

OPERA HOUSE.

Arts

Bylaws

April 7, 2022

BYLAWS

OF

OPERA HOUSE ARTS

ARTICLE 1 – ORGANIZATION

Section 1.1 Name. The name of the Corporation is Opera House Arts.

Section 1.2 Purpose. The Corporation is formed for the purposes of:

- (a) advancing the public interest in and understanding of the performing and visual arts;
- (b) exposing the public to the works of established and emerging artists through live performances, film, readings, concerts, and similar activities;
- (c) providing regional and national artists with a forum to expose their works to the public;
- (d) offering workshops, classes, seminars and similar activities to the public;
- (e) conducting any and all lawful activities which may be useful in accomplishing the foregoing purposes, and without limiting the generality of the foregoing, engaging in any other charitable, religious, educational, literary, and scientific activities, within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Code .

The Corporation shall not have the power to carry on any activity not permitted to be carried on by a corporation exempt from Federal income taxation under section 501(c)(3) of the Code by a corporation, contributions to which are deductible under section 170(c)(2) of the Code.

Section 1.3 Location. The principal office of the Corporation shall be at the Stonington Opera House in the county of Hancock in the State of Maine. The Corporation may have such other offices, either within or without the State of Maine, as the Board of Directors may designate.

Section 1.4 Registered Office. The Registered Agent of the Corporation is Brent A. Singer. The Registered Office of the Corporation is 84 Harlow Street, PO Box 1401, Bangor,

Maine 04402-1401. The Registered Agent and Registered Office of the Corporation may be changed from time to time by the Board of Directors.

ARTICLE 2 – DIRECTORS

Section 2.1 General Powers. The activities of the Corporation shall be managed and controlled by a Board of Directors. All the corporate powers, except such as are otherwise provided for in these Bylaws and in the laws of the State of Maine, shall be and are hereby vested in and shall be exercised by the Board of Directors.

The Board of Directors shall have responsibility, either directly or through delegation to the Officers or committees for:

Financial planning, financial development, and management of the organization, including development of its annual operating and capital budgets, and its long range and strategic plans.

Approval of any change in the legal form of the organization.

Approval of any sale, lease, mortgage, encumbrance or other disposition of material assets or property used in, or otherwise dedicated to the accomplishment of the purposes of the organization.

Section 2.2 Qualification. Directors need not be residents of the State of Maine. However, no more than 49% of the individuals on the Board of Directors may be financially interested persons. For purposes of these Bylaws, a “financially interested person” means:

(a) An individual who has received or is entitled to receive compensation from the Corporation for personal services rendered to it by that individual within the previous 12 months, whether as a full-time or part-time employee, independent contractor, consultant or otherwise, excluding any reasonable payments made to directors for serving as directors. An individual is considered to receive compensation for services rendered to the Corporation by that individual if the individual is entitled to receive, other than as a shareholder of a publicly held corporation, a portion of the net income of a corporate or other business entity that provides, for compensation, personal services to the Corporation; or

(b) A spouse, brother, sister, parent or child of the individual described in sub-section (a) above.

Section 2.3 Number of Directors. As specified in the Articles of Incorporation, the minimum number of active voting directors (not less than 3) shall be seven (7) and the maximum number of directors shall be twenty-five (25). Within those limits fixed by the Articles of Incorporation, the actual number of Directors of the Corporation at any one time may be

increased or decreased by the Board of Directors, is the discretion of the Board, by a vote of not less than two-thirds of the Directors then in office.

Section 2.4 Term and Resignation. Each Director shall serve for a term of three full fiscal years and shall be eligible for re-election for two additional successive terms for a total of no more than nine successive years. A Director who has served nine successive years shall be retired. After one year of retirement, such a Director shall again be eligible for election as a full Director for no more than two successive three-year terms. The exception to this shall be the Executive Director or any other Director who is also an employee, who shall serve on the Board with no limits to term. A new Director's term shall commence immediately upon their acceptance of a formal invitation from the Board, following a vote at a Board meeting, and shall continue until the expiration of such term at the end of the third full fiscal year or until his or her earlier death, resignation, or removal.

Section 2.4(a) Emeritus Members. The active Board may, by a vote of two thirds of the then-serving members of the Board of Directors, confer the title of "Emeritus" upon a former or retiring Director who is no longer serving as an active member of the Board of the organization. The title "Emeritus" is an honorary title, given to Directors who have performed meritorious service to the organization with their gifts of time, talent and treasure. Emeritus members may, at the Chairperson or presiding officer's discretion, be called upon to attend Board meetings and to provide insights and advice.

Section 2.5 Vacancies. Any vacancy in the Board of Directors, including a vacancy created by an increase in the number of Directors made by the Board of Directors, may be filled by a qualified individual elected by a vote of at least two-thirds of the Directors then serving on the Board of Directors.

Section 2.6 Place of Directors' Meetings. Meetings of the Board of Directors, regular or special, may be held either within or without the State of Maine, and upon such notice as stated below. Attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Members of the Board of Directors may participate in any regular or special meeting of such Board by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and participation in a meeting thereby shall constitute presence in person at such meeting.

Section 2.7 Regular and Special Meetings. The regular annual meeting of the Board shall be at such time and place as is determined by the Chairperson. It is generally held in October. In addition to the regular annual meeting, the Chairperson calls two additional meetings per year. Additional special meetings of the Board may be called by the Chairperson and must be called on a written request by one third of the members of the Board. Directors are strongly encouraged to attend at least two out of the three meetings in person.

Section 2.8 Notice of Meetings. Notice of all Directors' meetings shall be given by mailing the same at least twelve (12) days or by electronically or personally delivering the same at least five (5) days before the meeting to the usual business, residence, or email address of the Director. Any business may be transacted at the Board's regular annual meeting. In addition, at any meeting at which every Director is present, even though without any notice or waiver thereof, any business may be transacted. Activities not mentioned in the notice may be acted upon if the majority of the then serving board is present. In all other cases, the business to be transacted at any meeting shall be limited to such business as is specified with reasonable particularity in the notice of such meeting.

Section 2.9 Chairperson. At all meetings of the Board of Directors, the Chairperson, or in the absence of the Chairperson, the Vice Chairperson shall preside.

Section 2.10 Quorum. At all meetings of the Board of Directors a majority of the Directors 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 of Directors, except as may be otherwise specifically provided by statute or by these Bylaws.

Section 2.11 Compensation. Directors, except for those who also serve as employees and are compensated as such, shall not receive any stated salary for their services as such, but by resolution of the Board a fixed reasonable sum or expenses of attendance, if any, or both, may be allowed for attendance at each regular or special meeting of the Board.

Section 2.12 Unanimous Action of Directors Without a Meeting. Any action which may be taken at a meeting of the Directors or of a committee of the Directors may be taken without a meeting if all of the Directors or all of the members of the committee, as the case may be, sign written consents setting forth the action taken or to be taken, at any time before or after the intended effective date of such action. A consent sent via e-mail to the Chairperson from each Director, if sent from the e-mail address of such Director then on record with the Corporation or otherwise demonstrated to be sent from such Director, shall constitute a written consent signed by such Director. Such consents, including a hard copy of a consent by a Director delivered via e-mail, shall be filed with the minutes of Directors' meetings and shall have the same effect as a unanimous vote. The Board of Directors may adopt a policy with respect to matters subject to voting by e-mail and the conduct of such votes.

Section 2.13 General Standards for Directors. A Director shall discharge the Director's duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director reasonably believes to be in the best interests of the Corporation. In discharging the Director's duties, a Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
- (b) Legal counsel or a public accountant or other person as to matters the Director reasonably believes are within the person's professional or expert competence; or
- (c) A committee of the Board of Directors of which the Director is not a member, as to the matters within its jurisdiction, if the Director reasonably believes the committee merits confidence.

A Director is not acting in good faith if the Director relies on information, opinions, reports or statements that the Director knows or has reason to believe are unwarranted. A Director is not liable for the performance of the duties of the Director's office if the Director acted in compliance with this section and, if a conflict-of-interest transaction is involved (as defined below), the transaction was fair to the corporation or was approved as set forth below. A Director is not considered a trustee with respect to the Corporation or with respect to any property held or administered by Corporation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of the property.

Section 2.14 Meeting Decorum and Protocol. The Board of Directors shall exemplify, communicate, and enforce the expectation that meetings be conducted in an orderly and respectful manner. All members of the Board shall strive to give fair consideration to diverse and opposing viewpoints. The Chairperson has the sole responsibility to require order in a meeting. To that end, the Chairperson has the authority to call a Director, former Director, or Officer to order, or, if necessary, to excuse any Director, Officer, former Director, or guest who is disrespectful or disruptive to meeting proceedings.

ARTICLE 3 – OFFICERS

Section 3.1 Enumeration. The officers of the Corporation shall be the Chairperson, Vice Chairperson (or co-Chairpersons), Executive Director, Treasurer, and Secretary and such other officers with such powers and duties not inconsistent with these Bylaws as may be appointed and determined by the Board of Directors. The duties of the officers of this Corporation wherein they are not specifically enumerated in these Bylaws shall be the duties specified by law as the usual duties of similar officers in similar nonprofit corporations.

Section 3.2 Election, Term of Office and Qualifications. The Chairperson and other officers shall be elected every two years by the Board of Directors. If the election of officers shall be delayed for any reason, such election shall be held as soon thereafter as convenient and each officer then holding an elective office shall continue to hold said office or offices until his or her successor shall have been duly elected.

Section 3.3 Vacancies. In case any office of the corporation becomes vacant by death, resignation, disqualification, or any other cause, the majority of the Directors then in office shall elect an officer to fill such vacancy.

Section 3.4 Chairperson. The Chairperson or co-Chairpersons shall have discretionary authority concerning the ordinary affairs and operations of the Corporation. The Chairperson shall preside at all meetings of the Directors when present. The Chairperson, subject to the control of the Board of Directors, shall have authority to sign as Chairperson all deeds, leases, mortgages, contracts, or other documents or instruments of the Corporation. The Chairperson shall also perform all other duties incident to this office prescribed by law or by special vote of the Directors.

Section 3.4(a) Executive Director. The Executive Director is an employee of the organization and as such shall act as the Corporation's Managing Director / Chief Executive Officer at the Board's discretion. The Executive Director shall have discretionary authority concerning the day to day affairs and operations of the Corporation as defined by the Board in this position's job description and during annual performance evaluations. The Executive Director, subject to the control of the Board of Directors, shall have authority to sign as Executive Director all deeds, leases, mortgages, contracts, or other documents or instruments of the Corporation. The Executive Director, under the direction and review of the Treasurer, shall have the custody of all funds, property, and securities of the Corporation, subject to such regulations as may be imposed by the Board of Directors. The Executive Director shall also perform all other duties incident to this office prescribed by law or by special vote of the Directors.

Section 3.5 Vice Chairperson. The Vice Chairperson, at the request of the Chairperson, or in the event of the Chairperson's absence or disability, may perform the duties and possess and exercise the powers of the Chairperson; and to the extent authorized by law the Vice Chairperson shall have such other powers as the Board of Directors may determine, and shall perform such other duties as may be assigned to the Vice Chairperson by the Board of Directors.

Section 3.6 Treasurer. The Treasurer shall, subject to the control of the Board, have responsibility for reviewing the maintenance and safekeeping of all books of accounts and financial records of the Corporation. The Treasurer shall oversee the work of the accounting records of the Executive Director, Business Manager, or Bookkeeper, including meeting with each at regular intervals, and shall oversee the preparation of complete financial reports and balance sheets for the fiscal year which shall be presented to the Board at its annual meeting. The Treasurer may be required to give bond for the faithful performance of the Treasurer's duties in such sum and with such sureties as the Board of Directors may require. When necessary or proper, the Treasurer may endorse on behalf of the Corporation for collection

checks, notes, and other obligations, and shall deposit the same to the credit of the Corporation at such bank or banks or depository as the Board of Directors may designate.

Section 3.7 Secretary. The Secretary shall have charge of such books, documents, and papers as the Board of Directors may determine and shall maintain the custody of the corporate seal, if any, at the Corporation's offices. The Secretary shall attend and keep the minutes of all the meetings of the Board of Directors. The Secretary may co-sign with the Chairperson or Executive Director, in the name and on behalf of the Corporation, any contracts, agreements, leases, or employment agreements authorized by the Board of Directors, and when so authorized or ordered by the Board of Directors, the Secretary may affix the seal of the Corporation. The Secretary shall assist in the supervision of elections; issue formal notification of such election or appointment to office or committee; issue formal notification of meetings of the Board; and keep records of proceedings of all committees of the Board as filed by the recording secretaries of those committees. The Secretary shall, in general, perform all the duties incident to the office of Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned by the Board of Directors. In the absence of the Secretary, these duties may be performed by another, appointed by the Board.

Section 3.8 Removal. Any officer, with the exception of the Executive Director, may be removed from office with or without cause by the affirmative vote of a majority of all the Directors then in office. The tenure of the Executive Director is to be determined on the basis of his or her contract, along with annual performance goals and evaluations.

Section 3.9 General Standards of Officers. An Officer of the Corporation shall discharge that Officer's duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Officer reasonably believes to be in the best interests of the Corporation. In discharging the Officer's duties, an Officer is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One or more officers or employees of the Corporation whom the Officer reasonably believes to be reliable and competent in the matters presented;
- or
- (b) Legal counsel or a public accountant or other person as to matters the Officer reasonably believes are within the person's professional or expert competence.

An Officer is not acting in good faith if the Officer relies on information, opinions, reports or statements that the Officer knows or has reason to believe are unwarranted. An Officer is not liable to the Corporation or other person for any action taken or not taken if the Officer

acted in compliance with this section and, if a conflict-of-interest transaction is involved (as defined below), the transaction was fair to the corporation or was approved as set forth below.

ARTICLE 4 – MEMBERS

Section 4.1 There shall be no members.

ARTICLE 5 – INDEMNIFICATION; INSURANCE

Section 5.1 Required Indemnification. The Corporation shall in all cases indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided that no indemnification shall be provided for any person with respect to any matter as to which he or she shall have been finally adjudicated in any action, suit or proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Corporation or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order or conviction adverse to such person, or by settlement or plea of nolo contendere or its equivalent, shall not of itself create a presumption that such person did not act in good faith in the reasonable belief that his or her action was in the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. The right to indemnification granted by this section may be enforced by a separate action against the Corporation, if an order for indemnification is not entered by a court in the action, suit or proceeding wherein such person was successful on the merits or otherwise.

Section 5.2 Determination by Board. Any indemnification under Section 5.1, unless ordered by a court, shall be made by the Corporation upon a determination that indemnification of the director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth above. Such determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion. Such a determination, once made by the Board of Directors may not be revoked by the Board of Directors, and upon the making of such determination by the Board of Directors, the director or officer may enforce the indemnification against the Corporation by a separate action

notwithstanding any attempted or actual subsequent action by the Board of Directors.

Section 5.3 Advance Payments. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the manner provided in Section 5.2 upon receipt of an undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation.

Section 5.4 Indemnification Not Exclusive. The indemnification provided by Section 5.1 shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 5.5 Power to Purchase Insurance. The Corporation has the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under Section 5.1.

ARTICLE 6 – AGENTS; COMMITTEES

Section 6.1 Agents. The Board of Directors may appoint such agents and representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Corporation as the Board of Directors may see fit, to the extent authorized or permitted bylaw.

Section 6.2 Committees. The Board of Directors may designate such committees as the Board deems necessary, which committees may consist of either members of the Board or other persons as designated in the resolution authorizing that committee. The designation of any such committee and the delegation to it of authority shall not relieve the Board of Directors or any member thereof of any responsibility imposed by law. The members of any such committee or committees appointed shall serve during the pleasure of the Board of Directors and each such committee may, subject to the approval of the Board of Directors, prescribe rules and regulations for the call and conduct of meetings of the committee or committees and other matters relating to its procedure.

The committees may include but are not limited to those enumerated below.

- (a) Executive Committee. The Executive Committee shall be made up of the Chairperson, Vice Chairperson, Treasurer, Secretary, Executive Director and two other Directors designated by the Board at the October meeting at which election of Officers takes place. The Executive Committee shall exercise all powers and authority of the Board of Directors, except the powers to adopt, amend or repeal these bylaws, or as may be specifically reserved by the Board of Directors.
- (b) Governance Committee. The Governance Committee shall consist of at least five and no more than seven Directors designated by the Board plus the Chairperson. The committee shall propose and submit to the Board of Directors names and credentials of persons nominated for election as Directors at the annual meeting in October and the winter board meeting. The committee shall also be responsible for presenting a slate of Officers for election at the annual meeting. The committee shall also track the terms of current members, notify them when their 3- year term is going to end, determine if they are planning to renew, and give notice if they are completing their final year. The Governance Committee shall also assist the Chairperson, the Executive Director, and the Board of Directors on procedures and policies, such as revising by-laws, as needed.

ARTICLE 7 – FINANCIAL ISSUES

Section 7.1 Contracts. The Board of Directors may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to a specific instance.

Section 7.2 Checks. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness shall be issued in the name of the Corporation and in such manner as shall from time to time be determined by the Board of Directors.

Section 7.3 Deposits. All funds, securities, or other types of financial assets of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select or approve.

Section 7.4 Gifts. The Board of Directors may accept, on behalf of the Corporation, any contribution, gift, bequest, or devise, including but not limited to real estate without limitation, for the general purposes or for any special purpose of the Corporation.

Section 7.5 Fiscal Year. The fiscal year of the Corporation shall be November 1 to October 31.

Section 7.6 Audit. At the end of the fiscal year, the Treasurer may cause an audit of the Corporation's books and records of account to be prepared by an independent certified public accountant. The Treasurer will send to each Director a copy of the report.

ARTICLE 8 - BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of accounts and shall keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors. All books and records of the Corporation may be inspected by any officer or director of the Corporation, or the officer's or director's agent or attorney, for any proper purpose at any reasonable time, as long as the officer or director, or the officer's or director's agent or attorney, gives the corporation written notice at least 5 business days before the date on which the officer or director, or the officer's or director's agent or attorney, wishes to inspect and copy any books or records. The corporation may in its discretion require the officer or director, or the officer's or director's agent or attorney, to pay the reasonable cost of the copies made and may impose reasonable restrictions on the use or distribution of the records by such a person. Provided, however, that nothing in this Article 8 shall prevent or be construed as preventing the Corporation, in its discretion, from permitting inspection and copying of its books and records on such lesser notice, or by other persons, as the Board of Directors may deem appropriate at any time.

ARTICLE 9 – CONFLICT-OF-INTEREST TRANSACTIONS

Section 9.1 Definition of Conflict-of-Interest Transaction. For purposes of this Article 9, a conflict-of-interest transaction is a transaction in which a Director or Officer of the Corporation has a direct or indirect material financial interest. For purposes of this Article 9, a Director or Officer has an indirect financial interest in a transaction if:

- (a) Another entity in which the Director or Officer has a material interest or in which the Director or Officer is a general partner is a party to the transaction; or
- (b) Another entity of which the Director or Officer is a director, officer, or Director is a material party to the transaction.

Section 9.2 Approval of Conflict of Interest Transactions. A conflict-of-interest transaction must be approved before consummation of the transaction as follows: The Board of Directors of the Corporation may authorize, approve or ratify the transaction if the material facts of the transaction and the director's or officer's interest are disclosed or known to the Board. The transaction may be approved only if it is fair and equitable to the Corporation as of the date the transaction is authorized, approved or ratified. The party asserting fairness of any such transaction has the burden of establishing fairness. For purposes of this section, a conflict-of-interest transaction is approved if it receives the affirmative vote of a majority of the Directors on the Board of Directors of the Corporation who have no direct or indirect interest in the transaction, but a transaction may not be approved by a single director. If a majority of the Directors on the Board who have no direct or indirect interest in the transaction vote to approve

the transaction, a quorum is present for the purpose of taking action under this section. Directors must recuse themselves from discussions and/or votes in which they perceive themselves as having direct or indirect material interest.

ARTICLE 10 - NONPROFIT STATUS

Section 10.1 Prohibition Against Sharing in Corporate Earnings. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its directors, officers, or other private persons, except that the corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes.

Section 10.2 State Law Requirements. The funds or assets of the Corporation may not be transferred or applied and a Director or Officer of the Corporation may not authorize the transfer or application of funds or assets of the Corporation if:

- (a) The transfer constitutes a conflict-of-interest transaction within the meaning of Article 9 that is neither fair nor properly approved as set forth in Article 9;
- (b) The transfer misapplies the funds or assets in violation of a statute, including conversion transactions in violation of Title 5, sections 194-C to 194-H, as amended, of Maine Revised Statutes Annotated;
- (c) The transfer is to a Director or Officer of the Corporation or to another person in a position to exercise substantial influence over the affairs of the Corporation and constitutes private inurement or excess benefits that exceed the fair market value of the property or services received in return; or
- (d) The transfer of funds or assets is to a subsidiary or joint venture organized as a for-profit entity, unless the Board determines under the facts and circumstances at the time of transfer or commitment to transfer that:
 - (1) the organization and operations of the for-profit entity will serve, further, or support a charitable purpose of the Corporation;
 - (2) the transfer or the commitment to transfer is fair to the Corporation;
 - (3) Distributions of net income by the for-profit entity to owners and investors will be proportionate to their investment interests; and
 - (4) The articles of incorporation, bylaws, or similar organizational documents require that compensation transactions between the for-profit entity and investors in the entity or directors or officers of the entity or

others in a position to exercise substantial influence over the affairs of the entity be established in amounts that do not exceed the fair market value of services or property to be provided to the entity.

Provided, however, if a transfer constitutes a conversion transaction as defined in Title 5, section 194-B, subsection 2, as amended, of Maine Revised Statutes Annotated, then the provisions of Title 5, sections 194-B to 194-K may apply and nothing in this section shall be deemed inconsistent with those provisions applicable to such transactions.

Section 10.3 Loans Prohibited. No loans shall be made by the Corporation to any Director or Officer of the Corporation except as approved by the board. Any Director or Officer who assents to or participates in the making of any such loan shall be liable to the Corporation for the amount of such loan until the repayment thereof.

ARTICLE 11 – AMENDMENTS OF ARTICLES AND BYLAWS

The Board of Directors shall have power to amend the Articles of Incorporation of the Corporation, and to make, amend, and repeal the Bylaws of the Corporation, by affirmative vote of not less than two-thirds of the members of the Board then in office.

ARTICLE 12 – DISSOLUTION

The dissolution of the Corporation may be authorized at a meeting of the Board of Directors upon the adoption of a resolution to dissolve by the vote of not less than two-thirds of the Directors then in office. Upon the dissolution of the Corporation for any reason, the Board shall pay or make provisions for the payment of all debts and liabilities of the Corporation. All remaining assets shall be distributed for one or more exempt purposes within the meaning of § 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. To the extent possible, such distribution of assets shall be made to organizations serving similar cultural and educational charitable purposes as the Corporation. Furthermore, to the extent not inconsistent with the Corporation's status as exempt from income tax under

§ 501(c)(3), any copyrights or permissions held by the Corporation shall revert to the authors or composers of the work in question. The Board shall also use its best efforts to see that any of the Corporation's artistic property, including but not limited to scripts, musical scores, videos, recordings, historical photographs, drawings, and documents belonging to the Corporation, shall pass to an organization dedicated to the maintenance of such artifacts for historical and artistic purposes.