

**BYLAWS**  
**OF**  
**YOGA ASSOCIATION OF TEXAS**

(Incorporated under the Texas Non-Profit Corporation Act)

**ARTICLE I**

**Offices**

Section I.1 Principal Office. The principal business office of Yoga Association of Texas Inc., dba Texas Yoga Association, (the “Company”) shall be at 3641-C Westheimer Rd., Houston, TX 77027.

Section I.2. Other Offices. The Company may have such other business offices, within or without the State of Texas, as the Board of Directors may from time to time establish or the business of the Company may require.

**ARTICLE II**

**Board of Directors**

Section II.1. Power. The powers of the Company shall be exercised by or under the authority of, and the business, properties and affairs of the Company shall be managed under the direction of, the Board of Directors of the Company, except for matters specifically reserved to the Members as provided in these Bylaws. Directors must be residents of the State of Texas. Each year, the directors shall act within the parameters of the Annual Budget for the Company, which shall be proposed by the Board of Directors and approved by the Budget Approval Committee annually. Directors shall seek approval of the Budget Approval Committee to exceed the Annual Budget by greater than 15% either in the aggregate or per individual line item. In the event that an Annual Budget has not been approved, the Board of Directors may continue to act under the prior year’s Annual Budget plus an additional 10% for each line item and in the aggregate until a new Annual Budget is approved by the Budget Approval Committee.

Section II.2. Number, Qualifications, Term and Elections. The number of directors constituting the initial Board of Directors shall be the number fixed by the Certificate of Formation or by the Board of Directors in a binding resolution. Thereafter, the number of directors may be increased or decreased (but not to a number fewer than three (3)) from time to time by amendment to, or in the manner provided in, these Bylaws, but no decrease shall have the effect of shortening the term of any incumbent director. The initial Directors shall serve for a minimum term of 5 years or until they resign or until they are removed in accordance with Section II.4. Thereafter, directors shall be elected by the then current Members of the

Association at the Annual Meeting of the Members in an election year as follows. On the 5<sup>th</sup> year and once every two years thereafter, one seat on the Board of Directors shall come up for election. A current director may run for re-election. The then current Members of the Company shall vote for the director from a list of nominated persons, who shall be nominated by a Member. Write-in votes will be allowed and each Member shall have one vote. The person with the most votes shall be elected as the new director. The new director shall then serve until their seat comes up for re-election or they resign or are removed, whichever is earlier. The seats on the Board of Directors shall come up for election sequentially (the last elected shall be the last up for re-election, *i.e.*, 6 years between election and re-election of a seat). The initial director's seats up for re-election shall be in the following order: first Roger Rippy, then Kristin Scheel and then Jennifer Beurgermeister. Initial directors may be re-elected. In the event of a tie in the election between 2 or more persons, there shall be a re-run election among the tying persons until a director is chosen. A person seeking to be a director must be a Member of the Association.

Section II.3. Resignation. Any director may tender his or her resignation as a director at any time. Any such tender of resignation shall be made in writing and shall take effect at the time specified therein, or, if no time is so specified, at the time of receipt by the Chairperson, the President or the Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in such resignation.

Section II.4. Removal. Any director may be removed from office, with cause, at any meeting of the Board of Directors by the affirmative vote of a majority (determined without including the affected director) of the full Board of Directors. Directors who are removed in accordance with this Section II.4 shall cease to serve immediately upon removal and shall be replaced by election as provided in Section II.2 above. Reasons for which a director may be removed "for cause" include, but are not limited to, negligence or dereliction of duty to the Company, criminal or unethical behavior, *ultra vires* acts, acts contrary or in conflict with these Bylaws or the Mission of the Company, or violation of the policies of the Company.

Section II.5. Vacancies. Any vacancy occurring in the Board of Directors, whether by removal, resignation or an increase in the number of positions on the Board of Directors, may be temporarily filled at a meeting of the Board of Directors by the affirmative vote of a majority of the remaining directors, even if such remaining directors comprise less than a quorum of the Board of Directors until such time as a proper election for a replacement director can be held, which shall be no later than 90 days from the date of the vacancy.

Section II.6. Meetings. (a) An annual meeting of (i) the Board of Directors, (ii) the Budget Approval Committee and (iii) the Members shall be held each year. The exact time and place shall be established by resolution of the Board of Directors.

(b) Regular meetings of the Board of Directors and the Members shall be held at such times and places (within or without the State of Texas) as the Board of Directors shall determine. Any and all business of the Board of Directors or the Members may be transacted at any regular meetings.

(c) Special meetings of the Board of Directors or the Members shall be held at any time or place (within or without the State of Texas) on the call of the Chairperson, the President (if any) or a majority of the directors then in office.

(d) Annual meetings of the Members shall be held in a public forum and shall have teleconferencing capacity for those Members unable to attend in person. Notice of the Annual Meeting of the Members shall be no less than 15 days and may be transmitted by email and listed publicly on the Association website ([www.texyoga.org](http://www.texyoga.org)), which shall constitute sufficient notice. The meetings are open to the general public, but only current Members on the date of the meeting may vote at the meeting if a vote is required on any matters. Members who cannot attend the meeting shall have the opportunity to absentee vote electronically prior to or on the date of the meeting. The following matters only shall require a vote of the Members:

(i) Election of the new director every two years (after the initial 5 years) as provided in Section 2.II, other than initial directors during the first 5 years of the adoption of these Bylaws (during which time initial director's vacancy shall be filled by vote of the majority of the remaining directors), which shall be elected by popular vote; and

(ii) Election of a 3 person Budget Approval Committee, who, after the initial term, shall be up for re-election every three years. The initial Budget Approval Committee shall be appointed by the Board of Directors and shall serve an initial term of two years. On the second year and every three years thereafter, at the Annual Meeting of the Members all of the seats on the Budget Approval Committees shall be up for re-election by popular vote of the Members (the three persons receiving the most votes shall be the new members of the Budget Approval Committee); and

(iii) any other matter specifically submitted by the Board of Directors for approval of the Members, which matters shall be decided by simple majority of those Members voting at the meeting.

Section II.7. Notice of Meetings. Each director shall be entitled to receive notice of each meeting of the Board of Directors. Each member of any committee of the Board of Directors shall be entitled to receive notice of each meeting of each committee on which such member serves. Except as otherwise provided by law, by the Certificate of Formation or by these Bylaws, written notice of the time and place of each such meeting shall be delivered, mailed or sent by facsimile or email to each such person at the last address designated to the Company by such person for receiving notice at least five (5) days before such meeting, or in person or by telephone at least three (3) days before such meeting. If transmitted by facsimile or email, such notice shall be deemed to be delivered on successful transmission of the facsimile or receipt of the email. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid. Except as otherwise provided by law, by the Certificate of Formation or by these Bylaws, such notice need not specify the business to be transacted at, or the purpose of, such meeting. The signing of a written waiver of notice of any meeting by the person or persons entitled to receive the same, whether before or after the time stated therein, shall be deemed to be equivalent to the giving of such notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened. Meetings of the Members shall be notified to the then current Members by email and also by publication of the meeting on the Association website ([www.texyoga.org](http://www.texyoga.org)). In the case of an Annual Meeting of the Members, notice shall be given no less than 15 days prior to the date of such meeting.

Section II.8. Quorum; Voting by Proxy. (a) A majority of the number of directors fixed by these Bylaws shall constitute a quorum for the transaction of business by the Board of Directors, and the act of the majority of the directors present in person or by proxy at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number shall be required by law, by the Certificate of Formation or by these Bylaws. If a quorum shall not be present at any meeting of the Board of Directors, the directors present thereat may adjourn such meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. In the event of a tie among votes on any particular item up for vote, the Chairperson shall have a second, tie-breaking vote.

(b) A director may vote in person or by proxy executed in writing by the director. No such proxy shall be valid after three months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable.

Section II.9. Procedure at Meetings. The Board of Directors, at each annual meeting, shall appoint one of their number as Chairperson of the Board of Directors. The Chairperson of the Board of Directors, shall preside at meetings of the Board of Directors. In his or her absence at any meeting or if a Chairperson is not appointed, the Directors, shall, at the commencement of the meeting elect a Chairperson to preside that the meeting. The Secretary of the Company, if any, shall act as secretary at all meetings of the Board of Directors. In the absence of the Secretary, the presiding officer of the meeting may designate any person to act as secretary. At meetings of the Board of Directors, the business shall be transacted in such order as the Chairperson may from time to time determine.

Section II.10. Presumption of Assent. Any person serving as a director or as a member of a committee of the Board of Directors who is present in person at a meeting of the Board of Directors or such committee at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless a dissent or abstention shall be entered in the minutes of the meeting, or unless the director shall file a written dissent or abstention to such action with the person acting as secretary of the meeting before the adjournment thereof. Such right to dissent or abstain shall not apply to a director or member of such committee who voted in favor of such action.

Section II.11. No Compensation. Directors as such shall not receive any stated salary or compensation for their service, but by resolution of the Board of Directors may be reimbursed for reasonable expenses actually incurred in connection with their service; provided, however, that nothing herein shall preclude any director from serving the Company in any other capacity or receiving compensation therefor.

Section II.12. Committees. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which committee shall consist of two or more persons, a majority of whom are directors; the remainder need not be directors. Each such committee may exercise such authority of the Board of Directors in the conduct of the business and affairs of the Company as the Board of Directors may, by resolution duly adopted, delegate to it, except as prohibited or limited by law. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law. Any member of such a committee may be removed, with or without cause, at any time by the Board of Directors. Each

such committee shall keep regular minutes of its proceedings and shall report the same to the Board of Directors when required. The minutes of the proceedings of each such committee shall be placed in the minute book of the Company.

Section II.13. Action Without a Meeting. (a) In addition to, and not by way of limitation of, any provision in the Certificate of Formation permitting action of directors or any committee to be taken without a meeting by a written consent of fewer than all of the directors or committee members, any action required by statute to be taken at a meeting of the Board of Directors, or which may be taken at a meeting of the directors or any committee appointed by the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action to be taken, shall be signed by all of the directors or all of the members of such committee, as the case may be, and such consent shall have the same force and effect as a unanimous vote of the directors or members of such committee, as the case may be. Such signed consent, or a signed copy thereof, shall be placed in the minute book of the Company.

(b) A telegram, telex, cablegram or similar transmission by a director or member of a committee or a photographic, photostatic, facsimile or similar reproduction of a writing signed by a director or member of a committee shall be regarded as signed by such director or member of a committee for purposes of any action taken by written consent.

Section II.14. Meetings by Telephone Conference. Subject to the provisions required or permitted by statute for notice of meetings, unless otherwise restricted by the Certificate of Formation, members of the Board of Directors or any committee designated by the Board of Directors may participate in and hold a meeting of the Board of Directors or such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

## **ARTICLE III**

### **Officers**

Section III.1. Titles and Qualifications. The officers of the Company shall consist of a Chairperson of the Board of Directors, a President and a Secretary; and may also consist of one or more Vice Presidents, a Treasurer and such officers and assistant officers as may be deemed necessary by the Board of Directors. All officers shall be elected, appointed or designated by the Board of Directors as provided in these Bylaws. Any two or more offices may be held by the same person, except the offices of both President and Secretary. A committee duly designated by the Board of Directors may perform the functions of any officer and the functions of any two or more officers may be performed by a single committee, including without limitation the functions of both president and secretary.

Section III.2. Election; Term; Qualification. Each officer of the Company shall be elected, appointed or designated by the Board of Directors in the manner provided in these Bylaws, and shall hold office until he or she resigns or is removed in accordance with Section III.4.

Section III.3. Resignation. Any officer may resign at any time. Any such resignation shall be made in writing and shall take effect at the time specified therein, or, if no time be specified, at the time of its receipt by the Chairperson, the President or the Secretary. The acceptance of a resignation shall not be necessary to make it effective, unless expressly so provided in such resignation.

Section III.4. Removal. Any officer elected, appointed or designated by the Board of Directors may be removed by the Board of Directors, with or without cause, whenever in their judgment the best interests of the Company will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. Election, appointment or designation of an officer shall not of itself create contract rights.

Section III.5. Vacancy. Any vacancy occurring in any office may be filled by the Board of Directors.

Section III.6. Duties. Each person elected, appointed or designated an officer of the Company shall have such powers and duties as generally pertain to such office, except as modified by these Bylaws and the Board of Directors from time to time.

Section III.7. Chairperson of the Board of Directors. The Chairperson of the Board of Directors shall preside at all meetings of the Board of Directors and shall also perform such other duties as are incident to the office of the Chairperson of the Board of Directors, except as may otherwise be prescribed by these Bylaws or as from time to time may be assigned by the Board of Directors.

Section III.8. President. The President shall be the chief executive officer and chief operating officer of the Company. Subject to the direction and control of the Board of Directors, the President shall have general supervision over the Company's several officers, shall manage the business, property and affairs of the Company and shall perform all duties incident to the office of the President, except as may otherwise be prescribed by these Bylaws or as may be from time to time assigned by the Board of Directors.

Section III.9. Vice Presidents. At the request of the Board of Directors or the President, or in the absence of the President, the Vice Presidents, or any of them, if any, shall perform the duties of the President, and when so acting, shall have all the powers of, and be subject to all restrictions upon, the President. Any action taken by a Vice President in the performance of the duties of the President shall be conclusive evidence of the absence or inability to act of the President at the time such action was taken. Subject to the control and supervision of the President, the Vice Presidents, or any of them, shall perform all duties incident to the office of the Vice President, except as may otherwise be prescribed by these Bylaws or as may be from time to time assigned by the Board of Directors or the President.

Section III.10. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and any committee of the Board of Directors in one or more books provided for such purpose and shall attend to the giving and serving of all notices of meetings in accordance with the provisions of these Bylaws or as required by law. In addition, the Secretary shall have charge of the corporate books, records, documents and instruments and the seal of the Company, if any, except as otherwise provided in these Bylaws or as may be from time to time provided by the Board of Directors or the President, all of which books, records, documents and

instruments shall be open to inspection for any proper purpose at any reasonable time upon application to the office of the Company. The Secretary shall see, if the Company has a seal, that the seal of the Company is affixed to all documents, the execution of which on behalf of the Company under its seal is duly authorized. Subject to the control and supervision of the President, the Secretary shall also perform all duties incident to the office of the Secretary, except as may otherwise be prescribed by these Bylaws or as may be from time to time assigned by the Board of Directors or the President.

Section III.11. Treasurer. The Treasurer, if any, shall be responsible for the custody of all money, funds, notes, securities and other valuables of the Company from time to time coming into the possession of the Company, and shall have charge of the books of account and financial records of the Company. When necessary or proper, the Treasurer may endorse, on behalf of the Company, for collection, checks, notes and other obligations and shall deposit the same to the credit of the Company in such bank or banks or depositories as shall be designated by the Board of Directors and may sign all receipts and vouchers for payments made to the Company, either alone or jointly with such other officer or officers as designated by the Board of Directors. The Treasurer shall enter or cause to be entered regularly in the books of the Company to be kept by the Treasurer for that purpose full and accurate accounts of all monies received and paid out on account of the Company. The Treasurer shall, if required by the Board of Directors, give such bond for the faithful discharge of such Treasurer's duties as the Board of Directors may require. The Treasurer shall furnish at meetings of the Board of Directors and at the Annual Meeting of the Members and at the meeting of the Budget Approval Committee, or whenever requested by the Board of Directors or the President or the Budget Approval Committee, a statement of the financial condition of the Company. Subject to the control and supervision of the President, the Treasurer shall also perform all duties incident to the office of the Treasurer, except as may otherwise be prescribed by these Bylaws or as may be from time to time assigned by the Board of Directors or the President.

Section III.12. Assistant Officers. Any Assistant Secretary, Assistant Treasurer or other assistant officer elected, appointed or designated by the Board of Directors shall have the powers and duties pertaining to the office of the Secretary, Treasurer or other office, respectively, subject to the control and supervision of the President and the person holding the office to which such assistant officer is serving as an assistant. Any such Assistant Secretary, Assistant Treasurer or other assistant officer shall exercise such powers and perform such duties during the absence or inability to act of the person holding the office to which such assistant officer is serving as an assistant. Each Assistant Treasurer shall, if required by the Board of Directors, give such bond for the faithful discharge of such Assistant Treasurer's duties as the Board of Directors may require.

Section III.13. Salaries. The salaries and other compensation of the officers of the Company, if any, shall be fixed from time to time by the Board of Directors. No officer shall be prevented from receiving such salary or other compensation by reason of the fact that he or she is also a director of the Company. Notwithstanding any other provision in these Bylaws, the Company shall not permit any part of the net earnings of the Company to inure to the benefit of any private individual, taking into account that reasonable compensation may be paid for personal services rendered to or for the Company if such services affect one or more of the Company's purposes.

Section III.14. Delegation. The Board of Directors may delegate temporarily the powers and duties of any officer of the Company, in case of such officer's absence or for any other reason, to any other officer of the Company, and may authorize the delegation by any officer of the Company of any of such officer's powers and duties to any agent or employee of the Company, subject to the general supervision of such officer.

## ARTICLE IV

### Indemnification

Section IV.1. Indemnification. The Company shall indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a director or, while a director of the Company, is or was serving at the request of the Company as an officer of the Company or as a director, officer, partner, venturer, proprietor, director, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise only if it is determined in accordance with Section IV.5 below that the person:

- (a) conducted himself in good faith;
- (b) reasonably believed:
  - (i) in the case of conduct in an official capacity as a director of the Company, that such director's conduct was in the Company's best interests; and
  - (ii) in all other cases, that such director's conduct was at least not opposed to the Company's best interests; and
- (c) in the case of any criminal proceeding, had no reasonable cause to believe such director's conduct was unlawful.

The Company may indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an officer, employee or agent of the Company to the same extent that it shall indemnify the directors of the Company under this Section IV.1.

Section IV.2. Limitations on Indemnity. Except to the extent permitted by Section IV.4 below, no person shall be indemnified under Section IV.1 above in respect of a proceeding:

- (a) in which the person is found liable on the basis that personal benefit was improperly received by such person, whether or not the benefit resulted from an action taken in the person's official capacity; or
- (b) in which the person is found liable to the Company.

Section IV.3. When Person is Liable. The termination of a proceeding by judgment, order, settlement or conviction or on a plea of *nolo contendere* or its equivalent shall not be of itself determinative that the person did not meet the requirements set forth in Section IV.1 above. A person shall be deemed to have been found liable in respect of any claim, issue or matter only

after the person shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

Section IV.4. Indemnification Coverage. A person may be indemnified under Section 0 above against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in connection with the proceeding; but, if the person is found liable to the Company or is found liable on the basis that personal benefit was improperly received by the person, the indemnification (a) shall be limited to reasonable expenses actually incurred by the person in connection with the proceeding and (b) shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of such person's duty to the Company.

Section IV.5. Determination of Right to Indemnity. A determination of indemnification under Section IV.2 above shall be made:

(a) by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding;

(b) if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors designated to act in the matter by the affirmative vote of a majority of the full Board of Directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding; or

(c) by special legal counsel selected by the Board of Directors or a committee of the Board of Directors by vote as set forth in Subsection (a) or (b) of this Section IV.5, or, if such a quorum cannot be obtained and such a committee cannot be established, by the affirmative vote of a majority of the full Board of Directors.

Section IV.6. Other Determinations. Authorization of indemnification and determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses shall be made in the manner specified by Subsection IV.5(c) above for the selection of special legal counsel.

Section IV.7. Expenses. Reasonable expenses incurred by a person who was, is or is threatened to be made a named defendant or respondent in a proceeding may be paid or reimbursed by the Company in advance of the final disposition of the proceeding and without the determination specified in Section IV.5 above or the authorization or determination specified in Section IV.6 above, after the Company receives a written affirmation by the person of his good faith belief that such person has met the standard of conduct necessary for indemnification under this Article IV and a written undertaking by or on behalf of the person to repay the amount paid or reimbursed if it is ultimately determined that he or she has not met that standard or if it is ultimately determined that indemnification of the person against expenses incurred by such person in connection with that proceeding is prohibited by Section IV.2 above.

Section IV.8. Insurance. The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company or who is or was serving at the request of the Company as a director, officer, partner, venturer, proprietor,

director, employee, agent or similar functionary of any other foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in such a capacity or arising out of a status as such a person, whether or not the Company would have the power to indemnify such person against that liability under this Article IV or any applicable law.

Section IV.9. Modifications. The provisions of this Article IV shall be modified to the extent the Texas Non-Profit Corporation Act may be amended in the future, but in the case of such amendment, only to the extent such amendment permits the Company to provide broader indemnification rights than such Act permitted the Company to provide prior to such amendment.

Section IV.10. Non-exclusive Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article IV shall not be exclusive of any other right that a person indemnified pursuant to this Article IV may have or hereafter acquire under any law (common or statutory), provision of the Certificate of Formation or these Bylaws, agreement, vote of disinterested directors or otherwise.

Section IV.11. Limitation on Indemnification of a Private Foundation. Notwithstanding any other provision of this Article IV, if the Company is a private foundation within the meaning of Section 501(a) of the Internal Revenue Code of 1986 or corresponding provisions of any subsequent federal tax laws (the "Code"), the right to indemnification conferred in this Article IV shall not include any rights to indemnification that would constitute a violation of Chapter 42 of the Code.

Section IV.12. Interpretation. If this Article IV or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Company shall nevertheless indemnify each director, and may indemnify any other person indemnified pursuant to this Article IV, as to costs, charges, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding to the fullest extent permitted by an applicable portion of this Article IV that shall not have been invalidated and to the fullest extent permitted by applicable law.

## ARTICLE V

### Miscellaneous Provisions

Section V.1. Fiscal Year. The fiscal year of the Company shall be the calendar year.

Section V.2. Corporate Seal. The Board of Directors may by resolution adopt a corporate seal for the Company, but the Company shall not be required to have a corporate seal. The corporate seal, if any, of the Company shall be in such form as the Board of Directors shall approve, and such seal, or a facsimile thereof, may be impressed on, affixed to or in any manner reproduced upon instruments of any nature required to be executed by officers of the Company.

Section V.3. Contracts. Subject to the Annual Budget parameters, the Chairperson of the Board of Directors, the President or any Vice President may execute and deliver, in the name and on behalf of the Company, (i) contracts or other instruments and documents authorized by the Board of Directors and (ii) contracts or instruments in the usual and regular course of

business, except in cases when the execution or delivery thereof shall be expressly delegated or permitted by the Board of Directors or by these Bylaws to some other officer or agent of the Company. The Board of Directors may authorize any officer or officers, or any agent or agents, of the Company to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances. Unless so authorized by the Board of Directors or by these Bylaws, no officer, agent or employee shall have any power or authority to bind the Company by any contract or engagement, or to pledge its credit or to render it pecuniarily liable for any purpose or in any amount.

Section V.4. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by such officers or employees of the Company as shall from time to time be authorized by the Board of Directors or these Bylaws. Checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Company shall be signed by no less than two such officers or employees.

Section V.5. Depositories. All funds of the Company shall be deposited from time to time to the credit of the Company in such banks or other depositories as the Board of Directors may from time to time designate and upon such terms and conditions as shall be fixed by the Board of Directors. The Board of Directors may from time to time authorize the opening and maintaining within any such depository as it may designate of general and special accounts and may make such special rules and regulations with respect thereto as it may deem expedient.

Section V.6. Books and Records. The Company shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors.

Section V.7. Transfer of Stocks and Securities. Any and all shares of stock, bonds, debentures or other securities now or hereinafter owned of record or beneficially by the Company may be sold or assigned upon the signature of the Chairperson or the President.

Section V.8. Pledge of Assets. Notwithstanding any other provision of these Bylaws, the Company shall pledge its assets for use in performing its charitable functions and shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or corresponding provisions of any subsequent federal tax laws, or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code, or corresponding provisions of any subsequent federal tax laws.

## **ARTICLE VI**

### **Members**

In addition to the rights of the Members enumerated elsewhere in these Bylaws, the current Members at any given time shall have the following rights:

- (i) to be apprised of the general activities of the Company on a periodic basis, but no less than quarterly;
- (ii) to attend the Annual Meeting of the Members;

- (iii) to vote on the matters reserved to the Members in these Bylaws;
- (iv) to review the Annual Budget of the Company upon request;
- (v) to have a copy of the current Bylaws of the Company;
- (vi) to list their yoga events and activities on the [www.texyoga.org](http://www.texyoga.org) website and in the Member directory;
- (vii) to have a login/password to the [www.texyoga.org](http://www.texyoga.org) website;
- (viii) to participate in Company events and volunteer for the same; and
- (ix) to give feedback to the Board of Directors and the other Members and opine on the matters affecting the Company and the Members.

## **ARTICLE VII**

### **Amendments**

The Bylaws of the Company may be altered, amended or repealed, or new Bylaws may be adopted, at any meeting of the Board of Directors by the affirmative vote of a majority of the directors, provided that notice of such action shall have been given in the notice or waiver of notice of such meeting and further, provided that, those changes to the Bylaws which affects the rights of the Members (and no others) shall require the affirmative vote of a majority of the Members.

I certify that I am the duly elected and acting Secretary of the Company; that the above Bylaws are the Bylaws of the Company as adopted by the Board on March 22, 2010; and that they have not been amended or modified since that date.

EXECUTED on \_\_\_\_\_, 2010.

\_\_\_\_\_, Roger Rippy, Secretary

**CONFLICTS OF INTEREST POLICY  
OF  
YOGA ASSOCIATION OF TEXAS (“Company”)**

**Article I**

**Purpose**

The purpose of the conflict of interest policy is to protect the Company’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Company or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

**Article II**

**Definitions**

**1. Interested Person**

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

**2. Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a.** An ownership or investment interest in any entity with which the Company has a transaction or arrangement,
- b.** A compensation arrangement with the Company or with any entity or individual with which the Company has a transaction or arrangement, or
- c.** A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Company is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

**Article III**

**Procedures**

**1. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

**2. Determining Whether a Conflict of Interest Exists**

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the

determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

### **3. Procedures for Addressing the Conflict of Interest**

**a.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

**b.** The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

**c.** After exercising due diligence, the governing board or committee shall determine whether the Company can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

**d.** If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Company's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

### **4. Violations of the Conflicts of Interest Policy**

**a.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

**b.** If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

## **Article IV**

### **Records of Proceedings**

The minutes of the governing board and all committees with board delegated powers shall contain:

**a.** The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

**b.** The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the

proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

## **Article V Compensation**

**a.** A voting member of the governing board who receives compensation, directly or indirectly, from the Company for services is precluded from voting on matters pertaining to that member's compensation.

**b.** A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Company for services is precluded from voting on matters pertaining to that member's compensation.

**c.** No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Company, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

## **Article VI Annual Statements**

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

**a.** Has received a copy of the conflicts of interest policy,

**b.** Has read and understands the policy,

**c.** Has agreed to comply with the policy, and

**d.** Understands the Company is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **Article VII Periodic Reviews**

To ensure the Company operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

**a.** Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.

**b.** Whether partnerships, joint ventures, and arrangements with management organizations conform to the Company's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

## **Article VIII Use of Outside Experts**

When conducting the periodic reviews as provided for in Article VII, the Company may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility

