

NON-PROFIT BYLAWS OF GRACE IN MOTION DANCE, INC.

PREAMBLE

The following Bylaws shall be subject to, and governed by, the Non-Profit Corporation Act of Virginia and the Articles of Incorporation of Grace in Motion Dance, Inc. In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Non-Profit Corporation Act of Virginia, said Non-Profit Corporation Act shall be the prevailing controlling law. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of Corporation, it shall then be these Bylaws which shall be controlling.

ARTICLE I - NAME

1.01 Name

The legal name of the Non-Profit Corporation shall be known as Grace In Motion Dance, Inc., and shall herein be referred to as the "Corporation." The business of the Corporation may also be conducted as Grace In Motion.

ARTICLE II - PURPOSES AND LEGAL POWERS

2.01 Purpose

Grace In Motion Dance, Inc. is a nonprofit corporation and shall be operated exclusively for educational and charitable purposes within the meaning of IRS Publication 557 Section 501(c) (3) of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code.

The general purposes for which this Corporation has been established are as follows: provide a unique, faith-friendly environment where students of all ages and backgrounds can nourish their creativity of body, mind, and spirit through dance and enrich the community by sharing the power and joy of dance as a performing art.

2.02 Powers

This Corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the primary purposes for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes.

The Legal powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

2.03 Nonprofit Status and Exempt Activities Limitation

Nonprofit Legal Status

Grace In Motion Dance, Inc. is a Virginia State nonprofit corporation, recognized as tax exempt under Section 501 (c) (3) of the United States Internal Revenue Code. The Corporation shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the State of Virginia and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of the Corporation. At no time and in no event shall the Corporation participate in any activities which have not been permitted to be carried out by a Corporation exempt under Section 501(c) of the Internal Revenue Code of 1986 (the "Code"), such as certain political and legislative activities.

Exempt Activities Limitation

Notwithstanding any other provision of these Bylaws, no director, officer, employee, member, or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501 (c) (3) of the United States Internal Revenue Code as it now exists or may be amended, or by any organization contributions which are deductible under Section 170 (c) (2) of such Code and Regulations as it now exists or may be amended.

No part of the net earnings of the corporation shall inure to the benefit or be distributable to any director, officer, member, or other private person, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

Distribution Upon Dissolution

Upon termination or dissolution of Grace In Motion Dance, Inc., any assets and resources lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501 (c) (3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at last generally, includes a purpose similar to the termination or dissolving corporation.

The organization to receive the assets of Grace In Motion Dance, Inc. hereunder shall be selected in the discretion of a majority of the managing body of the corporation, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition equity field in a court of property jurisdiction against the Corporation by one(1) or more of its managing body which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets and resources to be distributed, giving preference if practicable to organizations located within the State of Virginia.

In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to Grace In Motion Dance, Inc., then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Virginia to be added to the general fund.

ARTICLE III - MEMBERSHIP

3.01 No Membership Classes

The corporation shall have no membership class and no members who have any right to vote or title or interest in or to the corporation, its properties and franchises.

3.02 Non-Voting Affiliates

The governing body may approve classes of non-voting affiliates with rights, privileges, and obligations established by the board. Affiliates may be individuals, businesses, and other organizations that seek to support the mission of the corporation. The board, a designated committee, or any duly elected officer in accordance with board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates' rights, privileges, and obligations.

At no time shall affiliate information be shared with or sold to other organizations or groups without affiliate's consent. At the discretion of the board, affiliates may be given endorsement, recognition and media coverage at fundraising activities, clinics, other events or at the corporation website. Affiliates have no voting rights, and are not members of the corporation.

3.03 Dues

Any dues for affiliates shall be determined by resolutions and these bylaws.

ARTICLE IV - PRINCIPLE OFFICE AND OTHER OFFICES

4.01 Principle Office

The principal office of the Corporation shall be located at 7498 Leigh Rd., Warrenton, Virginia 20186.

4.02 Other Offices

The Corporation may have other such offices as the Board of Directors may determine or deem necessary, or as the affairs of the Corporation may have need of from time to time, provided that any permanent change of address for the principal office is properly reported as required by law.

ARTICLE V - BOARD OF DIRECTORS

5.01 General Powers and Responsibilities

The Corporation shall be governed by a Board of Directors (the "Board"), which shall have all the rights, powers, privileges and limitations of liability of directors of a non-profit corporation organized under the Non-Profit Corporation Act of Virginia. The Board shall establish policies and directives governing business and programs of the Corporation and shall delegate to the Executive Director and Corporation staff, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.

Performance of Duties

A director shall perform all the duties of a director, including, but not limited to, duties as a member of any committee of the Board on which the director may serve, in such a manner as the director deems to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.

In the performance of the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a) One or more officers or employees of the Corporation whom the director deems to be reliable and competent in the matters presented;
- b) Counsel, independent accountants, or other persons, as to the matters which the director deems to be within such person's professional or expert competence; or
- c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director deems to merit confidence, so long as in any such case the director acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as herein provided elsewhere in these Bylaws, any person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limitation of the following, any actions or omissions which exceed or defeat a public or charitable purpose to which the Corporation, or assets held by it, are dedicated.

5.02 Number and Qualifications

The Board shall have up to twelve (12) members, but no fewer than four (4) Board members. The number of Board members may be increased beyond twelve (12) members by the affirmative vote of a simple majority of the then-serving Board of Directors. In order to serve as a director, the individual must be 18 years of age or older and an affiliate within affiliate classifications created by the board. A Board member need not be a resident of the State of Virginia. In addition to the regular membership of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be Ex-Officio Board Members, which will have the same rights and obligations, including voting power, as the other directors. Directors may be elected at any board meeting by the majority vote. The election of directors to replace those who have fulfilled their term of office and do not wish to serve a consecutive term shall take place in June of each year.

5.03 Board Compensation

The Board shall receive no compensation other than for reasonable expenses. However, provided the compensation structure complies with Sections relating to "Contracts Involving Board Members and/or Officers" as stipulated under these Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving the Corporation in any other capacity and receiving compensation for services rendered.

5.04 Board Elections

The Governance Committee, if created, shall present nominations for new and renewing Board members at the board meeting immediately preceding the beginning of the next fiscal year. Recommendations from the Governance Committee shall be made known to the Board in writing before nominations are made and voted on. New and renewing Board members shall be approved by simple majority vote of those Board members at a Board meeting at which a quorum is present. If no Governance Committee is created, then this duty shall fall upon another committee created for that purpose or upon the Board of Directors.

5.05 Terms

All appointments to the Board shall be for a term of one (1) year, however the term may be extended until a successor has been elected.

When possible, director terms shall be staggered so that no more than half the number of directors will end their terms in any given year.

Directors may serve terms in succession.

The term of office shall be considered to begin July 1 and end June 30 of the same year in office, unless the term is extended until such time as a successor has been elected.

There shall be no maximum total number of consecutive terms.

5.06 Vacancies

A vacancy on the Board of Directors may exist at the occurrence of the following conditions:

- a) The death, resignation, or removal of any director;
- b) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a director, or has missed three (3) consecutive meetings of the Board of Directors, or a total of four (4) meetings of the Board during any one calendar year;
- c) An increase in the authorized number of directors; or
- d) The failure of the directors, at any annual or other meeting of directors at which director(s) are to be elected, to elect the full authorized number of directors.

Any vacancy on the Board may be filled by simple majority vote of the directors then in office, whether or not the number of directors then in office is less than a quorum, or by vote of a sole remaining director. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

5.07 Resignation

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

Except as provided in this paragraph, any director may resign effective upon giving written notice to the President of the Board, the president of Corporation, the secretary of Corporation, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the Attorney General of Virginia is first notified, no director may resign when the Corporation would then be left without a duly elected director in charge of its affairs.

5.08 Removal

The Board of Directors, by way of affirmative vote of a majority of the directors then currently in office, may remove any director, with or without cause, at any regular or special meeting, provided that the director to be removed has been notified electronically or in writing in the manner set forth in Article 5.09 – Meetings that such action would be considered at the meeting, and the director in question has been given the opportunity to be heard at the meeting.

5.09 Meetings

Regular Meetings

The board of directors shall have a minimum of four (4) regular meetings each fiscal year. The Board's regular meetings may be held at such time and place as shall be determined by the Board. These meetings shall be held upon at least four (4) days notice by hand delivery, regular mail, electronic mail, telephone, or fax. If sent by electronic mail, fax, or regular mail, the notice shall be deemed as delivered upon its deposit in the mail or electronic transmission. Notice of meeting shall specify the place, day, and time of the meeting. The purpose of the meeting need not be specified.

Special Meetings

Special meetings may be called by the President, Vice President, Secretary, Treasurer, or any two (2) other directors with at least two (2) days notice. The person(s) authorized to call such special meetings of the Board must notify each director of the date, time, and place, but need not specify the purpose of the meeting.

5.10 Minutes

The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event that the Secretary is unavailable, the President of the Board shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to the Corporation to be placed in the minute books. A copy of the minutes shall be delivered to each Board member via regular mail, hand delivery, electronic mail, or faxed within five (5) business days after the close of each Board meeting.

5.11 Manner of Acting

Any action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so taken, shall be agreed by the consensus of a quorum. For purposes of this section, an email transmission from an email address on record constitutes a valid writing. The intent of this provision is to allow the board to use email to approve actions, as long as a quorum gives consent. Such consent shall be placed in the minute book of the Corporation and shall have the same force and effect as a vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In

addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

Quorum

A majority of directors in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting. No business shall be considered by the board at any meeting at which a quorum is not present. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present.

Voting

Each Board member shall only have one vote. Except as otherwise required by law or by the Articles of Incorporation, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board. If at any time the Board consists of an even number of members and a vote results in a tie, then the vote of the President of the Board shall be the deciding vote.

Proxy

Members of the Board shall be allowed to vote by written proxy, including electronic mail.

Hung Decisions

On the occasion that directors are unable to make a decision based on a tied number of votes, the President of the Board, or equivalent acting director for the given meeting, shall have the power to swing the vote based on his/her discretion.

Participation

Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, directors may participate in a regular or special meeting through the use of any means of communication by which all directors participating may simultaneously be heard, including, but not limited to, in-person, internet video meeting, or telephone conference call.

5.12 Board Member Attendance

An elected Board Member who is absent and unexcused from three (3) or more board meetings in a twelve month period shall be encouraged to reevaluate with the President of the Board his/her commitment to the Corporation. The Board may deem a Board member who has missed three (3) consecutive meetings without such a reevaluation with the President, to have resigned from the Board.

The President of the Board is empowered to excuse directors from attendance for a reason deemed adequate by the President. The President shall not have the power to excuse him/herself from the board meeting attendance and in that case the Vice President, or equivalent director if no Vice President has been appointed, shall excuse the President and direct the meeting.

5.13 Compensation of Board Members for Services

Directors shall receive no compensation for carrying out their duties as directors. The board may adopt policies providing for reasonable reimbursement of directors for expenses incurred in conjunction with carrying out board responsibilities, such as travel expenses to attend board meetings.

5.14 Compensation for Professional Services by Directors

Directors are not restricted from being remunerated for professional services provided to the corporation. Such remuneration shall be reasonable and fair to the corporation and must be reviewed and approved in accordance with the corporation's Conflict of Interest policy and state law.

ARTICLE VI - OFFICERS

6.01 Board Officers

The officers of the corporation shall be a President, Vice President, Secretary, and Treasurer, all of whom shall be chosen by, and serve at the pleasure of, the Board of Directors. The same person may hold any number of offices, but no officer may act in more than one capacity where action of two or more officers is required.

Each officer shall have the authority and shall perform the duties set forth in these Bylaws, or by resolution of the board, or by direction of an officer authorized by the board to prescribe the duties and authority of other officers.

6.02 Term of Office

The officers will be selected by the Board at its annual meeting, and shall serve the needs of the Board, subject to all the rights, if any, of any officer who may be under a contract of employment. Each officer shall serve a term of one (1) year and may not serve more than three (3) consecutive terms of office unless unanimously elected by the board at the end of his/her three (3) terms or to fill a vacancy in an officer position. Each officer's term of office shall begin upon the adjournment of the board meeting at which elected and shall end upon the adjournment of the meeting during which a successor is elected.

6.03 Removal and Resignation

Without any bias or predisposition to the rights of any officer that may be under any contract of employment, any officer may be removed with or without cause by the Board. All officers have the right to resign at any time by providing notice in writing to the Corporation, without bias or predisposition to all rights, if any, of the Corporation under any contract to which said officer is a part thereof. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance with the herein prescribed Bylaws for regular appointments to such office. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board of Directors.

6.04 President

The president shall be the chief volunteer officer of the corporation. It shall be the responsibility of the President to lead the board of directors in performing all duties and, when present, to preside over all meetings of the Board of Directors and Executive Committee. The President is authorized to execute, in the name of the Corporation, any and all contracts or other documents which may be authorized, either generally or specifically, by the Board to be executed by the Corporation, except when otherwise required by law.

6.05 Vice President

In the absence of the President, or in the event of his/her inability or refusal to act, it shall then be the responsibility of the Vice President of the Board to perform all the duties of the President of the Board, and in doing so, he/she shall have all authority and powers of and shall be subject to all of the restrictions on the President. The Vice President shall have such other powers and perform such other duties prescribed to them by the board or the President.

6.06 Secretary

The Secretary, or his/her designee, shall be the custodian of all records and documents of the Corporation, which are required to be kept at the principal office of the Corporation, and shall act as secretary at all meetings of the Board of Directors, and shall keep the minutes of all such meetings, including time, place, and actions taken by directors or committees of directors, on file in hard copy and electronic format. S/he shall attend to the giving and serving of all notices of the Corporation and shall see that the seal of the Corporation, if any, is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these bylaws.

The Secretary may appoint, with approval of the Board, a director to assist in performance of all or part of the duties of Secretary.

6.07 Treasurer

The Treasurer shall be the lead director for oversight of the financial condition and affairs of the corporation and shall oversee and keep the governing body informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other directors or officers, the treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the Board on a timely basis or as may be required by the Board.

The Treasurer may disburse, or cause to be disbursed, the funds of the Corporation, as may be ordered by the Board of Directors, and shall render to the President of the Board, officers, and directors, whenever they

request it, an account of all the Treasurer's transactions as treasurer and of the financial condition of the Corporation.

The Treasurer shall give the Corporation a bond, if so requested and required by the Board of Directors, in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the Treasurer's office and for restoration to the Corporation of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control upon the Treasurer's death, resignation, retirement, or removal from office. The Corporation shall pay the cost of such a bond.

The Treasurer may appoint, with the approval of the Board, a qualified fiscal agent or member of the staff to assist in performance of all or part of the Treasurer's duties.

6.08 Non-Director Officers

The Board of Directors may designate additional officer positions of the corporation and may appoint and assign duties to other non-director officers of the corporation.

ARTICLE VII - COMMITTEES

7.01 Committees

The Board of Directors may, from time to time, and by resolution adopted by a majority of the directors then in office provided that a quorum is present, designate one or more committees to exercise all or a portion of the authority of the Board, to the extent of the powers specifically delegated in the resolution of the Board or in these Bylaws. Each such committee shall consist of at least two (2) directors, and may also include persons who are not on the Board but whom the directors believe to be reliable and competent to serve at the specific committee. However, committees exercising any authority of the Board of Directors may not have any non-director members. The Board may designate one or more alternative members of any committee who may replace any absent member at any meeting of the committee. The appointment of members or alternate members of a committee requires the vote of a majority of the directors then in office, provided that a quorum is present. The Board of Directors may also designate one or more advisory committees that do not have the authority of the Board. However, no committee, regardless of Board resolution, may:

- a) approve of any action that, pursuant to applicable Law, would also require the affirmative vote of the members of the Board if this were a membership vote;
- b) fill vacancies on, or remove the members of, the Board of Directors or any committee that has the authority of the Board;
- c) fix compensation of the directors serving on the Board or on any committee;
- d) amend or repeal the Articles of Incorporation or Bylaws or adopt new Bylaws;

- e) amend or repeal any resolution of the Board of Directors that by its express terms is not so amendable or repealable;
- f) appoint any other committees of the Board of Directors or their members;
- g) appoint any other committees or the members of these committees;
- h) expend corporate funds to support a nominee for director; or
- i) approve any transaction to which the corporation is a party and one or more directors have material financial interest in, or between the corporation and one or more of its directors, or between the corporation or any person in which one or more of its directors have a material financial interest, except as provided pursuant to Law.

Unless otherwise authorized by the Board of Directors, no committee shall bind the Corporation in a contract or agreement or expend Corporation funds.

7.02 Meetings and Actions of Committees

Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article V - Board of Directors of these Bylaws, concerning meetings and actions of the directors with such changes in the context of those bylaws 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 committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept for each meeting of any committee and shall be filed with the bind Corporation records. The Board of Directors may adopt rules not consistent with the provisions of these Bylaws for the governance of any committee.

If a director relies on information prepared by a committee of the Board on which the director does not serve, the committee must be composed exclusively of any or any combination of (a) directors, (b) directors or employees of the Corporation whom the director believes to be reliable and competent in the matters presented, or (c) counsel, independent accountants, or other persons as to matters which the director believes to be within that person's professional or expert competence.

ARTICLE VIII - CONTRACTS, CHECKS, LOANS, & INDEMNIFICATION

8.01 Contracts and other Writings

Except as otherwise provided by resolution or policy of the Board, all contracts, deeds, leases, mortgages, grants, and other agreements of the Corporation shall be executed on its behalf by the Treasurer or other persons to whom the Corporation has delegated authority to execute such documents in accordance with policies approved by the Board.

8.02 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued 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 from time to time be determined by a resolution.

8.03 Deposits

All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depository as the governing body or a designated committee may select.

8.04 Loans

No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board. Such authority may be general or confined to specific instances.

The Corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer, unless approved by the Virginia Attorney General; provided, however, that the Corporation may advance money to a director or officer of the Corporation or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or director so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

8.05 Indemnification

Mandatory Indemnification

The Corporation shall indemnify a director or former director, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a director of the Corporation, against reasonable expenses incurred by him or her in connection with the proceedings.

Permissible Indemnification

The Corporation shall indemnify a director or former director made a party to a proceeding because he or she is or was a director of the Corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

Advance for Expenses

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 in the specific case, upon receipt of (I) a written affirmation from the director, officer, employee, or agent of his or her good faith belief that he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to indemnification by the Corporation in these Bylaws.

Indemnification of Officers, Agents, and Employees

An officer of the Corporation who is not a director is entitled to mandatory indemnification under this article to the same extent as a director. The Corporation may also indemnify and advance expenses to an employee or agent of the Corporation who is not a director, consistent with Virginia State Law and public policy, provided that such indemnification, and the scope of such indemnification is set forth by the general or specific action of the Board or by contract.

Liability Insurance

The Corporation shall have the power to purchase and maintain insurance on behalf of any agent of the Corporation, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

ARTICLE IX - MISCELLANEOUS**9.01 Books and Records**

The Corporation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of all meetings of its Board, a record of all actions taken by the Board of Directors without a meeting, and a record of all actions taken by committees of the organization. In addition, the Corporation shall keep a copy on record of its Articles of Incorporation and Bylaws as amended to date.

9.02 Fiscal Year

The fiscal year of the Corporation shall end June 30 and begin July 1 of each year.

9.03 Conflict of Interest

The Board shall adopt and periodically review a conflict of interest policy to protect the Corporation's interests when it is contemplating any transaction or agreement which may benefit any director, officer, employee, affiliate, or member of a committee with board-delegated powers.

9.04 Nondiscrimination Policy

The officers, committee members, employees, and persons served by this Corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation.

It is the policy of Grace In Motion Dance, Inc. not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

ARTICLE X - DUE DILIGENCE AND COUNTER-TERRORISM

In furtherance of its tax exemption by contributions to other organizations, domestic or foreign, Grace In Motion Dance, Inc. shall stipulate how the funds will be used and shall require the recipient to provide the Corporation with detailed records and financial proof of how the funds were utilized.

Although adherence and compliance with the US Department of the Treasury's publication the "Voluntary Best Practice for US Based Charities" is not mandatory, Grace In Motion Dance, Inc. willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, re-evaluate, and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

Grace In Motion Dance, Inc. shall also comply with and put into practice the federal guidelines, suggestions, laws, and limitations set forth by pre-existing US legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

ARTICLE XI - DOCUMENT RETENTION POLICY

11.01 Purpose

The purpose of this document retention policy is to establish standards for document integrity, retention, and destruction and to ensure the proper treatment of all Corporation records.

11.02 Policy Guidelines

Section 1 - General Guidelines

Records shall not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records shall be eliminated from the files once deemed "unnecessary" by required standards.

This practice shall curb the unreasonable expense of Corporation funds to maintain such records beyond the extent necessary and/or required by law and shall assist with ease of finding and maintaining pertinent records. From time to time, Grace In Motion Dance, Inc. may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below.

While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception from litigation relevant documents and any other pertinent factors.

Section 2 - Exception for Litigation Relevant Documents

Grace In Motion Dance, Inc. expects all officers, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers and employees should note the following general exception to any stated destruction schedule: If you believe, or if Grace In Motion Dance, Inc. informs you, that corporate records are relevant to litigation, or potential litigation (i.e. disputes that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

Section 3 - Minimum Retention Periods for Specific Categories

I. Corporate Documents

Corporate records include the Corporation's Articles of Incorporation, Bylaws, and IRS Form 1023 and Application for Tax Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request as set forth in these Bylaws.

II. Tax Records

Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the Corporation's revenues. Tax records should be retained for at least seven (7) years from the date of filing the applicable returns.

III. Employment Records/Personnel Records

State and Federal statutes require the Corporation to keep certain recruitment, employment, and personnel information. The Corporation should also keep personnel files that reflect performance reviews and any complaints brought against the Corporation or individual employees under applicable state and federal statutes. The Corporation should also keep in the employee's personnel file, all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven (7) years.

IV. Board and Committee Materials

Meeting minutes should be retained in perpetuity in the Corporation's Minute Book. A clean copy of all other Board and Committee materials should be kept for no less than three (3) years by the Corporation.

V. Press Releases/Public Filings

The Corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the Corporation.

VI. Legal Files

Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten (10) years.

VII. Marketing and Sales Documents

The Corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three (3) years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three (3) years beyond the life of the agreement.

VIII. Development/Intellectual Property and Trade Secrets

Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the Corporation and are protected as a trade secret where the Corporation derives independent economic value from the secrecy of the information; and has taken affirmative steps to keep the information confidential.

The Corporation should keep all documents designated as containing trade secret information for at least the life of the trade secret.

IX. Contracts

Final, execution copies of all contracts entered into by the Corporation should be retained. The Corporation should retain copies of the final contracts for at least three (3) years beyond the life of the agreement, and longer in the case of publicly filed contracts.

X. Correspondence

Unless correspondence falls under another category listed elsewhere in this policy, it should generally be saved for two years.

XI. Banking and Accounting

Accounts payable ledgers and schedules should be kept for seven (7) years. Bank reconciliations, bank statements, deposits slips, and checks (unless or important/crucial payments and purchases) should be kept for three (3) years. Any inventories of products, materials, supplies, and any invoices should be kept for seven (7) years.

XII. Insurance

Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

XIII. Audit Records

External audit records should be kept permanently. Internal audit records should be kept for three (3) years.

Section 4 - Electronic Mail

Email that needs to be saved should be either:

- a. Printed in hard copy and kept in the appropriate file; or
- b. Downloaded to a computer file and kept electronically or on disk as a separate file.

The retention period depends upon the subject matter of the email, as covered elsewhere in this policy.

ARTICLE XII - TRANSPARENCY AND ACCOUNTABILITY

12.01 Purpose

By making full and accurate information about its mission, activities, finances, and governance publicly available, Grace In Motion Dance, Inc. practices and encourages transparency and accountability to the general public. This policy will:

- Indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public
- Indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public
- Specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this policy are as follows:

12.02 Financial and IRS documents (the form 1023 and the form 990)

Grace In Motion Dance, Inc. shall provide its Internal Revenue forms 990, 990-T, 1023, and 5227, bylaws, conflict of interest policy, and financial statements to the general public free of charge.

Means and Conditions of Disclosure

Grace In Motion Dance, Inc. shall make “widely available” the aforementioned documents on its internet website: graceinmotion.org to be viewed and inspected by the general public.

- The documents shall be posted in a format that allows an individual using the internet to access, download, view, and print them in a manner that exactly reproduces the image of the original

document filed with the IRS (except information exempt from public disclosure requirements, such as contributor lists).

- The website shall clearly inform readers that the document is available and provide instructions for downloading it.
- Grace In Motion Dance, Inc. shall not charge a fee for downloading the information. Documents shall not be posted in a format that would require special computer hardware or software (other than software readily available to the public free of charge).
- Grace In Motion Dance, Inc. shall inform anyone requesting the information where this information can be found, including the web address. This information must be provided immediately for in-person requests and within seven (7) days for mailed requests.

12.03 IRS Annual Information Returns (form 990)

Grace In Motion Dance, Inc. shall submit the Form 990 to its governing body prior to the filing of Form 990. While neither the approval of the Form 990 nor a review of the 990 is required under Federal law, the corporation's Form 990 shall be submitted to each member of the governing body via hard copy or email at least ten (10) days prior to the form being filed with the IRS.

12.04 Board

All deliberations shall be open to the public upon request except where a motion is passed to make any specific portion confident.

All Board minutes shall be open to the public upon request once accepted by the Board, except where a motion is passed to make any specific portion confidential.

All papers and materials considered by the governing body shall be open to the public upon request following the meeting at which they are considered, except where a motion is passed to make any specific paper or material confidential.

12.05 Staff Records

All staff records shall be available for consultation by the staff member concerned or by their legal representatives.

No staff records shall be made available to any person outside the corporation except authorized governmental agencies.

Staff records shall be made available only to those persons with managerial or personnel responsibilities for the concerned staff member(s) within the corporation, except that staff records shall be made available to the Board when requested.

12.06 Donor Records

All donor records shall be available for consultation by the members and donors concerned or by their legal representatives.

No donor records shall be made available to any other persons outside the corporation except the authorized governmental agencies.

Donor records shall be made available within the corporation only to those persons with managerial or personnel responsibilities for dealing with those donors, except that donor records shall be made available to the Board when requested.

ARTICLE XIII - CODES OF ETHICS AND WHISTLE-BLOWER POLICY

13.01 Purpose

Grace In Motion Dance, Inc. requires and encourages members, officers, and employees to observe and practice high standards of business and personal ethics in the conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their duties and comply with all applicable laws and regulations.

It is the intent of Grace In Motion Dance, Inc. to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance. The support of all corporate staff is necessary to achieve compliance with various laws and regulations.

13.02 Reporting Violations

If any officer, staff member, or employee reasonably believes that some policy, practice, or activity of Grace In Motion Dance, Inc. is in violation of law, a written complaint must be filed by that person with the president or the vice president.

13.03 Acting in Good Faith

Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be subject to civil and criminal review.

13.04 Retaliation

Anyone filing a complaint is protected from retaliation only if he/she brings the alleged unlawful activity, policy, or practice to the attention of Grace In Motion Dance, Inc. before taking any action against the corporation, and

provides the corporation with a reasonable opportunity to investigate and correct the alleged unlawful activity. This protection is only available to individuals that comply with this requirement: Grace In Motion Dance, Inc. shall not retaliate against any officer, staff, or employee who in good faith, has made a protest or raised a complaint against some practice of Grace In Motion Dance, Inc., or of another individual or entity with whom the corporation has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

Grace In Motion Dance, Inc. shall not retaliate against any officer, staff member, or employee who discloses or threatens to disclose to a supervisor or a public body, any activity, policy, or practice of Grace In Motion Dance, Inc. that the individual reasonably believes is in violation of a law, or a rule or regulation mandated pursuant to law, or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

13.05 Confidentiality

Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

13.06 Handling of Reported Violations

The president or vice president shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five (5) business days. All reports shall be promptly investigated by the Board and its appointed committee, and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all directors, officers, staff, or employees through these Bylaws and they shall have the opportunity to ask questions about the policy.

ARTICLE XIV - AMENDMENTS OF BYLAWS & ARTICLES OF INCORPORATION

14.01 Amendments to the Articles of Incorporation

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds ($\frac{2}{3}$) of the Board.

14.02 Amendments to the Bylaws

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of directors then in office at a meeting of the Board, provided that:

- (a) no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as a tax exempt corporation under Section 501 (c) (3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code, and,

- (b) an amendment does not affect the voting rights of directors. An amendment that does affect the voting rights of directors further requires ratification by a two-thirds ($\frac{2}{3}$) vote of a quorum, and that,
- (c) all amendments be consistent with the Articles of Incorporation.

ARTICLE XV - CORPORATE SEAL

The Board of Directors may adopt, use, and alter a corporate/organization seal. The seal shall be kept at the principal office of the Corporation. Failure to affix the seal to any corporate/organization instrument, however, shall not affect the validity of that instrument.

ARTICLE XVI - CONSTRUCTION AND DEFINITIONS

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the Non-Profit Corporation Act as amended from time to time shall govern the construction of these Bylaws. Without limiting the generality of the foregoing, the masculine gender includes the feminine and neuter, the singular number includes the plural and the plural number includes the singular, and the term "person" includes a Corporation as well as a natural person. If any competent court of law shall deem any portion of these Bylaws invalid or inoperative, then so far as is reasonable and possible (i) the remainder of these Bylaws shall be considered valid and operative, and (ii) effect shall be given to the intent manifested by the portion deemed invalid or inoperative.

CERTIFICATE OF ADOPTION OF BYLAWS

I do hereby certify that the above Bylaws of Grace In Motion Dance, Inc. were approved by the Board of Directors on July 19, 2023, and that they constitute a complete copy of the Bylaws of the Corporation.

EXECUTED on this 20 day of July, in the County of Fauquier in the State of Virginia.



Steven Sippert, Secretary