

Bylaws of Austin GLBT Recovery Club Inc. hereinafter referred to as "AUSTIN GALANO CLUB"  
Corporation as drafted June 27, 2011. Amended August 11, 2013

#### Article I: Purposes

AUSTIN GALANO CLUB Inc. is organized and shall be operated exclusively for charitable purposes, within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as follows: (1) to establish, maintain and operate a nonprofit facility of rehabilitation and education for substance abusers and others who seek help through twelve-step programs for addictions and related problems; (2) To advance education about the nature of substance abuse and addiction and the means and method of recovery and rehabilitation available to substance abusers and others who seek help with addictions and related problems; (3) to relieve the distress of recovering substance abusers and others who seek help with addict groups and individuals a safe, secure, affordable and welcoming environment for fellowship, recreation and service; and (4) to concentrate the foregoing activities in the Austin, Texas metropolitan area. AUSTIN GALANO CLUB shall provide approved activities in furtherance of the purpose of the corporation. AUSTIN GALANO CLUB is dedicated to including in its membership persons from all twelve step programs without regard to race, color, creed, or sexual identity or orientation.

#### Article II: Prohibited Activities

- (A) No part of the net earnings of AUSTIN GALANO CLUB Inc. shall inure to the benefit of, or be distributable to the members, directors or officers of the corporation, except that the corporation shall have the authority to pay reasonable compensation for services actually rendered to or for the corporation.
- (B) No part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in any political campaign on behalf of or in opposition to any candidate for public office.
- (C) Notwithstanding any other provision of the Bylaws, the corporation shall not engage in or carry on any activities not permitted to be engaged in or carried on by a corporation described in and exempt from Federal income taxation by virtue of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or corresponding provisions of any future Federal taxation statute).

#### Article III: Offices

The principle office of the corporation shall be located in Austin, Texas

#### Article IV: Membership

- (A) Qualifications: The membership of the corporation shall consist of individuals who subscribe to the purposes of the corporation and who pay the requisite membership dues.
- (B) Membership rights: A member will have the following rights: (1) to vote on resolutions and elect members to the Board of Directors; (2) to participate in any meeting of the membership which maybe duly called in accordance with these Bylaws; and (3) to vote on any amendment to

the Bylaws. One member shall have one vote. No proxies or absentee ballots shall be permitted in voting at meetings of the membership. Voting by mail on any matter is permitted where the Board of Directors deems such method appropriate.

- (C) Dues: Annual membership dues shall be established by the Board of Directors. Any change in membership dues shall become effective no sooner than 60 days after notice of such change is made to the members in accordance with these Bylaws. (The Board of Directors may provide for the payment of the requisite membership dues by means of services rendered to the corporation, under the supervision of the Executive Director.)
- (D) Membership meetings: (1) an annual meeting of the members shall take place in January, on a date set by the Directors, to elect Directors and conduct other such business as may properly come before the membership at that time. The initial annual meeting will be held in January 2012, on a date designated by the Board of Directors. (2) Special meetings of the membership may be called by the Board of Directors or upon petition by at least one third of the members. Only the business specified in the Notice of such meeting is authorized at any such special meeting. (3) Written or printed notice stating the place, day, time and in the case of a special meeting, the purpose of the meeting, shall be delivered not less than ten (10) or more than thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the Executive Director or the persons calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States addressed to the member as it appears at their residence at it appears in the most current records of the corporation, with postage thereon prepaid. (4) Any action taken at any membership meeting must be in accordance with these Bylaws and the purposes of the corporation as stated in the Articles of Incorporation. The will of a simple majority of qualified members present at any authorized membership meeting shall prevail. (5) At any meeting under this Article, a quorum is required for such a meeting to be in order. A quorum shall consist of fifteen percent (15%) of the recorded current membership at the time written notice is first given of such meeting.
- (E) Resignation: Any member of the corporation may resign at any time by delivering a written resignation to the Secretary. Such resignation is effective upon its receipt. Any donations, dues or other monies (other than loans) collected from the resigning member shall not be refunded.

#### Article V: Board of Directors

- (A) Composition, qualifications, terms: (1) The Board of Directors shall consist of nine (10) members of the corporation who are elected by the members. The requirements for serving as a Director are three (3) continuous years of membership in the corporation and three (3) continuous years of membership in a twelve step program. (2) Directors elected by the members after the third annual meeting shall serve terms of three (3) years each. (4) The initial Board of Directors will serve for the first three (3) years from the inception of the Corporation.
- (B) Duties: The business and affairs of the corporation shall be managed by the Board of Directors, which may exercise all powers of the organization and perform all lawful acts and things which are not prohibited by law, the Articles of Incorporation, and these Bylaws.

- (C) Meetings of the Board: (1) The Board of Directors shall meet at least once each calendar quarter, at such times and places as they by proper resolution provide. (2) An annual meeting of the Board of Directors shall be held in February of each, at which time newly elected members of the Board shall assume office. (3) Special meetings of the Board of Directors may be called by the President. (4) The Secretary shall either personally or in writing notify each Director of the time and place of each Directors meeting at least ten (10) days in advance. (5) A quorum is required for any meeting of the Board of Directors to be in order and consists of a majority of the Directors. (6) Proxy voting at meetings of the Board of Directors is prohibited. (7) Each Director shall have one vote. Actions of the Board will be taken upon a majority of those present and voting, except as otherwise specifically provided in these Bylaws. (8) Any or all directors may participate in a meeting of the Board or of a committee by means of conference call or other method by which all persons participating in the meeting may hear each other, and such participation will constitute attendance at the meeting. (9) During Board meetings which occur during the initial three (3) years of the Corporation, and in which a quorum is present, the Directors may modify these Bylaws to address any errors or omissions, without calling a full meeting of the membership.
- (D) Vacancies: Any vacancy occurring on the Board and any Directorship to be filled by reason of any increase in the number of director positions may be filled by the then membership of the Board, though less than a quorum of the Board. (A Director appointed by the Board to fill a vacancy shall serve until the next annual membership meeting general election, at which time the members shall elect a Director to serve the remainder of the original term of the predecessor Director.)
- (E) Removal: A Director may be removed at a special meeting of the members. (A Director may also be removed and replaced by the Board of Directors without a special meeting of the membership for failure to attend at least two (2) consecutive lawfully convened meetings of the Board without providing advanced notice to the President or the Secretary of the Board, or for failure to attend at least one Board meeting in three (3) quarters of each year.)
- (F) Prohibitions: Directors are prohibited from serving in the following positions:
- 1) Executive Director
  - 2) Staff Employee of the Executive Director
  - 3) Employee of the corporation, and
  - 4) Any position as officer of a twelve step group which meets in facilities maintained by the corporation.

#### Article VI: Executive Committee and its Officers

- (A) Election, term: At its Annual Meeting the Board of Directors shall nominate and elect, from among themselves, an Executive Committee comprised of four positions to include President, Vice President, Secretary and Treasurer. The term of each office shall be one year.
- (B) Functions, general: All officers and agents of the corporation, as between themselves and the corporation, shall have the authority and perform such duties in the management of the

property and affairs of the corporation as may be determined by the Board and are not inconsistent with the Bylaws.

- (C) President: (1) The President shall preside at all meetings of the membership, the Board of Directors, and the Executive Committee. (2) The President shall sign and certify, along with the Secretary, the minutes of all such meetings. (3) The President may participate in debate but will vote only when the vote will affect the outcome of the decision. The president shall be the Chief Executive Officer of the corporation and shall ensure that orders and resolutions of the membership and the Board of Directors are carried into effect.
- (D) Vice President: The Vice President shall execute all functions of the presidency in the absence, incapacity, or death of the President. The Vice President shall be an ex officio member of all committees established by the Board except Nominations and Elections Committee.
- (E) Secretary: (1) The Secretary shall maintain all corporate records, including a current list of member of the corporation and the Board of directors, and shall ensure (a) that a record of the names and addresses of members of the corporation entitled to vote is kept at the registered office or principle office of the corporation in Austin, Texas, and (b) that the annual report of the corporation (and other documents required to be filed with governmental authorities) is properly prepared and filed. (2) The secretary shall issue notices of all meetings as required by these Bylaws. (3) The Secretary shall prepare, sign, certify and maintain the minutes of all meetings and the membership and the Board of Directors.
- (F) Treasurer: (1) The Treasurer shall ensure that appropriate financial records of the corporation are maintained and shall present accountings to the Board at annual and regular meetings and at other times as directed by the Board of Directors. (2) The Treasurer shall receive revenues, including dues and donations, on behalf of the corporation in accordance with procedures approved by the Board of Directors.
- (G) Executive Committee: The Officers shall constitute the Executive Committee, which shall act for the Board of Directors between Board meetings pursuant to policies enacted by the Board and shall have no legislative authority. The Executive Committee shall nominate candidates for the position of Executive Director for consideration by the Board of Directors.

#### Article VII: Executive Director and staff

The Corporation is authorized to engage an Executive Director of the Corporations facilities. The Executive Director, if one is engaged, shall be selected by a majority vote of the Board of Directors from among the candidates nominated by the Executive Committee and may be removed by a two thirds vote o the Board of directors, (Any person so engaged as Executive Director shall serve and act as an independent contractor of the services generally described in the Bylaws, exercising independent judgment as to the details of performance of such services, and such person so engaged shall acknowledge in writing the status as an independent contractor.) The Executive Director is to be in charge of the daily operations of the corporation and corporation's facilities subject to the authority of the board of directors and the directives of the Executive Committee. The Executive Director is endowed with the powers to hire and fire additional staff within the limits of the budget and other guidelines established by the Board of Directors. The Executive director shall report at all meetings and Board

meetings. The Executive Director shall act as the Treasurers agent in the receipt of dues, rents, donations, contributions and other monies coming in to the corporation. The Executive Director shall maintain records of day-to-day financial transactions of the corporation and shall be the Secretary's agent and assistant in maintaining a correct roster of current corporation members at the corporations registered office or principle office in Austin, Texas.

#### Article VIII: Compensation

- (A) Any member of the corporation is authorized to receive reasonable compensation from the corporation for services rendered to the corporation, when authorized by the Board of Directors. No member may receive compensation merely for action as a member or Director.
- (B) No Member, Director or officer of the corporation shall have an interest, directly or indirectly, in any contract relating to the operations conducted by it nor in any contract for furnishing goods or services to it, unless such contract shall be authorized by the Board of Directors and unless the fact of such interest shall have been disclosed or known to the Board of Directors at the meeting at which such contract is so authorized.

#### Article IX: Indemnification

The corporation shall indemnify each Officer and Director, including former Officers and Directors, to the full extent permitted by the laws of the State of Texas.

#### Article X: Corporate Finance and Records

- (A) Deposit of Funds: All funds of the corporation not otherwise employed shall be deposited in such banks or trust companies as the Board of Directors may from time to time determine.
- (B) Contracts: The Board of Directors may authorize any Officer or Officers, agent or agents of the corporation, in addition to the officers so authorized by these Bylaws to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority must be defined in specific instances.
- (C) Checks, drafts loans: All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issues in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and/or by the President. The Board of Directors shall not authorize borrowing funds for the use of the corporation except upon specific grant of authority by a majority of the Board of Directors for each instance in which such borrowing may be required.
- (D) The corporation shall keep correct and complete records of account, and shall also keep minutes of the proceedings of the membership, the Board, and of committees having any of the authority of the Board of Directors, and shall keep at its registered or principle office a record of the names, addresses and telephone numbers of the Directors and members. The Board shall at all times provide for and protect the privacy and confidentiality of all such records to the extent

allowed by law. At an annual meeting of the membership the corporation shall make available an annual financial report.

(E) The fiscal year of the corporation shall be October 1 through September 30.

(F) Liquidation: Upon two thirds vote of all members of the Board to liquidate the corporation, the Board of directors by a majority vote shall determine the manner in which the property and assets of the corporation are to be distributed and such distribution shall be in accordance with the laws of the State of Texas and the Federal Internal Revenue Code of 1986, as amended, and relevant provisions of other Federal, State and local taxation statutes.

#### Article XII: Rules of Order

The latest edition of Robert's Rules of Order shall provide guidance for all meetings of the corporation except that the Bylaws shall have precedence in case of conflict with Robert's Rules of Order

#### Article XIII: Amendment

These Bylaws may be amended, rescinded or repealed only by a two-thirds majority approval of the corporation's members attending a duly-constituted meeting.