.

Section 2. Founded in 1987, the TCFA is an independent educational, non-secular, non-profit 501(c)(3) corporation formed to promote Celtic culture, tradition, and customs.

Section 3. The purpose of the TCFA shall be to preserve the Celtic customs and cultures through educational programs and the production of the annual Tucson Celtic Festival and Scottish Highland Games and other Celtic events.

Section 4. The TCFA fosters national and international sports competition to support and develop athletes for competition in traditional Scottish athletic contests worldwide.

Section 5. The TCFA may provide educational seminars, free of charge, to TCFA area schools on the topics of Celtic history/culture, music, dance, and athletics. Priority may be given to "under-performing schools" and "at risk students".

Section 6. Notwithstanding any other provisions of these bylaws, the TCFA shall not carry on any other activities not permitted to be carried on:

(1) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code, or

(2) by a corporation to which are deductible under Section 170(c) of the Internal Revenue Code.

Section 7. The TCFA shall be prohibited from carrying on propaganda, or otherwise attempting to influence legislation, and TCFA shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

Section 8. The property of TCFA is irrevocably dedicated to the support of its mission and no part of the net income or assets of the TCFA shall ever inure to the benefit of any director, officer, or member thereof or to the benefit of any private person.

Section 9. Upon the dissolution of the TCFA, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this corporation, shall be distributed to a valid nonprofit fund, foundation, or corporation which is organized and operated exclusively for the perpetuation of Celtic culture and which has established its tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.

Article III - Definitions

Section 1. Director shall indicate an individual or individuals who are serving the TCFA in an elected position (i.e. Officers and Board Members)

Section 2. Officer shall mean an elected individual serving on the TCFA Board of Directors holding one or more of the following four (4) positions: President, Vice President, Secretary, or Treasurer.

Section 3. Board Member shall mean an elected individual on the TCFA Board of Directors who serves in the capacity of active support and oversight of the TCFA Officers and TCFA operations. There are three (3) Board members.

Section 4. Sergeant at Arms shall mean a non-voting, elected individual on the TCFA Board of Directors tasked with maintaining proper decorum at all formal Board Events.

Section 5. Board shall mean the elected Board of Directors for the TCFA. The Board of Directors consists of eight (8) positions: Four (4) Officers: President, Vice President, Secretary, and Treasurer, three (3) Board Members, and one (1) Sergeant at Arms (non-voting Member). Each Board Member shall be assigned a Seat from 1 to 3 for election purposes.

Reference APPENDIX A for current TCFA Board Positions and Elected Members. Reference APPENDIX B for a History of TCFA Governance.

Section 6. Editor shall mean the individual, selected by the Board, responsible for the compilation and publication of the electronic Newsletter.

Section 7. Newsletter shall mean the official publication of the TCFA, in electronic form, to be used to report items such as meeting minutes, election results, upcoming events, calls for volunteers, and other notices and announcements of the TCFA to the general membership.

Section 8. Members shall mean individuals who are members in good standing of the TCFA pursuant to membership rules of the TCFA.

Article IV - Membership

Section 1. General Membership Requirements

Membership in the TCFA shall be available to any individual or entity. Membership shall be open to recognized Celtic groups or any individual who is interested in the Celtic culture, without regard to age, gender, race, creed, religion, or national origin. All memberships shall have the same rights, privileges, restrictions and conditions. The TCFA shall offer a General Membership with two registration options - Individual Membership or Family Membership. Individuals or families who complete the registration requirements, are accepted into the TCFA, remain current on their dues and adhere to the TCFA bylaws shall be considered Current TCFA members. Membership may be revoked via the procedures detailed in Termination and Reinstatement.

TCFA Directors, Officers, and Committee Members shall be current TCFA members. Membership in TCFA is not required to participate in TCFA events. Current TCFA members may receive a reduced event entry fee at the discretion of the TCFA.

The two General Membership registration options are detailed below:

Section 2. An Individual Membership is for one unique individual. The individual membership includes voting privileges with one vote.

Section 3. A Family Membership includes registration for the main family member and up to three (3) additional family members. The additional family members shall be related to the main family member by family association (spouse or dependent child as an example). The Family shall have full rights as described in these bylaws, except for voting privileges which shall be limited to two (2) votes. The intent is for two (2) adult members of the family to have individual voting privileges and any other dependent children would not have voting privilege but would be able to obtain available discounts for TCFA events.

Section 4. The Board reserves the right to create Alternative Membership Levels, including but not limited to, Associate Membership, and Sponsoring Membership. These additional options shall be outlined on the TCFA membership application form.

Section 5. Dues. The TCFA membership period shall run for one calendar year, starting January 1st, and ending December 31st. The annual membership dues shall be established and published by the TCFA

Board. The TCFA Board reserves the right to adjust the amount of dues annually with a majority vote of the TCFA Board.

Dues are payable January 1, and past due on March 1 of each year.

Any individual, family, or organization who joins the TCFA and pays dues during the last two (2) months of the year shall be deemed to have paid dues for the following year, and shall be considered a member in good standing.

Section 6. Termination of Membership. Membership shall be terminated upon the occurrence of any of the following events:

1. Upon a Member's written notice of termination delivered to the TCFA President, TCFA Vice President, or Secretary of the TCFA via regular mail, email, or social media outlets. Membership terminates upon the date of receipt of notice.

2. Upon failure to renew Membership dues, which may involve delinquent dues, on or before the due date, such termination shall be effective in accordance with the Dues section of these bylaws.

3. Upon determination of the TCFA Board that the Member has engaged in conduct materially and seriously prejudicial (illegal, immoral, or unethical) to the interests or purposes of the TCFA. This is referenced to as an Expulsion or Suspension for Cause.

Following this determination by the Board, a notice shall be sent via registered mail, detailing the reasons for expulsion or suspension. Such notice shall be sent within thirty (30) days before the proposed effective date of the expulsion or suspension.

The Member being suspended or expelled shall be given an opportunity to be heard, either orally or in writing, at a hearing to be held not less than five (5) days before the effective date of the proposed effective date of the expulsion or suspension. The hearing will be held by the TCFA Board in accordance with the quorum and voting rules set forth in these bylaws. The notice to the Member of his or her proposed expulsion or suspension shall state the date, time and place of the hearing.

Following the hearing, the TCFA Board shall decide whether or not the Member shall be expelled or suspended. If the Member is expelled, the expulsion shall be for one calendar year from the date of the decision. Suspension time may vary and shall be determined by the TCFA Board. A two-third (2/3) vote of the Board shall be required to expel or suspend a Member for cause. The decision of the Board shall be final.

Any person expelled from the TCFA shall receive a refund of dues already paid for the current Membership Period. The refund shall be prorated to return only the un-accrued balance remaining for the current Membership Period.

Section 7. Reinstatement of Expelled Member(s). Following the elapse of one calendar year, an expelled Member may petition the TCFA Board for reinstatement and shall be afforded due process rights detailed in these bylaws for Expulsion or Suspension for Cause. Following a hearing in this regard, the TCFA Board shall decide whether or not the Expelled Member should be reinstated. A two-third (2/3) vote of the TCFA Board shall be required for reinstatement. Reinstatement shall be subject to such terms and conditions as the TCFA Board may impose. An expelled Member may submit multiple petitions for reinstatement. However, an expelled Member may not submit more than two (2) petitions during a twelve (12) month period.

Section 8. Members Inspection Rights. Each and every Member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a Member:

1. To inspect and copy the record, at his or her own expense, of all members names, at reasonable times, upon ten (10) business days prior written demand on the TCFA, which demand shall state the purpose for which the inspection rights are requested. The TCFA Board shall fulfill such demands as timely as possible but reserves the right to impose extensions to the ten (10) days lead time at its discretion.
2. To inspect at any reasonable time the books, records or minutes of proceedings of the TCFA Board or committee meetings, upon written demand on the TCFA by the Current Member, for a purpose. The TCFA shall deliver these documents by any efficient means including but not limited to email, access to shared document repository websites, or hardcopy mailed to the address provided by the requesting Member. The TCFA will determine the time necessary to fulfill the request.
3. Right to copy and make extracts. Any inspection under the provisions of these bylaws may be made in person or by an agent or attorney and the right to inspection includes the right to copy and make extracts at the requesters expense.
4. Annual report. The Board shall create an Annual Report to be presented at the Annual General Membership meeting. The Annual Report may be oral or written or a combination. Any portion of the Annual Report which is written should be included in the next edition of the Newsletter and also be available upon written request to Current Members. The Annual Report should include a Treasurers Report which will provide a statement of the assets and liabilities of the TCFA as well as the TCFA's profit and loss statement as of the end of the fiscal period.

Article V - Administrative

Section 1. Correspondence and Board Documentation. The TCFA Secretary shall be the administrative representative for the TCFA Board and TCFA Board documentation shall be maintained as detailed in these bylaws. Correspondence with the General Membership shall be completed in the most efficient means available, including but not limited to any of the following means: Notifications posted to the TCFA web page, or via social media outlets, or via meeting/in-person interaction. The TCFA Board reserves the right to decide the most appropriate means of communication with the public and Members on a case-by-case basis depending on the nature of the information being shared.

Section 2. Annual Meeting. Annual meetings of the General Membership of the TCFA shall be held at such time and place as the TCFA Board designates. All Current Members, regardless of voting privilege, shall be allowed to attend the Annual Meeting. Only Current Members with voting privileges, as detailed in these bylaws shall have voting rights at meetings of the General Membership. Reasonable notice of the Annual meeting shall be provided to the General Membership via social media outlets of the TCFA and via the TCFA webpage or via email to all Current Members. Meeting minutes from the Annual Meeting shall be kept and made available to the public upon completion of the meeting.

Section 3. Board Meetings. The TCFA Board shall meet at regular intervals as determined appropriate by the current President. Board Meetings shall occur not less than twice a year and may be conducted in person or via virtual meeting. Meeting minutes of the TCFA Board shall be kept and maintained by the TCFA Secretary as detailed in these bylaws.

Section 4. Monthly Meetings. A regular meeting shall be held monthly. The two exceptions are the months of January and November, as these are the months that the Annual Festival and the Annual Meeting are held respectively.

Certain circumstances may make it impossible to hold a monthly meeting. If this is the case, the reasons shall be documented by the Board and the General Membership notified accordingly.

It may be necessary to hold additional meetings as required during the month of October, preceding the Festival.

Article VI - TCFA Board of Directors: Elected Officers and Elected Board Members

Section 1. Checks and Balances/Separation of Powers. In accordance with the State and Federal laws and mandates, all duties of the TCFA Board in its entirety shall be overseen by the Elected Board Members.

Section 2. Duties. It shall be the duty of the TCFA Board collectively and individually to:

1. Perform any and all duties imposed on them collectively or individually by law, by Articles of Incorporation of the TCFA, or by these bylaws;
2. Appoint and remove, employ and discharge, and except as otherwise provided in these bylaws, prescribe the duties and fix compensation, if any, of all agents and employees of the TCFA.
3. The three (3) Board Members shall provide oversight of the four (4) Officers and any agents and employees, whether temporary or permanent, of the TCFA to assure that their duties are performed properly;
4. Meet at such times and places as required by these bylaws;
5. Register their addresses with the Secretary of the TCFA and notices of meetings on the TCFA website, electronically mailed, or paper mailed shall be valid notices thereof.

Section 3. Election.

1. Elections shall be held during the Annual Meeting in January each year. Elections shall be held yearly on an Even/Odd Year cycle:

Even Years: Vice President, Treasurer, Board Member Seats 1 and 3.

Odd Years: President, Secretary, Sergeant at Arms, Board Member Seat 2.

2. TCFA Members in good standing shall nominate members (including themselves) to serve on the Board of Directors in conjunction with the Annual General Meeting. The Secretary shall compile an official list of the nominations and submit the official ballot at the Annual General Meeting.

No person under the age of twenty-one (21) shall be eligible for election as a Director. Non-eligible persons may not be appointed or elected to the Board of Directors.

3. Each Voting Member shall vote for no more than four (4) nominees in even years (Vice President, Treasurer, Board Member Seats 1 and 3), and four (4) nominees in odd years (President, Secretary, Sergeant at Arms, Board Member Seat 2).

4. Cumulative voting shall not be utilized. The nominated members who receive the largest number of votes shall be elected to the Board. In the event of a tie, a runoff vote shall be taken by the current Board Members. In the event of a runoff vote tie in odd years, the President, and Board Member Seats 1 and 3 shall re-vote. A two-third (2/3) majority breaks the tie.

5. Members in good standing with the TCFA who hold an Individual Membership shall have the right to one (1) nomination and one (1) vote per each of the Board Member positions during an election cycle. Members in good standing with the TCFA who hold Family Memberships shall have the right to two (2) nominations and two (2) votes per each Board Member position during an election cycle.

Section 4. Terms. Elected Board Members shall hold office for two (2) years, or until the next annual meeting for election of the Board of Directors as specified in these bylaws, and until his or her successor(s) are elected and qualify.

Newly elected Officers and Board Members shall take office immediately as of the January election.

Section 5. Authority. Subject to the provision of the Arizona Corporation Code and any limitations in the Articles of Incorporation and bylaws, the affairs and property of the TCFA shall be managed and controlled by the Board. The Board Members shall provide direct oversight in the election of the following Officers for the TCFA: President, Vice President, Secretary, Treasurer, and successive Board Members. Other officers or agents may be elected or appointed by the Board to fill such other additional offices created by the Board and shall fall under Board Member oversight.

Section 6. Annual and Special Meetings.

1. An Annual Meeting of the Board shall be held at such time and, or such place as designated by the Board. One Annual Meeting of the Board shall be held during each calendar year. In no event should a period greater than thirteen (13) months elapsed without an Annual Meeting of the Board.

2. Special Meetings of the Board may be called by an Officer or Director by giving reasonable notice to the Board of the time and place thereof.

3. Action may be taken by the Directors without a meeting if a written consent is signed by all of the Directors before the action is taken.

4. Conference telephone or similar communication equipment may be utilized in accordance with the law of Arizona.

5. At all meetings of the Board, one-half (1/2) of the members of the full Board shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by Articles of Incorporation, bylaws or provisions of the Arizona Corporation Code.

6. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting without further notice to any absent Director.

7. Notices of the Annual Meeting of the Board shall be given at least ten (10) days prior to the date thereof and notices of regular meetings or special meetings called by the chairman of the Board or

President shall be given at least five (5) days prior to the date thereof. Each notice shall specify the place, the day, and the hour of the meeting, and in the case of special meetings, the general nature of the business to be transacted.

Notices shall be given by the Secretary or, if he/she is absent, or is unable or refuses to act, by any other Officer or Director of the Board.

Section 7. Conduct of Meetings.

1. Formal meetings shall be governed by Roberts Rules of Orders, as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these bylaws, with the Articles of Incorporation, or with provisions of the law.

2. Informal meetings may be held at the discretion of the Board and may not necessarily require Roberts Rules of Order.

3. The conduct of meetings shall be dictated in the initial meeting announcement. The Sergeant at Arms shall preside over all formal meetings.

Section 8. Voting.

1. Directors entitled to vote shall be permitted to vote or act by proxy. Directors shall have the right to vote either in person or by written proxy executed by such person or by his or her duly authorized agent and filed with the Secretary of the TCFA, provided, however, that no proxy shall be valid after eleven (11) months from the date of its execution. All proxies shall state the general nature of the matter to be voted on and, in the case of a proxy given for the election of Officers, shall list those persons who were nominees at the time the notice of the vote for election of officers was given to the members. Proxies shall afford an opportunity for the member to specify a choice between approval and disapproval for each matter or group of related matters intended, at the time the proxy shall also provide that when the person solicited specifies a choice with respect to any such matter, the vote shall be cast in accordance therewith.

2. Voting may happen via e-mail, should a situation arise that requires an immediate and timely vote of the Board. The following rules shall apply to the use of e-mail votes:

(a) All participants must have access to the necessary equipment for participation in the e-vote. (If any participants do not have access, an e-vote cannot be taken).

(b) The chair (President or committee chairman) shall develop the time frame for the e-vote.

(c) A minimum of twelve (12) hours notice shall be provided to all participants via e-mail or telephone, by the Secretary or committee chairman. Such notice shall include the motion and supporting documentation for the e-vote.

(d) A second is not necessary for the motion to be considered.

(e) Each new main motion must be made in a separate, new e-mail message with no other message thread included.

(f) New motions in a new message thread may not be introduced while there is another motion currently being debated. No more than one (1) main motion can be considered at one time.

Section 9. Action by Unanimous Written Consent Without Meeting. Any action required or permitted to be taken by the Board of Directors under any provision of law may be taken without a meeting, if all members of Board shall individually or collectively consent in writing to such action. Such action by

written consent shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provision of law which relates to action so take shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting and that the bylaws of the TCFA authorize the Directors to so act, and such statement shall be the prima facie evidence of such authority.

Section 10. Vacancies, Removals, Replacements of Directors.

1. Vacancies of the Board of Directors shall exist (1) on the death or removal of any Director, (2) whenever the number of authorized Directors is increased, and (3) Voluntary resignation of any Director.
2. The Board of Directors may declare vacant the office of a director who has been declared unsound mind by a final court order, or convicted of a felony, or been found by a final order or judgment of any court to have breached any duty under the Arizona Nonprofit Public Benefit Corporation Law.
3. Any Director may resign effective upon giving written notice to the President, Vice President, or Secretary of the TCFA, unless the notice specifies a later time for the effectiveness of such resignation.
4. Vacancies on the Board shall be filled by appointment of the President, subject to the approval of a majority of the complete Board of Directors. Any Director so appointed will serve until the next annual meeting of the Board or until the commencement of the appropriate election cycle for the given position. A Director shall be subject to removal only for cause as defined by statute and interpreted by Arizona case law.

Section 11. Compensation. Directors shall serve without compensation except that they shall be allowed and paid compensation for any special services or work performed by them that is specifically approved by the Board of Directors as compensable. In addition, they shall be allowed reasonable reimbursement of expenses incurred during the performance of irregular duties. Directors may not be compensated for rendering services to the corporation in any capacity other than Director unless such other compensation is authorized by law and approved by the Board.

Section 12. Non-Liability of Directors. The Directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation unless the director is personally signatory.

Section 13. Reimbursement of Litigation Expense. To the extent that a person who is, or was, a Director, Officer, employee or other agent of the TCFA has been successful on the merits in defense of any civil, criminal, administrative or investigative proceedings brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of TCFA, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by the person in connection with such proceeding. If such person either settles any such claim or sustains a judgment against him or her then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by the TCFA but only to the extent allowed by, and in accordance with the requirements of, the Arizona Non Profit Public Benefit Corporation Law.

Section 14. Insurance for TCFA Agents. The Board of Directors shall adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a Director,

employee, or other agent of the TCFA) against any liability other than for violating provisions of law relating to self-dealing (of the Arizona Non Profit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agents status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provision of the Arizona Non Profit Public Benefit Corporation Law.

Article VII - Elected Board Members: Definition and Duties: President, Vice President, Treasurer, Secretary, Board Members

Section 1. Qualification, Election and Term of Office. Any person who becomes a Member of the TCFA may serve as a Board Member of the TCFA. Four (4) Officers shall be elected by TCFA Members in good standing and overseen by three (3) elected Board Members, and one (1) Sergeant at Arms. Each Officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first. Elected Board Members are encouraged to attend as many TCFA Board Meetings, and TCFA events as possible.

Section 2. Elected Officers. The following Officers shall be elected by the TCFA Members in good standing, overseen by Elected Board Members and shall hold office for a term of two (2) years:

1. **President.** The President shall preside at all meetings of the Board and shall have power to call special meetings of the Board for any purpose. The President may hire, appoint and discharge, subject to the approval of the Board, employees and agents of the TCFA and fix their compensation. The President may make and sign deeds, leases, contracts, and agreements in the name and on behalf of the TCFA and shall have the power to carry into effect all directions of the Board. The President shall appoint any special committees and shall be an ex officio member of all committees of the TCFA. The President shall exercise general supervision of the business of the TCFA, except as may be limited by the Board, the Articles of Incorporation, or these bylaws.

Monthly review of all bank statements prior to reconciliation, unless the President is related to the Treasurer, in which case this responsibility shall be delegated to another Board Member.

2. **Vice President.** The Vice President shall exercise all functions of the President during the absence or incapacity of the President and such duties as may be assigned by the Board.

3. **Treasurer.** The Treasure shall manage the financial affairs of the TCFA. The Treasurer shall oversee the collection and expenditures of all funds on behalf of the TCFA, to wit;

(a) the collection and deposit of all proceeds into the TCFA's account(s) and the disbursement of such proceeds for the ordinary and necessary expenses of the TCFA;

(b) the maintenance of the TCFA's books of account and the submission of an Income and Expense statement to the President for review on a monthly basis;

(c) the collection of dues from the membership;

(d) the collection and deposit of proceeds and monies from the sale of products at events which pertain to the TCFA; and

(e) shall prepare and present a report of the operations and financial condition of the TCFA at the Annual General Meeting of the membership.

(f) all disbursements of the TCFA shall be made by checks signed by the Treasurer and/or President. There shall be no more than one signer per family. In the event of an emergency, the Board shall authorize another officer to sign checks.

(g) the use of other TCFA financial implements (debit cards, credit cards, etc.) for TCFA business purposes shall be as directed by the President; and shall be accountable for the use of these implements.

(h) shall be responsible for preparing the end of the fiscal year financial statements and presenting them to the individual responsible for preparing the necessary tax reports by the end of December each year.

The Treasure shall perform such other duties as may be assigned by the Board and President.

With the consent of the President or the Board of Directors, the Treasurer may make and sign deeds, leases, contracts, and agreements in the name and on behalf of the TCFA.

4. Secretary. The Secretary shall be the ex officio clerk of the Board. The Secretary shall manage the daily administrative responsibilities of the TCFA, including but without limitation, the following duties:

(a) the maintenance of all correspondence for the TCFA;

(b) shall give, or cause to be given, notices of all meetings of the Directors, and all other notices required by these bylaws or by law;

(c) shall record the proceedings of the meetings of the Board and hold such records in safekeeping;

(d) shall have the responsibility for authenticating records of the TCFA; and

(e) for maintaining a current list of the membership.

With the consent of the President or the Board of Directors, the Secretary may make and sign deeds, leases, contracts, and agreements in the name and on behalf of the TCFA. The Secretary shall perform such other duties as may be assigned by the Board.

5. Sergeant at Arms. The Sergeant at Arms shall be elected like all other Officers and Board Members, and shall serve a two (2) year term. The only difference between this elected position and the others is that the Sergeant at Arms shall have no voting privileges as a Member of the Board. The Sergeant at Arms shall be allowed to vote on general issues as a member in good standing. The Sergeant at Arms shall have the following duties:

(a) keep order during meetings, and, if necessary, remove any members who are overly rowdy or disruptive,

(b) have general charge of certain administrative and custodial functions, as well as security during formal meeting,

(c) carry the claymore, the ceremonial symbol of the authority of the Board, in the parade into the meeting chamber,

(d) maintain order on the floor of the Board meeting,

(e) enforce order at the direction of the Board,

(f) assist in practical details of organizing meetings, and

(g) announce and provide security to the Clan Chief and other recognized dignitaries at Festival Events.

6. Board Members. Board Members shall be the primary representatives of the TCFA membership as a whole. Board Members are dutifully charged with providing oversight in all TCFA operations to ensure compliance with these bylaws and any agreements, contracts, or undertakings by TCFA that are not specifically covered by these bylaws. Any TCFA undertaking not specifically covered under these bylaws shall be overseen "in good faith" in accordance with the Mission of the TCFA and its Membership.

Section 3. Other Officers. There may be other Officers and Assistant Officers who shall perform such duties as may be assigned from time to time by the Board. Any such assignments(s) shall be overseen by Elected TCFA Board Members.

Section 4. Combined Offices. A Member may hold more than one office simultaneously, e.g. Secretary and Treasurer, however, a Member may not be President and Secretary simultaneously.

Section 5. Compensation. The officers of the TCFA shall receive no compensation for services provided as related to their Board position, as determined by the Board. Board Members may be eligible for compensation for services not related to their Board position (i.e. as a judge, announcer, athletic director, etc.), as allowed by Internal Revenue Code and Treasury Regulation § 53.4958-6. See Appendix C.

Section 6. Resignation and Removal. An Officer of the TCFA may resign at any time by delivering notice to the TCFA's President, Vice President, or Secretary. A resignation is effective when the notice is delivered unless the notice specifies a later date. If a resignation is made effective at a later date and the TCFA accepts the future effective date, it may fill the pending vacancy before the effective date if the successor does not take office until the effective date. The Board may remove any Officer at any time with cause and any Officer or assistant Officer, if appointed by and other Officer, may likewise be removed by such Officer.

Article VIII - Committees

Section 1 General. Except as otherwise provided in these bylaws, the President, with the advice and consent of the Board, shall establish committees with the authority and power set forth by resolution approved by a majority of the complete Board. All committees shall be subject to the Articles of Incorporation and the bylaws of the TCFA. Each committee shall have a chairperson appointed by the President. Meetings of committees shall be upon the call of the chairperson. All issues to be decided in committee shall require simple majority vote of the members of the committee, provided a quorum is present. The presence of one-half (1/2) of the members of any committee shall constitute a quorum.

Article IX - Festival Manager

Section 1. A Festival Manager may be appointed each January by the in-coming Board of Directors. This position is to be for a term of one (1) year. Any member holding such position may do so for more than one (1) term, which may be consecutive.

Section 2. Responsibilities. The Festival Manager, shall assume the role and responsibility deemed necessary and appropriate by the President. The Festival Manager shall answer directly to the President, but shall also be accountable to the Board of Directors. The Festival Manager may interact with the committee chairs in a manner that is agreeable to both the President, the Board of Directors and the Chair for each individual committee.

Section 3. Eligibility. To be eligible to be Festival Manager, the individual shall be a member in good standing and shall have been active in at least one annual TCFA Festival. This time requirement may be waived by unanimous determination of the Board.

Article X - Auditing

Section 1. Internal Audits. At the end of January, or at any time as may be directed by the President, an Auditing Committee consisting of three (3) members, one of whom shall be a Board Member, excluding the President, Secretary and Treasurer, will audit such records and/or financial records as may be used by any Officer or Member as part of their duties or service to the TCFA.

The Committee will do a thorough and detailed audit of the financial records of the year and present to the President their review and recommendations. The audit will be available to any member upon request.

To avoid a conflict of interest, no two (2) family members or any family member of the Board Member may serve on the committee.

Section 2. External Audits. As requested by the Internal Audit Committee or the President or the as voted by the majority present at a scheduled association meeting, an audit may be conducted by an independent, third-party, as selected by the Board.

Article XI - Contracts

Section 1. General. All contracts, registration forms or other transactions between the TCFA and third parties (anyone not a member of the TCFA) shall be approved by the Board of Directors prior to such form being initiated and executed. Any negotiations involving expenditures by the TCFA with a third party shall have prior approval by the Board.

Section 2. Contracts. For any expenditure (contract for services) in excess of \$500, up to three (3), but no less than two (2) proposals are to be presented to the Board for approval. An exception may be made if no other suitable comparisons are available.

Article XII - Expenditures

Section 1. Pricing. While the Board has the duty to maintain the assets of the TCFA and to produce an annual Festival and Highland Games, it shall not raise dues or ticket prices or other such charges without the approval of the majority of members in good standing and present.

Section 2. Personal Expenditures. Any member expending personal monies, not included in an approved budget, without prior approval of the Board shall not be reimbursed such funds unless the Board votes for such reimbursement.

No active member of the TCFA shall be paid for services provided to the TCFA without prior approval from the Board.

In the event a member is employed by a company that the TCFA desires to do business with, such business shall be with the company itself and not with the individual.

Article XIII - Scholarship

The TCFA shall maintain a scholarship fund, to be distributed at its discretion. Scholarships may be applied for by any individual as allowed by the scholarship guidelines. The purpose of the scholarship

program is to further the Celtic customs and culture through education, in the categories including but not limited to history, heritage, language/literature, dance, music, athletics, or food and beverage.

Article XIV - Miscellaneous

Section 1. Newsletter. The Editor shall compile and publish the electronic Newsletter at least two times a year. The content of the Newsletter shall reflect good taste and responsible journalism in the discretion of the Board. The Editor shall submit a draft of the Newsletter to the Board in a timely manner so as to allow for review and editing prior to the anticipated date of publication. Final editorial decisions are reserved to the Board. The position and length of service of the Editor shall be voluntary or by appointment as determined by the Board.

Section 2. Fiscal Year. The TCFA's fiscal year for reporting to government and regulatory authorities purposes shall be from January 1 through December 31. However the TCFA's year for purposes of providing annual reports to the Membership and the terms of office for Directors and Officers may differ in the discretion of the Board.

Section 3. Professional Conduct. In keeping with the TCFA's high standards of professional service, all Members actively working in an official capacity for TCFA shall conduct themselves accordingly. Official capacity means any situation in which a member of any office or position, whether elected or temporary, is representing the TCFA. Failure to maintain a professional demeanor may result in sanctions under Article IV, Section 6, Part 3.

Section 4. Amendments. The power to alter, amend, or repeal these bylaws or adopt new bylaws shall be vested in the TCFA Board unless otherwise provided in the Articles of Incorporations. Amendments to these bylaws shall not be made without thirty (30) days written notice by mail or otherwise to the full membership, and must be approved by two-thirds (2/3) of the membership present at the annual general meeting or at a special business meeting called for that purpose.

Section 5. General. Any matters not specifically covered by these bylaws shall be governed by the applicable provisions of the laws of the State of Arizona and the Federal Government in force at the time.

Article XV - Acceptance of the Bylaws

The foregoing bylaws for the Tucson Celtic Festival Association (TCFA), an Arizona nonprofit corporation, have been approved, adopted, and are in effect following a formal Official Vote of the TCFA Board, and General membership on this day, January 9, 2016.

Article XVI - Validity of the Bylaws

The invalidation of any section of these bylaws, for whatever reason, shall have no effect on the balance of these bylaws.

Drafted By: 2015 TCFA Bylaw Committee

Jim Morrison, Board Member (Committee Chairman)

Don Appleton, Board Member

Ildefonso A. Green, Board Member

Doug Mostyn, General Member/Past Board Member

Bill Carnegie, General Member/Past Vice President

Executed By: President: Dale Pederson _____

Date: _____

Adopted By: Board of Directors

Date: _____

Vice President: Steve Mackie (pending re-election) _____

Secretary: Erin Haugen _____

Treasurer: Sarah Mackie (pending re-election) _____

Board Member 1: Jim Morrison (pending re-election) _____

Board Member 2: Ildefonso A. Green _____

Board Member 3: Don Appleton (pending re-election) _____

Appendix A: Current TCFA Elected Officials. - To be amended with each election cycle or other changes as necessary.

As of January 9, 2016

President: Dale Pederson

Vice President: Steve Mackie (pending re-election)

Secretary: Erin Haugen

Treasurer: Sarah Mackie (pending re-election)

Board Member 1: Jim Morrison (pending re-election)

Board Member 2: Ildefonso A. Green

Board Member 3: Don Appleton (pending re-election)

APPENDIX B: History of TCFA Governance. To be amended with each election cycle or other changes as necessary, including both elected and appointed Board Members and Officers.

APPENDIX C: Internal Revenue Code and Treasury Regulation § 53.4958-6 Rebuttable presumption that a transaction is not an excess benefit transaction.

(a) *In general.* Payments under a compensation arrangement are presumed to be reasonable, and a transfer of property, or the right to use property, is presumed to be at fair market value, if the following conditions are satisfied -

(1) The compensation arrangement or the terms of the property transfer are approved in advance by an authorized body of the applicable tax-exempt organization (or an entity controlled by the organization within the meaning of § 53.4958-4(a)(2)(ii)(B)) composed entirely of individuals who do not have a conflict of interest (within the meaning of paragraph (c)(1)(iii) of this section) with respect to the compensation arrangement or property transfer, as described in paragraph (c)(1) of this section;

(2) The authorized body obtained and relied upon appropriate data as to comparability prior to making its determination, as described in paragraph (c)(2) of this section; and

(3) The authorized body adequately documented the basis for its determination concurrently with making that determination, as described in paragraph (c)(3) of this section.

(b) *Rebutting the presumption.* If the three requirements of paragraph (a) of this section are satisfied, then the Internal Revenue Service may rebut the presumption that arises under paragraph (a) of this section only if it develops sufficient contrary evidence to rebut the probative value of the comparability data relied upon by the authorized body. With respect to any fixed payment (within the meaning of § 53.4958-4(a)(3)(ii)), rebuttal evidence is limited to evidence relating to facts and circumstances existing on the date the parties enter into the contract pursuant to which the payment is made (except in the event of substantial nonperformance). With respect to all other payments (including non-fixed payments subject to a cap, as described in paragraph (d)(2) of this section), rebuttal evidence may include facts and circumstances up to and including the date of payment. See § 53.4958-4(b)(2)(i).

(c) *Requirements for invoking rebuttable presumption -*

(1) *Approval by an authorized body -*

(i) *In general.* An authorized body means -

(A) The governing body (*i.e.*, the board of directors, board of trustees, or equivalent controlling body) of the organization;

(B) A committee of the governing body, which may be composed of any individuals permitted under State law to serve on such a committee, to the extent that the committee is permitted by State law to act on behalf of the governing body; or

(C) To the extent permitted under State law, other parties authorized by the governing body of the organization to act on its behalf by following procedures specified by the governing body in approving compensation arrangements or property transfers.

(ii) *Individuals not included on authorized body.* For purposes of determining whether the requirements of paragraph (a) of this section have been met with respect to a specific compensation arrangement or property transfer, an individual is not included on the authorized body when it is reviewing a transaction if that individual meets with other members only to answer questions, and otherwise recuses himself or herself from the meeting and is not present during debate and voting on the compensation arrangement or property transfer.

(iii) *Absence of conflict of interest.* A member of the authorized body does not have a conflict of interest with respect to a compensation arrangement or property transfer only if the member -

(A) Is not a disqualified person participating in or economically benefitting from the compensation arrangement or property transfer, and is not a member of the family of any such disqualified person, as described in section 4958(f)(4) or § 53.4958-3(b)(1);

(B) Is not in an employment relationship subject to the direction or control of any disqualified person participating in or economically benefitting from the compensation arrangement or property transfer;

(C) Does not receive compensation or other payments subject to approval by any disqualified person participating in or economically benefitting from the compensation arrangement or property transfer;

(D) Has no material financial interest affected by the compensation arrangement or property transfer; and

(E) Does not approve a transaction providing economic benefits to any disqualified person participating in the compensation arrangement or property transfer, who in turn has approved or will approve a transaction providing economic benefits to the member.

(2) Appropriate data as to comparability -

(i) In general. An authorized body has appropriate data as to comparability if, given the knowledge and expertise of its members, it has information sufficient to determine whether, under the standards set forth in § 53.4958-4(b), the compensation arrangement in its entirety is reasonable or the property transfer is at fair market value. In the case of compensation, relevant information includes, but is not limited to, compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions; the availability of similar services in the geographic area of the applicable tax-exempt organization; current compensation surveys compiled by independent firms; and actual written offers from similar institutions competing for the services of the disqualified person. In the case of property, relevant information includes, but is not limited to, current independent appraisals of the value of all property to be transferred; and offers received as part of an open and competitive bidding process.

(ii) Special rule for compensation paid by small organizations. For organizations with annual gross receipts (including contributions) of less than \$1 million reviewing compensation arrangements, the authorized body will be considered to have appropriate data as to comparability if it has data on compensation paid by three comparable organizations in the same or similar communities for similar services. No inference is intended with respect to whether circumstances falling outside this safe harbor will meet the requirement with respect to the collection of appropriate data.

(iii) Application of special rule for small organizations. For purposes of determining whether the special rule for small organizations described in paragraph (c)(2)(ii) of this section applies, an organization may calculate its annual gross receipts based on an average of its gross receipts during the three prior taxable years. If any applicable tax-exempt organization is controlled by or controls another entity (as defined in § 53.4958-4(a)(2)(ii)(B)), the annual gross receipts of such organizations must be aggregated to determine applicability of the special rule stated in paragraph (c)(2)(ii) of this section.

(iv) Examples. The following examples illustrate the rules for appropriate data as to comparability for purposes of invoking the rebuttable presumption of reasonableness described in this section. In all examples, compensation refers to the aggregate value of all benefits provided in exchange for services. The examples are as follows:

EXAMPLE 1.

Z is a university that is an applicable tax-exempt organization for purposes of section 4958. Z is negotiating a new contract with Q, its president, because the old contract will expire at the end of the

year. In setting Q's compensation for its president at \$600x per annum, the executive committee of the Board of Trustees relies solely on a national survey of compensation for university presidents that indicates university presidents receive annual compensation in the range of \$100x to \$700x; this survey does not divide its data by any criteria, such as the number of students served by the institution, annual revenues, academic ranking, or geographic location. Although many members of the executive committee have significant business experience, none of the members has any particular expertise in higher education compensation matters. Given the failure of the survey to provide information specific to universities comparable to Z, and because no other information was presented, the executive committee's decision with respect to Q's compensation was not based upon appropriate data as to comparability.

EXAMPLE 2.

The facts are the same as *Example 1*, except that the national compensation survey divides the data regarding compensation for university presidents into categories based on various university-specific factors, including the size of the institution (in terms of the number of students it serves and the amount of its revenues) and geographic area. The survey data shows that university presidents at institutions comparable to and in the same geographic area as Z receive annual compensation in the range of \$200x to \$300x. The executive committee of the Board of Trustees of Z relies on the survey data and its evaluation of Q's many years of service as a tenured professor and high-ranking university official at Z in setting Q's compensation at \$275x annually. The data relied upon by the executive committee constitutes appropriate data as to comparability.

EXAMPLE 3.

X is a tax-exempt hospital that is an applicable tax-exempt organization for purposes of section 4958. Before renewing the contracts of X's chief executive officer and chief financial officer, X's governing board commissioned a customized compensation survey from an independent firm that specializes in consulting on issues related to executive placement and compensation. The survey covered executives with comparable responsibilities at a significant number of taxable and tax-exempt hospitals. The survey data are sorted by a number of different variables, including the size of the hospitals and the nature of the services they provide, the level of experience and specific responsibilities of the executives, and the composition of the annual compensation packages. The board members were provided with the survey results, a detailed written analysis comparing the hospital's executives to those covered by the survey, and an opportunity to ask questions of a member of the firm that prepared the survey. The survey, as prepared and presented to X's board, constitutes appropriate data as to comparability.

EXAMPLE 4.

The facts are the same as *Example 3*, except that one year later, X is negotiating a new contract with its chief executive officer. The governing board of X obtains information indicating that the relevant market conditions have not changed materially, and possesses no other information indicating that the results of the prior year's survey are no longer valid. Therefore, X may continue to rely on the independent compensation survey prepared for the prior year in setting annual compensation under the new contract.

EXAMPLE 5.

W is a local repertory theater and an applicable tax-exempt organization for purposes of section 4958. W has had annual gross receipts ranging from \$400,000 to \$800,000 over its past three taxable years. In determining the next year's compensation for W's artistic director, the board of directors of W relies on data compiled from a telephone survey of three other unrelated performing arts organizations of similar size in similar communities. A member of the board drafts a brief written summary of the annual compensation information obtained from this informal survey. The annual compensation information obtained in the telephone survey is appropriate data as to comparability.

(3) Documentation - (i) For a decision to be documented adequately, the written or electronic records of the authorized body must note -

(A) The terms of the transaction that was approved and the date it was approved;

(B) The members of the authorized body who were present during debate on the transaction that was approved and those who voted on it;

(C) The comparability data obtained and relied upon by the authorized body and how the data was obtained; and

(D) Any actions taken with respect to consideration of the transaction by anyone who is otherwise a member of the authorized body but who had a conflict of interest with respect to the transaction.

(ii) If the authorized body determines that reasonable compensation for a specific arrangement or fair market value in a specific property transfer is higher or lower than the range of comparability data obtained, the authorized body must record the basis for its determination. For a decision to be documented concurrently, records must be prepared before the later of the next meeting of the authorized body or 60 days after the final action or actions of the authorized body are taken. Records must be reviewed and approved by the authorized body as reasonable, accurate and complete within a reasonable time period thereafter.

(d) No presumption with respect to non-fixed payments until amounts are determined -

(1) In general. Except as provided in paragraph (d)(2) of this section, in the case of a payment that is not a fixed payment (within the meaning of § 53.4958-4(a)(3)(ii)), the rebuttable presumption of this section arises only after the exact amount of the payment is determined, or a fixed formula for calculating the payment is specified, and the three requirements for the presumption under paragraph (a) of this section subsequently are satisfied. See § 53.4958-4(b)(2)(i).

(2) Special rule for certain non-fixed payments subject to a cap. If the authorized body approves an employment contract with a disqualified person that includes a non-fixed payment (such as a discretionary bonus) subject to a specified cap, the authorized body may establish a rebuttable presumption with respect to the non-fixed payment at the time the employment contract is entered into if -

(i) Prior to approving the contract, the authorized body obtains appropriate comparability data indicating that a fixed payment of up to a certain amount to the particular disqualified person would represent reasonable compensation;

(ii) The maximum amount payable under the contract (taking into account both fixed and non-fixed payments) does not exceed the amount referred to in paragraph (d)(2)(i) of this section; and

(iii) The other requirements for the rebuttable presumption of reasonableness under paragraph (a) of this section are satisfied.

(e) No inference from absence of presumption. The fact that a transaction between an applicable tax-exempt organization and a disqualified person is not subject to the presumption described in this section neither creates any inference that the transaction is an excess benefit transaction, nor exempts or relieves any person from compliance with any Federal or state law imposing any obligation, duty, responsibility, or other standard of conduct with respect to the operation or administration of any applicable tax-exempt organization.

(f) Period of reliance on rebuttable presumption. Except as provided in paragraph (d) of this section with respect to non-fixed payments, the rebuttable presumption applies to all payments made or

transactions completed in accordance with a contract, provided that the provisions of paragraph (a) of this section were met at the time the parties entered into the contract.