**AMENDED AND RESTATED BYLAWS OF WICHITA FALLS BACKDOOR PLAYERS, INC.**

**dba BACKDOOR THEATRE**

A Texas Non-Profit Corporation (Revised January 19, 2021)

**PREAMBLE**

These Bylaws are subject to, and governed by, the Texas Non-Profit Corporation Act and the Articles of Incorporation of WICHITA FALLS BACKDOOR PLAYERS, doing business as BACKDOOR THEATRE (hereinafter referred to as "Backdoor Theatre"). In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Texas Non-Profit Corporation Act, the Texas Non Profit Corporation Act will be controlling.

**ARTICLE 1 - PURPOSES, POWERS, OFFICES, NON-MEMBERSHIP ORGANIZATION**

**1.1 General.** The purposes for which Backdoor Theatre is organized are:

**1.1.1** Backdoor Theatre is organized and shall be operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code. Specifically, Backdoor Theatre shall be dedicated to providing the community with access to the dramatic and performing arts. Such access shall include, but not be limited to, educational training for both adults and children in theatre arts, employee workshop and/or academy concepts, presenting theatrical productions for the general public and providing members of the community with a means to express their various talents applicable to theatrical production and its related activities. Backdoor Theatre shall cooperate with other performing and visual arts organizations for the betterment of cultural development in the community. The purpose of Backdoor Theatre may be expanded or adjusted to such other areas of interest as the Board of Directors may determine necessary to its primary purposes.

**1.1.2** To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.

**1.2** **Powers**. Backdoor Theatre is a non-profit corporation and shall have all of the powers, duties, authorizations, and responsibilities as provided in the Texas Non-Profit Corporation Act; provided, however, Backdoor Theatre shall neither have nor exercise directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Code.

**1.3 Principal Office.** The principal office of Backdoor Theatre shall be located at 501 Indiana Street, Wichita Falls, Wichita County, Texas 76301. Backdoor Theatre shall have and continuously maintain a registered office, which is an office designated as the registered office of Backdoor Theatre with the State of Texas, and a registered agent whose office is identical with such registered office, as required by Texas state law. The registered office may be identical with the principal office of Backdoor Theatre in the State of Texas, but need not be; and the address of the registered office may be changed from time to time by the Board of Directors.

**1.4** **Other Offices**. Backdoor Theatre may have such other offices as the Board of Directors may determine or as the affairs of Backdoor Theatre may require from time to time.

**1.5 Memberships.** In accordance with its Articles of Incorporation, Backdoor Theatre is a non membership organization.

**ARTICLE 2 - BOARD OF DIRECTORS**

**2.1** **General Powers and Responsibilities.** Backdoor Theatre shall be governed by a Board of Directors ("the Board"), which shall be its chief policy-making body and shall supervise the management of the activities, property, and affairs of Backdoor Theatre. The Board may exercise all of the rights, powers, privileges and limitations of liability of directors of a nonprofit corporation organized under the Texas Non-Profit Corporation Act and do all such lawful acts and things as are permitted by statute, by the Articles of incorporation, or by these Bylaws. Among other things, the Board shall receive and act upon reports from all committees of Backdoor Theatre and its officers; establish policies and directives governing business and programs of Backdoor Theatre; exercise responsibility for ensuring that Backdoor Theatre has such facilities, staff, finances, materials and other resources as are necessary to perform its stated purposes, and may delegate to staff, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed; supervise the proper employment and safeguarding of Backdoor Theatre's resources, and exercise responsibility for ensuring that Backdoor Theatre's affairs are conducted in compliance with its policies and all applicable laws. It is expected that each Director will participate in activities of the Board and Backdoor Theatre, and attend Board meetings and serve on at least two Board committees as assigned.

**2.1.1** The Board may employ a Business Director and/or Artistic Director who will be subject to the control and direction of the Board and the Executive Committee in accordance with the bylaws, resolutions, budgets, and policies and procedures adopted by the Board. The Board shall have power to discharge such directors. The performance of the Business Director and/or Artistic Director shall be evaluated by the Board in the fall quarter not later than the November Board meeting each calendar year.

**2.2** **Number and Qualifications.**

**2.2.1** The Board shall have up to twenty (20), but no fewer than five (5) members. The number of Board members may be increased beyond twenty members or decreased to less than five members by the affirmative vote of a majority of the then-serving Board of Directors. A Board member need not be a resident of the State of Texas.

**2.2.2** In addition to the regular members of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be Advisory Council, but shall not have voting power, shall not count as one of the regular Board members, and shall not be eligible for office.

**2.3 Board Compensation.** The Board shall receive no compensation other than reasonable expenses. However, provided the compensation structure complies with Article 5.8 of these Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving the organization in any other capacity and receiving compensation for services rendered.

**2.4** **Board Elections.** The Governance Committee shall present nominations for new and renewing Board members at the Board meeting immediately preceding the beginning of the next fiscal year. Recommendations from the Governance Committee shall be made known to the Board in writing before nominations are made and voted on. New and renewing Board members shall be approved by a majority of those Board members at a Board meeting at which a quorum is present. Notwithstanding the foregoing, the Board need not wait until the Board meeting immediately preceding the beginning of the next fiscal year to elect new directors, but may in fact elect new directors at any regular meeting of the Board during the course of the year. Election of new Board members, Officer, or elections of current OFficers to a second term will occur as the first item of business at the annual meeting of the Corporation. Board members will be elected by a majority vote of the current directors as needed.

**2.5 Term of Board.** All appointments to the Board shall be for three year terms. No person shall serve more than two consecutive terms unless a majority of the Board at a Board meeting at which a quorum is present votes to appoint a Board member to one additional year. No person shall serve more than seven consecutive years. After serving a total of two terms or two terms and one year, as the case may be, a Board member may be eligible for reconsideration as a Board member after one year has passed since the conclusion of such Board member's service.

**2.6 Vacancies.** Vacancies on the Board may be filled by a majority vote of the Board at a Board meeting at which a quorum is present. A Board member elected to fill a vacancy shall be

elected for the unexpired term of her or his predecessor in office.

**2.7 Resignation.** Each Board member shall have the right to resign at any time upon written notice thereof to the President or Secretary of the Board. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

**2.8 Removal.** A Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a majority of then-serving Board members.

**2.9 Meetings.** The Board's regular meetings will be held no less than six (6) times annually and at a place as shall be determined by the Board. The President or any four regular Board members may call a special meeting of the Board on three days' notice to each member of the Board. Notice shall be served to each Board member. The person or persons authorized to call special meetings of the Board may fix any place, so long as it is reasonable, as the place for holding any special meeting of the Board called by them.

**2.10 Minutes.** At meetings of the Board, business shall be transacted in such order as the Board may determine from time to time. in the event the Secretary is unavailable, the President shall appoint a person to act as Secretary at each meeting. The Secretary, or the person appointed to act as Secretary, shall prepare minutes of the meetings which shall be delivered to Backdoor Theatre to be placed in the minute books of Backdoor Theatre.

**2.11 Action by Written consent.** Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Board members. Such consent shall be placed in the minute book of Backdoor Theatre and shall have the same force and effect as a unanimous vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

**2.12 Quorum - Manner of Action.** At each meeting of the Board or Board committees, the presence of one-half of the members then serving on the Board (but in no case less than 4) or committee (but in no case less than 2) shall constitute a quorum for the transaction of business.

If at any time the Board consists of an even number of members and a vote results in a tie, the vote of the President shall be the deciding vote. The act of the majority of the Board members serving on the Board or Board committees and present at a meeting in which there is a quorum shall be the act of the Board or Board committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board committee if during the meeting he or she is live, electronic, telephone communication with the other Board members participating in the meeting.

**2.13 Proxy.** Proxy voting is incompatible with the essential characteristics of a deliberative assembly in which membership is individual, personal, and nontransferable and is therefore not permitted.

**2.14 Board Member Attendance.** An elected Board member who is absent from three consecutive regular meetings of the Board during a fiscal year, without communication to the Board of Staff, is encouraged to re-evaluate with the President his/her commitment to Backdoor Theatre. The Board may deem a Board member who has missed three consecutive meetings without such a re-evaluation with the President, or missed more than one-half of meetings in fiscal year to have resigned from the Board. Exceptions or leave of absence requests will be evaluated by the Board.

**ARTICLE 3 - OFFICERS**

**3.1 Officers and Duties.** The Board shall elect officers of Backdoor Theatre which shall include a President, a Vice President, a Secretary, a Treasurer, and such assistants and other officers as the Board shall from time to time determine. The officers may also include a Past President for a term of one (1) year. One person may hold any two or more offices, except the President and Secretary.

**3.2 President.** The President shall preside at meetings and have the power to call meetings. The President shall be responsible for leadership of the Board in discharging its powers and duties and shall, in general, supervise the business and affairs of Backdoor Theatre. The President may sign contracts and other instruments on the organization's behalf upon Board approval.

**3.3 Vice President.** The Vice President shall have all powers and duties of the President during the President's absence, disability, or disqualification, or during any vacancy in the position of President, and such other powers or duties assigned by the President, the Board, or the Bylaws.

**3.4 Past President.** The Past President, if any, shall assist in advancing the goals and objectives of Backdoor Theatre through the application of knowledge gained through past Board experiences. The Past President shall be responsible for specific tasks delegated by the Executive Committee. If the Past President is willing to serve but has already been on the Board for 7 years then they will function as an Ex-Officio member with no vote and will not count towards the quorum.

**3.5 Secretary.** The Secretary shall (a) cause the minutes of all Board and Executive Committee meetings and proceedings to be recorded, (b) certify the accuracy of such minutes, (c) cause notice of all meetings to be given, (d) attest the signatures of Backdoor Theatre's officers and Board members as required, (e) sign correspondence on behalf of the Board, and (f) have all other powers assigned by the Board, the President, or these Bylaws.

**3.6 Treasurer.** The Treasurer shall have access to records of all receipts, disbursements, assets, and liabilities of the organization and shall report to the Board on the condition of such records and financial condition of Backdoor Theatre from time to time and at least quarterly. Prior to the beginning of the fiscal year, the Treasurer shall cause a proposed operating and capital expenditure budget to be presented to the Board for approval. The Treasurer shall cause to be prepared and submitted to the Board a financial statement showing Backdoor Theatre's net worth at the close of the fiscal year by a firm of outside certified public accountants. The report shall be submitted to the Board of Directors at the next regularly scheduled Board meeting following the completion of the report.

**3.7 Election and Term of Office.** All officers shall be members of the Board during their terms of office. Officers shall be elected for a one year term. No officer shall be eligible to serve more than two consecutive terms in the same office. The Governance Committee shall present nominations for the election of officers at the Board meeting immediately preceding the beginning of the next fiscal year. Recommendations from the Governance Committee shall be made known to the Board in writing before nominations are made and voted on. Officers shall be approved by a majority of those Board members at a Board meeting at which a quorum is present. A vacancy occurring in any office due to death, resignation, removal, disqualification, or any other reason may be filled by the Board for the unexpired portion of the term of office left vacant.

**3.8 Removal or Resignation.** Any officer or agent (e.g., Business Director or Artistic Director) elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. An officer shall have the right to resign at any time upon written notice (which may be electronic or faxed) thereof to the President or Secretary of the Board. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

**3.9 Leave of Absence.** A Board member may request a leave of absence for a limited period of time, and the leave is approved in advance in writing by the President. If such leave is granted, the number of Board members will be reduced by one in determining whether a quorum is or is not present during the period of the approved leave of absence.

**ARTICLE 4 - COMMITTEES**

**4.1 Committee Chairs.** The President may designate and appoint committees of the Board as deemed necessary. Except for the Executive Committee which is chaired by the President, each Board committee shall be chaired or co-chaired by a Board member appointed by the President or, at the President's discretion, selected by the committee's members, subject to the approval of the Board. Non-Board members may be appointed to any Board committees at the discretion of the Chair except the Executive Committee, the Governance Committee, and the Finance Committee.

**4.2 Standing Committees.** At a minimum, the Board shall maintain the following standing committees: Executive Committee, Finance Committee, and Governance Committee. The President may designate and appoint committees of the Board as deemed necessary.

**4.2.1 Executive Committee.** The Executive Committee shall be composed of the officers of Backdoor Theatre, the chairs of each of the Board committees and, at the President's discretion, two additional voting Board members. In the absence or disability of the President, the Vice President shall act as chair of the Executive Committee, unless otherwise determined by the chair or the Executive Committee. The Board may delegate to the Executive Committee power to transact, between regularly scheduled meetings of the Board, business not affecting established policy or procedure of Backdoor Theatre.

The Executive Committee shall be responsible for overseeing the day-to-day operations of Backdoor Theatre, conducting Board affairs in the intervals between meetings, dealing with matters of urgency that may arise between Board meetings, and coordinating the annual performance review of the Business Director and the Artistic Director. All actions of the Executive Committee are required to be fully reported to the Board in the next regular meeting of the Board following the action(s) taken and such action(s) shall be deemed ratified unless overturned by two-thirds (2/3) vote of the Board. The Executive Committee shall meet at the discretion of the President.

**4.2.2 Finance Committee.** The Finance Committee shall be composed of three or more Board members, one of whom shall be the Treasurer. The Finance Committee shall oversee all financial operations of the organization, develop long-range fiscal plans, procure and review any and all external audits, and prepare and recommend an annual operating budget to the Board.

**4.2.3 Governance Committee.** The Governance Committee shall be composed of three or more Board members. This committee shall recommend candidates to fill Board and officer vacancies and shall present a slate of candidates for officer and Board member positions to the Board before the regular Board meeting at which approval of recommended candidates will be sought. The Governance Committee shall also be responsible for overseeing Board governance which shall include orientation of new Board members, overseeing Board development tactics and programs, prepare and regularly update a Policies and Procedures Manual for presentation to and approval by the Board for the operation of Backdoor Theatre, and using best efforts to review and update these Bylaws every two years.

**4.3 Advisory Council.** The Board may maintain an Advisory Council which shall not have nor exercise the authority, responsibility, or duties of the Board. Except as otherwise provided in such resolution, members of such Advisory Council need not be Board members. The President shall appoint the members thereof. Any member may be removed by the President whenever, in the President's judgment, the best interests of Backdoor Theatre shall be served by such removal.

**ARTICLE 5 - MISCELLANEOUS**

**5.1 Fiscal Year.** The fiscal year of Backdoor Theatre shall be the twelve-month period from January 1 to December 31 of each year.

**5.2 Annual Budget.** The Board shall adopt an annual balanced operating budget, which specifies major expenditures by type and amount.

**5.3 Books and Records.**

**5.3.1 Financial Records; Board Minutes.** The Corporation shall keep current, correct and complete financial books and records of account with respect to all financial transactions of the Corporation, including all income and expenditures, in accordance with generally accepted accounting practices. And the Corporation shall also keep minutes of the proceedings of its Board of Directors, and shall keep a record giving the names and addresses of the Board members.

**5.3.2 Financial Reports.** Based on the financial records maintained in accordance with Article 5.3.1of these Bylaws, the Board shall annually prepare or approve a report of the financial activity of the Corporation for the preceding year. The report must conform to accounting standards as promulgated by the American Institute of Certified Public Accountants and must include a statement of support, revenue, and expenses and changes in fund balances, a statement of functional expenses, and balance sheets for all funds.

In accordance with 3.6 of these Bylaws, the Board shall retain an outside independent certified public accountant or firm to aid in preparing required timely financial statements. Audits as may be necessary shall be performed to preserve the financial integrity of the organization.

**5.3.3 Maintenance of Records.** The Corporation shall permanently maintain at its principal office the minutes of the proceedings of the Corporation's Board of Directors and the records of the names and addresses of the Board members. All of the Corporation's financial records, books, and annual reports shall be kept at its principal office or registered office in the State of Texas for at least three (3) years after the closing of each fiscal year.

**5.3.4 Tax Records and Returns.** The Board shall have prepared and have filed all required federal and state tax returns, including the Internal Revenue Service ("IRS") Form 990 (or the future IRS From) adopted by the IRS in place of the IRS Form 990). The Corporation shall maintain a copy of all returns filed with the IRS at its principal office and all satellite offices with three (3) or more employees for a period of three (3) years, with such period beginning the last day prescribed for filing such returns (determined with regard to any extension for filing). The Corporation shall permanently maintain at its principal office and all satellite offices with three (3) or more employees a copy of its IRS Form 1023 and all attachments thereto that were submitted to the IRS.

**5.3.5 Inspection of Records.** All books and records of the Corporation may be inspected by any director or member, or her/his agent or attorney, for any proper purpose at any reasonable time.

**5.4 Contracts and Grants.** The Board may authorize any officer(s) or agent(s) of Backdoor Theatre to enter into contracts, leases, and agreements with and accept grants and loans from the United States and its departments and agencies; the State of Texas and its agencies, counties, municipalities, and political subdivisions; and public or private corporations, foundations, and persons, and may generally perform all acts necessary for a full exercise of the powers vested in it. The Business Director shall have authority to enter into such contracts and expend such funds on behalf of the organization as the Board may specify.

**5.5 Checks; Drafts; Orders for Payment.** All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of Backdoor Theatre shall be signed by such officer(s) or agent(s) of Backdoor Theatre and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Business Director, Treasurer, or Artistic Director. Checks for amounts over One Thousand ($1,000.00) Dollars shall be signed by two authorized signatories - Treasurer and either Business Director or Artistic Director.

**5.6 Deposits.** All funds of Backdoor Theatre shall be deposited on a bi-weekly basis to the credit of Backdoor Theatre in such banks, trust companies, or other depositories as the Board shall select or as may be selected in accordance with procedures established by the Board. A General Operating Fund account shall be used to meet the ongoing needs of Backdoor Theatre to conduct its regular business and any Directed Fund account will be maintained for use to pay for specific designated purposes. Such directed funds may not be used for any other purposes without prior approval of the Board. Special accounts may be opened as deemed necessary by the Board.

**5.7 Acceptance of Gifts.** The Board may accept on behalf of Backdoor Theatre any cash contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of Backdoor Theatre. Prior to acceptance of a significant non-cash contribution, gift, bequest, or devise, the Board shall determine, by resolution thereof, that the acceptance of such non cash contribution, gift, bequest, or devise by Backdoor Theatre would be consistent with and further the purposes of Backdoor Theatre.

**5.8 Contracts Involving Board Members and/or Officers.** Upon full disclosure of a direct or indirect interest in any contract relating to or incidental to the operations of Backdoor Theatre, members of the Board and officers of Backdoor Theatre may be permitted to maintain a direct or indirect interest in any such contract, notwithstanding that at such time they may also be acting as individuals, or trustees of trusts, or beneficiaries of trusts, members or associates, or as agents for other persons or corporations, or may be interested in the same matters as shareholders, trustees, or otherwise; provided, however, that any contract, transaction, or action taken on behalf of Backdoor Theatre involving a matter in which a director or officer is personally interested as a shareholder, trustee, or otherwise shall be at arm's length and not in violation of the proscriptions in the Articles of Incorporation or these Bylaws which prohibit Backdoor Theatre's use or application of its funds for private benefit; and provided further that no contract, transaction, or act shall be taken on behalf of Backdoor Theatre if such contract, transaction, or act would result in denial of Backdoor Theatre's exemption from federal income taxation under the Code and its regulations, as they now exist or as they may hereafter be amended. In no event, however, shall any person or entity dealing with the Board or officers of Backdoor Theatre be obligated to inquire into the authority of the Board and officers to enter into and consummate any contract, transaction or take other action. Any Board member who would directly or indirectly benefit from a contractual relationship as described above shall not participate in the decision on whether that Board member shall be permitted by the Board to maintain such an interest.

**5.9 Investments**. Backdoor Theatre shall have the right to retain all or any part of any property- real, personal, tangible, or intangible- acquired by it in whatever manner and pursuant to the direction and judgment of the Board, to invest and reinvest any funds held by it without being restricted to the class of **investments available to trustees** by law or any similar restriction.

**5.10 Exempt activities.** Notwithstanding any other provision of these Bylaws, no Board member, officer, employee, or representative of Backdoor Theatre shall take any action or carry on any activity by or on behalf of Backdoor Theatre which is not permitted to be taken or carried on by an organization exempt from federal income taxation under sections 501(a) and 501(c)(3) of the Code and its regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under section 170(a)(1) of the Code and its regulations as they now exist or as they may hereafter be amended, by virtue of being charitable contributions as defined in section 170(c)(2) of the Code and its regulations as they now exist or as they may hereafter be amended.

**5.11 Dividends Prohibited.** No part of the net income of Backdoor Theatre shall inure to the benefit of any private individual, no dividend shall be paid, and no part of the income of Backdoor Theatre shall be distributed to its directors or officers. Backdoor Theatre may reimburse its directors as provided in Article 2.3 of these Bylaws.

**5.12 No Loans to Officers, Directors and Employees.** No loans shall be made by Backdoor Theatre to an officer, director or employee of Backdoor Theatre.

**5.13 Fiscal Restrictions.** Backdoor Theatre may not borrow money or otherwise incur indebtedness without the approval of a majority of the members of the Board.

**5.14 Non-Discrimination.** Backdoor Theatre shall not discriminate against any person on account of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, military status, or any other status protected by law.

**5.15 Captions.** Captions (i.e., article headings) are inserted in these Bylaws for convenience only and in no way define, limit, or describe the scope or intent of these Bylaws, or any provision hereof, or in any way affect the interpretation of these Bylaws.

**5.16 Severability of Clauses.** If any provision of these Bylaws is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of these Bylaws shall remain operative and binding.

**ARTICLE 6 - CONFLICT OF INTEREST**

**6.1 Conflict of Interest.** No member of the Board of Directors, contractual personnel, consultants, volunteers, or employees of Backdoor Theatre may use her/his position for a purpose that is, or gives the appearance of being, motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties. This provision shall not be construed to limit or restrict the payment of compensation or other remuneration to any person or persons who provide a service necessary to the operation of Backdoor Theatre.

**ARTICLE 7 - INDEMNIFICATION OF OFFICERS AND BOARD MEMBERS**

**7.1 Right to Indemnification.** Backdoor Theatre shall indemnify any person who was, is, or is threatened to be made a named defendant or respondent in a proceeding (as hereinafter defined) because the person: (1) is or was a director, officer, or committee member of Backdoor Theatre; or (2) while a director, officer, or committee member of Backdoor Theatre, is or was serving at the request of Backdoor Theatre as a director, officer, committee member, partner, or other enterprise, to the fullest extent that a corporation may grant indemnification to a director under the Texas Business Organizations Code ("TBOC") as the same exists or may hereafter be amended. TO THE EXTENT PERMITTED BY THEN APPLICABLE LAW, THE GRANT OF MANDATORY INDEMNIFICATION TO ANY PERSON PURSUANT TO THIS ARTICLE SHALL EXTEND TO PROCEEDINGS INVOLVING THE NEGLIGENCE OF SUCH PERSONS.

Such right shall be a contract right and shall include the right to be paid by Backdoor Theatre expenses incurred in defending any such proceeding in advance of its final disposition to the maximum extent permitted under the TBOC as the same exists or may hereafter be amended. As used herein, the term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

**7.2 Reimbursement for Out-of-Pocket Expenses.** If a claim for indemnification or advancement of expenses hereunder is not paid in full by Backdoor Theatre within ninety (90) days after a written claim has been received by Backdoor Theatre, the claimant may at any time thereafter bring suit against Backdoor Theatre to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall be entitled to be paid also the expenses of prosecuting such claim. It shall be a defense to any such action that such indemnification or advancement of costs of defense is not permitted under the TBOC, but the burden of proving such defense shall be on Backdoor Theatre. Neither the failure of Backdoor Theatre (including its Board of Directors or any committee thereof, special legal counsel, or members, if any) to have made its determination prior to the commencement of such action that indemnification of, or advancement of costs of defense to, the claimant is permissible in the circumstances nor an actual determination by Backdoor Theatre (including its Board of Directors or any committee thereof, special legal counsel, or members, if any) that such indemnification or advancement is not permissible shall be a defense to the action or create a presumption that such indemnification or advancement is not permissible.

**7.3 Survivorship of Right to Indemnity.** In the event of the death of any person having a right of indemnification under the foregoing provisions, such right shall inure to the benefit of her/his heirs, executors, administrators, and personal representatives.

**7.4 Insurance.** Backdoor Theatre shall purchase and maintain insurance on behalf of any person who is serving Backdoor Theatre (or another entity at the request of Backdoor Theatre) against any liability asserted against her/him and incurred by her/him in such a capacity or arising out of his status as such a person, whether or not Backdoor Theatre would have the power to indemnify her/him against that liability under these Bylaws or by statute. Notwithstanding the foregoing, no person shall be indemnified pursuant to the provisions of this Article and no insurance may be maintained on behalf of any person if such indemnification or maintenance of insurance would subject Backdoor Theatre or such person to income or excise tax under the Code, including any tax asserted under Chapter 42 of the Code. Backdoor Theatre may additionally indemnify any person covered by the grant of mandatory indemnification contained above to such further extent as is permitted by law and may indemnify any other person to the fullest extent permitted by law. The rights conferred above shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, bylaw, resolution of members, if any, or directors, agreement, or otherwise.

**ARTICLE 8 - PARLIAMENTARY AUTHORITY**

**8.1 Parliamentary Authority.** The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern Backdoor Theatre in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order Backdoor Theatre may adopt.

**ARTICLE 9 - DISSOLUTION & WINDING UP**

**9.1 Winding Up.** Upon the necessity for the dissolution and/or winding up of Backdoor Theatre, the Board shall oversee such process and ensure compliance with all relevant provisions of the Texas Non-Profit Corporation Act and other applicable state and federal statutes.

**9.2 No Rights of Board Members to Assets.** Upon Dissolution of Backdoor Theatre, no Board member shall have any rights nor shall receive any assets of the organization. The assets of Backdoor Theatre are permanently dedicated to a tax-exempt organization for the purposes set forth in the Articles of Incorporation and these Bylaws. In the event of dissolution of Backdoor Theatre, the assets, after payment of any debts, will be distributed to an organization which itself is tax-exempt under provisions of Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE 10 - REVIEWS AND AMENDMENTS TO BYLAWS AND POLICIES AND PROCEDURES**

**10.1** These Bylaws may be amended at any regular meeting of the Board of Directors, provided a quorum is present, by a two-thirds (2/3) vote of those present and voting. Written notice of the proposed amendment shall have been given at least ten (10) days prior to the meeting at which the amendment is voted upon. The bylaws and Policies and Procedures Manual will be reviewed bi-annually by the Governance Committee (see 4.2.4).

**CERTIFICATION OF ADOPTION OF BYLAWS**

The undersigned, being the President and Secretary of Backdoor Theatre, do hereby certify that the above stated Bylaws of Backdoor Theatre are a true, and a correct copy of the Bylaws approved by the Board of Directors of Backdoor Theatre on January 19, 2021 and these Bylaws have not been amended or modified since that date.

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Dusty Potter, President Date

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Maureen Talbott, Secretary Date