

BYLAWS OF LOS VERDES ATX
a Texas Nonprofit Corporation

Article 1. Name

The name of the Nonprofit Corporation is Los Verdes ATX (“Los Verdes”).

Article 2. Purpose

Los Verdes ATX is a member-driven nonprofit organization dedicated to promoting and supporting soccer culture and working together to strengthen our communities. Los Verdes ATX is organized and operated exclusively for charitable and educational purposes in accordance with Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Article 3. Code of Conduct

Los Verdes is committed to fostering a safe and inclusive environment. To that end, the Starting XI has adopted a Code of Conduct for Members and non-Member participants in Los Verdes activities. The initial Los Verdes Code of Conduct is attached herein as Appendix A.

Article 4. Members

4.1 **Management by Membership.** Los Verdes vests responsibility for management of the organization entirely in its Voting Members. Operational decisions shall be made collectively by the Voting Members, either directly or via the democratically elected Starting XI. Los Verdes is organized under the laws of the State of Texas as a member-managed corporation.

4.2 **Membership Generally.** Membership in Los Verdes is open to all individuals who support the purposes of Los Verdes and have satisfied any other requirements as may be established by the Voting Members or the Starting XI. Los Verdes offers two levels of membership: Voting Membership and Associate Membership, as further defined below.

4.3 **Terms and Conditions of Membership.** The Starting XI may establish, and shall from time to time review and amend as appropriate, Terms and Conditions of Membership in Los Verdes.

4.4 **Voting Members.** All individuals who hold a paid membership valid at the time of any election or other action requiring Voting Member status, and who have satisfied any other requirements as may be established from time to time are considered Voting Members. Each voting Member shall be entitled to one (1) vote in each Los Verdes election and Member Vote.

4.5 **Associate Members.** All individuals who support the purposes of Los Verdes and who have satisfied any other requirements as may be established from time to time may join as Associate Members. No annual fee shall be required as a prerequisite for Associate Membership. **Associate Members are not managers of Los Verdes and are not entitled to vote in any election or on any matter.** Associate Members shall be added to Los Verdes mailing lists and may enjoy any additional benefits as may be established from time to time.

Article 5. Member Meetings

5.1 **Annual Member Meeting.** An annual meeting of Members shall be held each November or December on a date set by the Starting XI. The meeting may be held in-person or electronically. Failure to hold an Annual Member Meeting at the time stated does not affect the validity of any Los Verdes action.

5.2 **Special Member Meetings.** Regular or Special meetings of the Members may be called by (1) the Starting XI or (2) on the request of 20% of the Voting Members by delivering electronically or to the registered office of Los Verdes a writing signed by Voting Members constituting such percentage.

5.3 **Place and Form of Member Meetings.** Member Meetings and Special Member Meetings shall be held at a time and in a form and/or place as selected by the Starting XI. In the case that a Special Member Meeting has been called by a writing of Voting Members in accordance with Section 5.2, the Starting XI shall be obligated to schedule such meeting as soon as is practicable and at a generally convenient time and place to allow opportunity for broad Member participation.

5.4 **Notice of Member Meetings.** Except as provided otherwise herein or required by applicable state or federal law, the Starting XI (1) shall give at least ten (10) days' prior notice of the Annual Member Meeting, and (2) shall give at least two (2) days' prior notice of any Special Member Meetings.

5.5 **Waiver of Notice.** A Member, including any member of the Starting XI, may waive, in writing, any notice required by law or these Bylaws. Such waiver should be delivered to the Starting XI for inclusion in the minutes for filing in the Los Verdes records. Attendance at a meeting or voting on a matter submitted to the Members constitutes waiver of notice.

5.6 **Electronic Notifications.** By becoming a Member, each Member consents to receiving via electronic mail or posting(s) on electronic message boards or other electronic means commonly used by Los Verdes, notice of all Member Meetings or other legal notices that may be required by these Bylaws or applicable state or federal law to be delivered in writing.

Article 6. Member Votes

6.1 **Participation.** Only qualified Voting Members as defined in Article 4 may participate in a Member Vote, except as otherwise provided in these Bylaws or by order of the Starting XI.

6.2 **Quorum.** The votes participating in a Member Vote or present at a Member Meeting shall constitute a quorum.

6.3 **Voting Requirements.** Except as otherwise required by these Bylaws or applicable state or federal law, a majority of the quorum is sufficient to pass any matter submitted to a Member Vote. Voting Members may not vote by proxy.

6.4 **Form of Ballot.** A Member Vote may be administered electronically or by other suitable means as established by the Starting XI, with full inclusion of the Voting Membership serving as a guiding principle in the establishment of any such means.

6.5 **Electronic Notifications.** By becoming a Member, each Member consents to receiving via electronic mail or posting(s) on electronic message boards or other electronic means commonly used by Los Verdes, all ballots or other legal notices that may be required by these Bylaws or applicable state or federal law to be delivered in writing.

Article 7. Starting XI

7.1 **Duties.** The Starting XI is vested by the Voting Members with the responsibility to manage the day-to-day business and affairs of Los Verdes. Each of the Starting XI bears the duties and responsibilities of a “Director” as enumerated in the Texas Business Organizations Code.

7.2 **Call for Member Vote.** The Starting XI may, by majority vote of the then-current members of the Starting XI, call for a Member Vote on any topic.

7.3 **Number and Qualifications.** The Starting XI comprises eleven (11) individuals. To be eligible to serve on the Starting XI, a person must at all times during their term (1) be a Voting Member of Los Verdes, and (2) be free of any conflict of interest, unless such conflict is disclosed and approved by a majority of the nonconflicted members of the Starting XI.

7.4 **Quorum.** A majority of the members of the Starting XI in office immediately before a Starting XI Meeting begins constitutes a quorum. If a quorum is present, action is taken by a majority vote of the members of the Starting XI present.

7.5 **Term and Election.** A Starting XI election shall be held by Member Vote in December of every calendar year. Each term of representation on the Starting XI begins in January of the calendar year following the December election. Except as otherwise provided herein, the term of office for each member of the Starting XI shall be two (2) years. When a member has reached the end of a term and has served on the Starting XI for at least eighteen (18) consecutive months, that member shall be ineligible for service as a member of the Starting XI for one (1) year.

7.6 **Staggered Terms.** To maintain a level of continuity in the Starting XI, the two-year service terms of the Starting XI shall be staggered according to the procedure below:

1. All eleven (11) seats shall be elected to initial terms in December 2020.
2. Five (5) of the December Starting XI cohort shall be assigned one-year terms by a means to be decided by the duly elected Starting XI. Those five (5) Starting XI seats selected for one-year terms will be up for election in December 2021, while the remaining six (6) seats of the December 2020 cohort will be up for election in December 2022.
3. In each subsequent December election, only the five (5) or six (6) seats whose terms are expiring will be up for election to two-year terms.
4. Any member of the December 2020 Starting XI cohort who is assigned a one-year term shall be eligible for re-election in December 2021 so long as that member has not served for 18 consecutive months or more (inclusive of the month of December 2021).

7.7 **Form of Election.** Election to the Starting XI shall be by Member Vote held by electronic means or another means as established by the Starting XI. Each member shall be entitled to vote for up to the number of seats available in that given election. The top cumulative vote-getters shall be elected to the Starting XI. For example, if five seats are available, each member may vote in that election for one, two, three, four, or five individuals to be elected to the Starting XI. After all votes are counted, all eligible candidates would be ranked by number of cumulative votes received and the top five vote-getters would be seated on the Starting XI. Requirements for an individual to be listed on the ballot shall be established by the Starting XI or by Member Vote.

7.8 **Vacancies.** Vacancies on the Starting XI shall be temporarily filled by a majority vote of the remaining members of the Starting XI. The term of the newly elected member shall expire at the same time as the term member who has vacated the seat would have expired.

7.9 **Removal.** A member of the Starting XI may be removed by a vote of a majority of all qualified Voting Members at any regular meeting or by a majority of the qualified Voting Members present at a special meeting called and announced for the purpose of removing a member of the Starting XI. A member of the Starting XI may be removed at any regular or special meeting of the Starting XI by a vote of two-thirds (66%) of the Starting XI (not including the member of the Starting XI who is subject to the vote).

Article 8. Starting XI Meetings and Voting

8.1 **Regular Starting XI Meetings.** The Starting XI will hold regular meetings at such dates and times as they may determine. No formal notice of the date, time, place or purpose of these meetings is required outside of the members of the Starting XI.

8.2 **Special Starting XI Meetings.** Special Meetings of the Starting XI will be held at a time and place to be determined by the Starting XI. Notice of such meetings, describing the date, time, place, and purpose of the meeting, must be delivered to each member of the Starting XI not fewer than two days prior to the Special Starting XI Meeting.

8.3 **Waiver of Notice.** A member of the Starting XI may at any time waive any notice provided for by the Bylaws or required by applicable state or federal laws. Participation in any Starting XI meeting shall be deemed waiver of notice. Any other waiver must be made in writing signed by the member of the Starting XI entitled to notice, must specify the meeting for which notice is waived, and must be filed with the minutes of the meeting for which notice is waived.

8.4 **Quorum.** A majority of the members of the Starting XI in office immediately before a Starting XI meeting begins constitutes a quorum. If a quorum is present, action is taken by a majority vote of the members of the Starting XI who are present.

8.5 **Actions by the Starting XI.** Except as otherwise provided in these Bylaws or required by applicable state or federal law, a majority of the quorum is sufficient to pass all matters submitted to a vote of the Starting XI. Members of the Starting XI may hold a meeting electronically, in person, or by any other means as established by the Starting XI. Members of the Starting XI may not act by proxy.

8.6 **Action by Writing.** Any action permitted or required to be taken by the Starting XI may be taken without a formal meeting if a consent in writing setting forth the action is signed by ALL of the members of the Starting XI who are entitled to vote on the matter. The action is effective on the date when the last signature is placed on the consent or at such time as is set forth in the consent itself.

8.7 **Registering Dissent.** A member of the Starting XI present at a meeting at which action on a Los Verdes matter is taken is presumed to have assented to such action unless the member of the Starting XI files a written dissent or abstention to such action with the person acting as the secretary of the meeting before or immediately after adjournment of the meeting. The right to dissent or abstain does not apply to a member of the Starting XI who voted in favor of such action.

8.8 **Electronic Notifications.** By becoming a member of the Starting XI, each member of the Starting XI consents to receiving via electronic mail or posting(s) on electronic message boards or other electronic means commonly used by Los Verdes, all relevant meeting notices, voting notices, or other legal notices that may be required by these Bylaws or applicable state or federal law to be delivered in writing.

Article 9. Officers

9.1 **Number.** The Officers of Los Verdes comprise a President, a Vice President, a Treasurer, a Secretary, and any other officers as may be deemed necessary or desirable by the Starting XI.

9.2 **Appointment and Term of Office.** Officers are appointed by vote of the members of the Starting XI as soon as practicable after seating new members in January. Each Officer's term of office is one year.

9.3 **Qualifications.** To be eligible to serve as an Officer, an individual must at all times during his or her term be a Voting Member of Los Verdes and an active member of the Starting XI.

9.4 **Resignation and Removal.** An Officer may resign at any time by delivering written notice of such resignation to Voting Members of Los Verdes. An Officer may be removed at any time, with or without cause, by a majority vote of the active members of the Starting XI.

9.5 **Committees.** The Starting XI may, at its discretion, establish one or more Committees to organize and assist with various operations of Los Verdes. The Starting XI shall also be responsible for appointing leadership for such Committees and outlining the responsibilities and expectations of each.

9.6 Officer Responsibilities

9.6.1 **President.** The President is the principal executive officer of Los Verdes. Subject to the oversight of the Starting XI, the President shall supervise and control all of the business and affairs of Los Verdes and perform all duties incident to the office of President.

9.6.2 **Vice President.** The Vice President is the second-highest ranking executive officer of Los Verdes. In the absence of the President, the Vice President shall perform all duties of the President, and in doing so shall have all the powers of the President. At all times, the Vice President shall assist the President as necessary and undertake any additional responsibilities as proscribed from time to time by the Starting XI.

9.6.3 **Treasurer.** The Treasurer shall manage the financial affairs of Los Verdes, including acting as the Chief Financial Officer of Los Verdes. The Treasurer shall have such powers and duties as set forth by law and as proscribed from time to time by the Starting XI.

9.6.4 **Secretary.** The Secretary shall record the minutes of all Member and Starting XI meetings; ensure that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of Los Verdes; maintain registers of Voting Member and Associate Members; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Starting XI. Although ultimate responsibilities for performing these duties resides with the Secretary, the Secretary delegates any duties to other individuals as the Secretary deems necessary.

9.7 **Vacancies.** The Starting XI shall fill vacancies in any office because of death, resignation, removal, disqualification, or otherwise for the unexpired portion of the term.

Article 10. Contracts, Expenditures, Loans, Checks, and Other Instruments

10.1 **Contracts.** All contracts approved by the Starting XI must be signed by an Officer, a member of the Starting XI, or such other person as may be authorized by the Starting XI.

10.2 **Expenditures.** Los Verdes has established the following expenditure guidelines in the interest of administrative expediency:

- The President or Treasurer may unilaterally approve an expenditure of Los Verdes funds in an amount less than \$500.00 USD.
- All other expenditures of Los Verdes funds must be approved by a majority of the Starting XI.
- No other individual may make or authorize any expenditure of Los Verdes funds without written authorization from the Starting XI.

10.3 **Loans.** Los Verdes may not borrow money, other than ordinary trade payables for goods and services, without the express approval of the Starting XI, such approval to be given only in extraordinary circumstances and for specific purposes.

10.4 **Checks, Drafts.** All checks, drafts, or other orders for the payment of money and notes or other evidences of indebtedness issued in the name of Los Verdes shall be signed by such Officer or Officers or agent of Los Verdes and in such manner as shall from time to time be determined by resolution of the Starting XI.

10.5 **Deposits.** All funds of Los Verdes not otherwise employed must be deposited to the credit of Los Verdes in such accounts as the Starting XI may select.

10.6 **Gifts.** No Member may derive undue private benefit from a gift of substantial monetary value received in connection with and during that member's service to Los Verdes. Whether a gift is of substantial monetary value and whether it results in an undue private benefit shall be determined by the Starting XI or any applicable state or federal law. Each Member has a personal duty to promptly disclose to the Starting XI their receipt of any such gift or any gift that might reasonably be interpreted to confer an undue private benefit.

Article 11. Intellectual Property

11.1 **Rights of Members.** Los Verdes recognizes and respects the intellectual property rights of its Members including copyrights, trademarks, patents, and other forms of intellectual property as applicable. For example, unless otherwise validly assigned, any intellectual property rights attached to works created in support of Los Verdes remain the exclusive property of the creator or creators of such work.

11.2 **License to Los Verdes.** Notwithstanding the forgoing, by creating a work in support of Los Verdes and sharing that work with other Members of Los Verdes, a Member creates an implied or express license to Los Verdes for Los Verdes to use that work for the purposes of promoting Los Verdes, Los Verdes' Purpose, or any authorized activity of Los Verdes. Such implied license may be revoked or modified at any time by the copyright owner delivering a signed writing to the Starting XI.

11.3 **Rights of Los Verdes.** Los Verdes maintains ownership of various trademarks, copyrights, and other intellectual property—for example, Los Verdes maintains trademark rights in its name and logos and copyright in its various publications, where the intellectual property rights to such work are not legally held by one or more individual Members or a third party. Los Verdes may also, at times, commission works made for hire in which Los Verdes owns all or some intellectual property rights. Los Verdes may also, from time to time, acquire through valid assignment and/or purchase, rights to other works for which the intellectual property rights would otherwise reside with the creators of such work or works.

11.4 **Licensed Use of Los Verdes Intellectual Property by Members.** Where Los Verdes owns the intellectual property rights to a protected work or an implied or express license to use a protected work whose intellectual property rights are owned by a party other than Los Verdes, Los Verdes members may use such protected work for the limited purpose of promoting Los Verdes or any of its purposes or activities.

Article 12. Liability and Indemnification

12.1 **Personal Liability.** Except for the payment of their own membership fees, to the fullest extent permitted by applicable state and federal law, a member of the Starting XI shall not be liable to Los Verdes or its Members for any monetary damages for conduct as a director or officer except to the extent that such exemption from liability or limitation thereof is not permitted by law. No repeal or amendment to this Article may adversely affect any right or protection of a member of the Starting XI serving at the time of such repeal or amendment.

12.2 **Indemnification.** Los Verdes shall indemnify each member of its Starting XI to the fullest extent permissible by law against all expense, liability, and loss (including without limitation, attorneys' fees) incurred or suffered by such person by reason of or arising from the fact that such person is or was serving as a member of the Starting XI of Los Verdes, or in another capacity with Los Verdes, or with any other entity at the request of Los Verdes. Such indemnification shall continue toward a person who has ceased to act in such capacity and shall inure to the benefit of his or her heirs, executors, and administrators. Los Verdes may, by action of the Starting XI, provide indemnification to agents of Los Verdes with the same scope and effect as the indemnification provided in this section to members of the Starting XI. The indemnification provisions provided in this section shall not be exclusive of any other rights to which any person may be entitled to any statute, bylaw, agreement, resolution of the Starting XI, contract, or otherwise.

Article 13. Conflicts of Interest

13.1 **Conflicts of Interest.** No member of the Starting XI may directly or indirectly serve in any official role, or be compensated in any way, by Major League Soccer, Austin FC, Two Oak Ventures, Anthony Precourt, or any of their affiliates without the prior written approval of the Starting XI.

13.2 **Contracts.** A contract or transaction between Los Verdes and one or more members of its Starting XI and any other corporation, partnership, association, or other organization in which one or more members of the Starting XI are directors, owners, or officers is not void or voidable solely for such reason, or solely because the member of the Starting XI is present at or participates in the meeting of the Starting XI that authorizes the contract or transaction, IF: (1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or known to the Starting XI and the Starting XI in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested active members of the Starting XI; or (2) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Voting Members and the Voting Members in good faith authorize the contract or transaction via a Member Vote by a majority of quorum; or the contract or transaction is commercially fair to Los Verdes as of the time that it is authorized, approved, or ratified by the Starting XI.

Article 14. Records

14.1 **Records.** Los Verdes shall keep correct and complete records of account, minutes of proceedings of Member and Starting XI meetings, and names and addresses of its Members.

14.2 **Inspection.** All records of Los Verdes, not to include sensitive personal data collected in the ordinary course of business, shall be available for inspection by any Voting Member for any purpose and at any time.

14.3 **Privacy.** The Starting XI shall adopt and implement a suitable Data Privacy Policy for protecting the personal information of Members in conformance with reasonable contemporary standards, taking into account the nature and volume of personal data maintained in the possession of Los Verdes.

Article 15. Miscellaneous Provisions

15.1 **Fiscal Year.** The Fiscal Year of Los Verdes shall run with the calendar year.

15.2 **Dissolution.** Los Verdes is not operated for the financial benefit of any individual or group of individuals. In the event of dissolution, the assets of Los Verdes shall be liquidated and all proceeds charitably donated as directed by the Starting XI.

15.3 **Severability.** Should any provision of these Bylaws be found for any reason to be inapplicable, invalid, illegal, or otherwise ineffective, all remaining provisions shall remain in full force and effect.

15.4 **Amendments to Bylaws.** These Bylaws may be amended with the approval of either two-thirds of the Starting XI or by Member Vote of at least two-thirds of the Voting Members.

Action	Date	Affected Sections
Initial Adoption by Starting XI	August 9, 2020	All
Amendments Adopted by Starting XI	January 3, 2021	<p>§ 4.4: Amended to reflect change to 12-month memberships, replacing calendar year memberships</p> <p>§ 5.3: Amended to impose an affirmative duty for the Starting XI to promptly schedule a Special Member Meeting</p> <p>§§ 7.5, 7.6, and 7.9: Amended to clarify original intent and/or to correct minor typographical issues</p> <p>§ 14.2: Amended to exclude sensitive personal data from right of inspection and to clarify that only Voting Members have the right of inspection</p>
Amendments Adopted by Starting XI	April 14, 2021	Appendix A: Amended to clarify that resale of tickets above face value is prohibited only with respect to those tickets in the supporters section

Appendix A

to Bylaws of Los Verdes ATX

Code of Conduct

Los Verdes are focused on creating the best supporters experience in Major League Soccer in support of Austin FC and doing it in a way that is open and respectful to all. We will be loud and proud in the stands, but also inclusive and diverse. Racism, sexism, homophobia, transphobia, ableism, xenophobia and all forms of discrimination, threats and violence will not be tolerated.

This commitment extends beyond McKalla Stadium during matches to our participation in the community. Whether we are at events, at watch parties or on social media, our individual actions reflect on Los Verdes as a group.

Los Verdes Do's:

- DO enthusiastically participate in songs and chants throughout the match, following the direction of the capos
- DO wear the club's colors in the stands, supporting Austin FC above all
- DO treat away fans with respect in accordance with the Independent Supporters Council charter
- DO follow The Plastics SG affiliate guidelines around advocacy for marginalized groups
- DO provide a welcome environment for new fans that encourages them to participate further
- DO comply with the Stadium Code of Conduct, whether at McKalla or on the road
- DO comply with the MLS Code of Conduct
- DO speak up and enforce the code of conduct among your fellow Los Verdes members

Los Verdes Don'ts:

- DON'T lead, encourage or participate in chants that do not reflect our values (i.e. the goal kick chant)
- DON'T resell tickets in the supporters section without explicitly informing the buyer of the ticket location and expectations
- DON'T resell supporters section tickets above face value
- DON'T throw objects onto the field during play
- DON'T wear the colors of other clubs in the stands
- DON'T use racial slurs, hate speech or other disrespectful language either in person or online
- DON'T engage in excessive drunken or disorderly behavior at games, events or watch parties
- DON'T ignore stadium policies or guidance from stadium staff on modification of behavior

- DON'T make unwelcome sexual advances or sexually harass others, either in person or online
- DON'T cause any property damage at McKalla or any other stadium or facility

Anyone violating the Code of Conduct is subject to disciplinary action, which may include removal from Los Verdes. Other disciplinary action may also be taken for lesser infractions. If necessary, Los Verdes will work with Austin FC to take appropriate action such as removing members from the supporters' section and/or stadium. All members, regardless of their status in the organization, are subject to the same standards. Members of the Starting XI may be held to a higher standard than others.

The Los Verdes Disciplinary Committee will oversee the sanction process. This committee will consist of three members appointed by the Starting XI, one of which will be a member of the Starting XI. Actions of the Disciplinary Committee are final and can only be appealed if the appellant presents the signatures of 25 members in good standing requesting an appeal. These signatures may be either hard copy or digital.

Disciplinary steps:

- Minor violations (fouls) - Individuals will be given an initial verbal warning. We understand that some rules may be unclear or that there may be minor violations in the heat of the moment.
- Formal warnings (yellow cards) - These will be issued in situations where the Disciplinary Committee deems that it is warranted, or if there is a repeated improper behavior after a verbal warning. Immediate formal warnings will be issued for racist, sexist, homophobic, transphobic, xenophobic or ableist chants, slurs or behavior; unwanted sexual advances or harassment; or grossly inappropriate behavior on social media.
- Direct disciplinary action (red cards) - If a second yellow card is issued in a six-month period, direct disciplinary action will be taken. In certain situations, inappropriate behavior will lead to immediate disciplinary action, up to expulsion from Los Verdes.