

Bylaws of Pegasus Theater Company, Incorporated

Revised (5/25/2017)

A California Nonprofit Benefit Corporation

ARTICLE I

The name of this corporation shall be PEGASUS THEATER COMPANY, INCORPORATED.

ARTICLE II

OFFICES

Section 1. Principal Office

The principal office for the transaction of business of the corporation (“principal executive office”) is located at 17300 Watson Rd., Guerneville, CA, County of Sonoma, California. The directors may change the principal office from one location to another. Any change of this location shall be noted by the Secretary on these Bylaws opposite this section, or this section may be amended to state the new location.

Section 2. Other Offices

The Board of Directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

ARTICLE III

OBJECTIVES AND PURPOSES

The specific purpose of this corporation is to produce thought provoking theater that reflects, enriches and educates the diverse community that it serves, and to enhance the tourist attraction so essential to our local economy. We intend to accomplish this through performances, classes, lectures, through benefit performances for nonprofit organizations that serve the Russian River community, and by encouraging personal artistic growth by providing opportunities for individuals to explore their interest in theater.

ARTICLE IV

NONPARTISAN ACTIVITIES

This corporation has been formed under the California Nonprofit Public Benefit Corporation law for the public purposes described above, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the corporation shall consist of the publication or dissemination of materials with the purpose of attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign on the behalf of any candidate for public office or for or against any cause or measure being submitted to the people for vote.

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The corporation shall not, except in an insubstantial degree, engage in any activities or exercise any powers that are not in the furtherance of the purpose described above.

ARTICLE V

DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of this corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any member of director of this corporation. On liquidation or dissolution, all properties and assets and obligations shall be distributed and paid over to any organization dedicated to charitable purposes, provided that the organization continues to be dedicated to the exempt purposes as specified in the Internal Revenue Code Section 501(c)(3).

ARTICLE VI

MEMBERSHIP

This corporation is not a membership corporation, except that the Board of Directors shall be voting members.

ARTICLE VII

DIRECTORS

Section 1. Powers

- (a) General Corporate Powers. Subject to the provisions of the California Nonprofit Corporation law, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.
- (b) Specific Powers. Without prejudice to these powers, and subject to the same limitations, the Directors shall have the power to:
 - (i) Select and remove all officers, agents, and any employees of the corporation; prescribe any powers and duties for them that are consistent with the law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation.
 - (ii) Change the principal executive office or the principal business office in the State of California from one location to another; cause the corporation to be qualified to do business in any other state, territory, dependency, or country and conduct business within or outside the State of California, and designate any place within or outside the State of California for the holding of meetings, including annual meetings.
 - (iii) Adopt, make, and use a corporate seal; and alter the form of the seal.
 - (iv) Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name,

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promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

Section 2. Number and Qualifications

The authorized number of directors shall be 3-7. Directors need not be residents of the State of California.

Section 3. Election and Term of Office of Directors

Directors shall be elected by the Board of Directors. The Term of Office for each director shall be two (2) years, and a director may not serve more than two (2) Terms consecutively unless approved by the board. A director elected to fill a vacancy shall hold office until expiration of the term for which elected.

Section 4. Vacancies

- (a) Events Causing Vacancy. A vacancy or vacancies in the Board of Directors shall be deemed to exist on the occurrence of the following:
 - (i) The death, or resignation of any director;
 - (ii) The declaration by resolution of the Board of Directors of a vacancy of the office of a director who has been declared of unsound mind by an order of the court or conviction of a felony or has been found by final order or judgement of any court to have breached a duty under sections 5230 and following of the California Nonprofit Corporation Law;
 - (iii) The removal of a director by majority vote of the members of the Board of Directors.
- (b) Resignations. Except as provided in this paragraph, any director may resign, which resignation shall be effective on giving written notice to the Chairman of the Board, the President, the Secretary or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office as of the date when the resignation becomes effective. No director may resign when the corporation would be left without a duly elected director or directors in charge of its affairs.
- (c) No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.
- (d) Restriction on Interested Directors. Not more than 49% of the persons serving on the Board of Directors at any time may be interested persons. An interested person is
 - (i) Any person being compensated by the corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as a director; and

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- (ii) Any brother, sister, ancestor, descendant, spouse, sister-in-law, brother-in-law, mother-in-law, father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 5. Place of Meetings

Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such designation, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board shall be held at any place within or outside the State of California that has been designated in the notice of the meeting or, if not stated in the notice, or if there is no notice, at the principal executive office of the corporation.

Notwithstanding the above provisions of this Section 5, a regular or special meeting of the Board of Directors may be held at any place before or after the meeting. If consents are given, they shall be filed with the Minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in the meeting can hear one another.

Section 6. Other Regular Meetings

Other regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice.

Section 7. Special Meetings

- (a) Authority to Call. Special meetings of the Board of Directors for any purpose may be called at any time by the chairman of the Board or the president, or any vice president, the secretary, or any two directors.
- (b) Notice.
 - (i) Manner of Giving. Notice of the time and place of special meetings shall be given to each director by one of the following methods: a) by personal delivery or written notice; b) by first-class mail, postage paid; c) by telephone communication, either directly to the director or to a person at the director's office who would reasonably be expected to communicate such notice promptly to the director; or d) by email. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the corporation.
 - (ii) Time Requirement. Notice sent by first-class mail shall be deposited into a United States mailbox at least four days before the time set for the meeting. Notices given by personal delivery, telephone, or email shall be delivered, telephoned, or emailed at least 48 hours before the time set for the meeting.

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- (iii) Notice Contents. The notice shall state the time and place for the meeting. However, it need not specify the purpose of the meeting, or the place of the meeting, if it is to be held at the customary meeting place.

Section 8. Quorum

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 11. Of this ARTICLE VII. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of the California Nonprofit Corporation Law, especially those provisions relating to 1) approval of contracts or transactions in which a director has a direct or indirect material financial interest, 2) appointment of committees, and 3) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 9. Closed Session

The board shall meet in closed session when discussing sensitive personnel-type matters.

Section 10. Waiver of Notice

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be valid as though taken at a meeting duly held after regular call and notice, if 1) a quorum is present, and 2) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the Minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the Minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 11. Adjournment

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 12. Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

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Section 13. Action Without Meeting

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing, including email, to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the Minutes of the proceedings of the Board.

Section 14. Fees and Compensation of Directors

Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the Board of Directors to be just and reasonable.

ARTICLE VIII

COMMITTEES

Section 1. Committees of Directors

The Board of Directors may, by resolution adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the Board. Any committee, to the extent provided in the resolution of the Board, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) fill vacancies on the Board of Directors or in any committee which has the authority of the Board;
- (b) fix compensation of the directors for serving on the Board or on any committee;
- (c) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (d) amend or repeal any bylaws or adopt new bylaws;
- (e) appoint any other committees of the Board of Directors or the members of these committees;
- (f) expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected;
- (g) approve any transaction 1) to which the corporation is a party and one or more directors have a material financial interest; or 2) between the corporation and one or more of its directors who have a material financial interest.

By a majority vote of its members then in office the Board may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two (2) the number of its members, and fill vacancies therein from the members of the Board. The Committee shall keep

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regular Minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

Section 2. Other Committees

The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. Such other committees may consist of persons who are not also members of the Board. These additional committees shall act in an advisory capacity only to the Board and shall be clearly titled as “advisory” committees.

Section 3. Meetings and Actions of Committees

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the content of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of the committees may be fixed by resolution of the Board of Directors or by the committee. The time for special meetings of committees may also be fixed by the Board of Directors. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

ARTICLE IX

INSTRUMENTS, DEPOSITS AND FUNDS

Section 1. Execution of Instruments, Deposits and Funds

The Board of Directors, except as otherwise provided in these Bylaws, may, by resolution, authorize any officer or agent of the corporation 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 specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the Treasurer and counter signed by the President of the Corporation. Checks and promissory notes shall be signed and counter-signed by any two (2) Board members.

Section 3. Deposits

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All funds 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.

Section 4. Gifts

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the charitable or public purposes of this corporation.

ARTICLE X

CORPORATE RECORDS, REPORTS AND SEAL

Section 1. Maintenance of Corporate Records

The corporation shall keep the following records:

- (a) Minutes of all meetings of directors, and committees of the Board indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof.
- (b) Adequate and correct books and records of account including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- (c) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by any Director of the corporation at all reasonable times during office hours.

Section 2. Corporate Seal

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 3. Directors' Inspection Rights

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind, and to inspect the physical properties of the corporation.

Section 4. Right to copy and Make Extracts

Any inspection under the provisions for this Article may be made in person or by agent or attorney and the right to inspection includes the right to copy and make extracts.

ARTICLE XI

FISCAL YEAR

Section 1. Fiscal year of the Corporation

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The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XII

BYLAWS

Section 1. Amendment

Subject to any provision of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by the approval of the Board of Directors.

ARTICLE XIII

AMENDMENT OF ARTICLES OF INCORPORATION

Section 1. Amendment of Articles

Any amendment of the Articles of Incorporation may be adopted by approval of the Board of Directors.

Section 2. Certain Amendments

Notwithstanding the above Sections of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation and of the names and addresses of the first directors of this corporation nor the name and addresses of its initial agent, except to correct an error in such statement or to delete either statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

ARTICLE XIV

PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS

No member, director, officer, employee, or any other person connected with this corporation, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided, however, that this provision shall not prevent payment to any such person or reasonable compensation for services performed for the corporation in effecting any of its public or charitable purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the corporation. Upon such dissolution or winding up of the affairs of the corporation, whether voluntarily or involuntarily, the assets of the corporation, after all debts have been satisfied, then remaining in the hands of the Board of

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Directors, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.

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WRITTEN CONSENT OF DIRECTORS ADOPTING BYLAWS

We, the undersigned, are the persons named as the Directors of PEGASUS THEATER COMPANY, INCORPORATED, a California nonprofit corporation, and, pursuant to the authority granted to the directors by these Bylaws to take action by unanimous written consent without a meeting, consent to, and hereby do, adopt the foregoing amended Bylaws, consisting of 11 pages, as the Bylaws of this corporation.

Dated: _____

George Schult, President

Scott Kersnar, Treasurer

Patti Averbuck, Volunteer Coordinator

Brendan Flynn

Anna Narbutovskih, Secretary

CERTIFICATION

This is to certify that the foregoing is true and correct copy of the Bylaws of the corporation named in the title thereto and that such Bylaws were duly adopted by the Board of Directors of said corporation on the date set forth above.

Dated: _____

Secretary