

ARTICLE 1

Name

Section 1 – Name

This organization is incorporated as a not-for-profit corporation under the laws of the State of Texas and shall be known as the East Parker County Chamber of Commerce.

Section 2 – Definitions

Wherever the following words are used in these by-laws, they shall have the following meaning:

- a. “Chamber” or “Chamber of Commerce” means the East Parker County Chamber of Commerce.
- b. “Board of Directors” or “Board” means the Board of Directors of the East Parker County Chamber of Commerce.
- c. “Executive Committee” or “Officers” means the Executive Committee of the East Parker County Chamber of Commerce is comprised of the Chairman of the Board, the Chairman-Elect, the Immediate Past Chairman, the Treasurer, the Secretary and the President & Chief Executive Officer.
- d. “Chairman” means the Chairman of the Board of the East Parker County Chamber of Commerce.
- e. “Member” means a member of the East Parker County Chamber of Commerce.
- f. “Member in Good Standing” means a member of the East Parker County Chamber of Commerce whose application has been accepted by the Chamber and who is current in dues and continues to support the mission of the organization as determined by the Board.
- g. “Mail” means delivery via U.S. Postal service or electronic means.

ARTICLE II

Objectives

Section 1 – Purpose & Objectives

Notwithstanding any provision of these by-laws, the Chamber shall observe all local, state, and federal laws that apply to a non-profit organization as defined in section 501(c)(6) of the Internal Revenue Code.

The mission of the East Parker County Chamber of Commerce is to promote and attract businesses that add value to our community.

ARTICLE III

Membership

Section 1 – Classification

Any person, association, corporation, partnership, public entity or estate having an interest in the objectives of the Chamber shall be eligible to apply for membership. The membership shall be composed of the following classifications:

Dues Paying: (a) Business

Non-Dues Paying: (b) Honorary

Section 2 – Definitions

The Chamber membership classifications are defined as follows:

a. Business – Any individual person or business organization of any kind, including sole proprietorship, corporation, nonprofit corporations, partnership, limited partnership, public entity or association are eligible for membership.

b. Honorary– Non-dues paying membership extended to an individual who has performed acts or deeds so exceptional on behalf of the betterment of the Chamber’s ideals and purposes as to be recognized by the voting membership so long as the individual lives.

Qualifications:

- 1) Must be retired and/or have had fifteen years’ membership in this Chamber.
- 2) Must be an individual person, not a business organization.
- 3) Must be recommended by the Executive Committee.
- 4) Must be approved by two-thirds (2/3) of the Board of Directors.
- 5) Must be a member in good standing.

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- 6) Must have supported the Chamber by serving on the Board or a committee.
- 7) Must have supported the community through community service activities.

After selection, Honorary membership is non-voting. The Board may remove an Honorary member from the membership list if, in the determination of the Board, the member cannot be contacted or any other reason that is in the best interest of the Chamber.

Section 3 – Investment

Membership investment schedules shall be set at such rate or rates, schedule or formula as may be from time to time prescribed by the Board of Directors and shall be paid annually in advance.

Section 4 – Voting Rights

The voting rights of each Chamber membership classification is as follows with respect to each matter submitted by the Board to the members for a vote according to law or these by-laws: Each business member in good standing shall have two votes per membership investment level as prescribed by the membership investment schedule.

Section 5 – Application

Application for Chamber membership shall be in writing on forms provided for that purpose and signed by the applicant. Membership shall only become effective upon payment of the regularly scheduled investment as provided in Section 3 above. The membership shall continue until terminated in one of the following ways:

- a. Resignation in writing by the member.
- b. Termination for nonpayment of dues after ninety (90) days.
- c. Termination by the Board for conduct that violates the by-laws or is prejudicial to the objects and purposes of the East Parker County Chamber of Commerce, after notice to the member and an opportunity afforded for a hearing under procedures determined by the Board.
- d. Death of the member, if the member is an individual.
- e. Dissolution of the Chamber of Commerce.

Section 6 – Non-Transferable

Except as provided herein, a Chamber membership shall not be sold, assigned, or transferred in any manner. A member may, however, change its classification, and a member may change its designated representative by written notification to the Chamber. In the event of the sale of a

member business organization, membership may be assumed by the purchasing business for the remainder of the membership year.

ARTICLE IV

Meetings

Section 1 – Annual Meetings

The annual meeting of the Chamber shall be held during the month of January each year. The time and place shall be fixed by the Board and notice thereof shall be mailed to each member at least ten days before said meeting. An e-mail address or other electronic communications address such as a facsimile number, provided by a member through application or for the purpose of receiving general information and materials from the Chamber shall constitute the address of such member for the purpose of the provision and receipt of any and all notices and other materials from the Chamber, unless the member notifies the secretary of the Chamber otherwise in writing.

Section 2 – Membership Meetings

General membership meetings other than the annual meeting may be called by or at the direction of (1) the Board of Directors, (2) the Chairman with prior approval of the Executive Committee or (3) members constituting not less than one-tenth of the membership in the Chamber who shall have signed a petition authorizing the call of the membership meeting. These procedures shall be the sole procedures in which special meetings of the Chamber membership may be called. The notice of the meeting of the members shall be written and shall contain the place, date, and time of the meeting and, if the meeting is a special meeting, the purpose or purposes for which the meeting is called. The notice shall be delivered to each member entitled to vote at the meeting not later than the 10th day and not earlier than the 60th day before the date of the meeting.

Section 3 – Board of Director’s Meetings

The Board of Directors shall meet monthly or meetings may be called by the Chairman or upon the written request of three members of the Board of Directors. Notice shall be given to each director at least three days prior to the meeting. The Board of Directors and any committee of the Chamber may hold a meeting by telephone conference call or other electronic means in which all persons participating in the meeting can hear each other. The notice of a meeting by electronic means conference must state the fact that the meeting will be held by electronic means as well as all other matters required to be included in the notice. Participation of a person in a conference call meeting constitutes presence of that person at the meeting.

The business of the Chamber shall be conducted by the Board of Directors and issues shall be decided by majority vote when a quorum of voting Board members is present.

Section 4 – Quorum

When a meeting of the general members has been properly noticed those members in good standing and present at the meeting shall comprise a quorum. A majority vote of members in good standing present at the meeting at which a quorum is present shall be sufficient to constitute an act of the membership.

At any meeting of the Board, a majority of the directors currently in office shall constitute a quorum. The directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of directors required to constitute a quorum.

Section 5 – Agenda and Meetings

An agenda and minutes shall be prepared for all meetings of the Board of Directors and the annual meeting of the Chamber.

Section 6 – Action by Written Consent Without a Meeting

At the discretion of the Chairman, an action of the East Parker County Chamber Board or the Executive Committee may be taken without a meeting if a written consent, stating the action to be taken, is signed by at least two-thirds (2/3) of all the directors or committee members as the case may be, unless a greater number is required by law or these by-laws to take the proposed action at a meeting at which all of the directors or committee members are present and voting. The consent must state the date of each director's or committee member's signature. Such consent may be given electronically and individually or collectively. Prompt notice of the taking of an action by directors or committee members without a meeting by less than unanimous written consent shall be given to each director or committee member who did not consent in writing to the action.

ARTICLE V

Board of Directors

Section 1 – Composition

The governing body of the Chamber shall be the Board of Directors. Eleven (11) directors shall be elected by the voting membership for two-year terms, with a maximum of 2-two-year terms served. All directors must be members in good standing and have agreed to accept the responsibility of a directorship.

Section 2 – Ex-Officio Directors

Ex-officio directors have no voting privileges on the Board and they may not be counted to determine whether a quorum is present. The role of ex-officio directors is to provide counsel, suggestions and recommendations for consideration by the Board of Directors.

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Section 3 – Nominating Committee for Directors

No later than the regular September meeting of the Board, the Chairman shall appoint, subject to approval by the Board of Directors, a nominating committee of five (5) members of the Chamber.

The Chair-Elect will serve as Chairman of the Nominating Committee along with one (1) other director and three (3) members. The President & Chief Executive Officer and Chairman shall serve as ex-officio members of the committee.

Prior to the November Board meeting, the nominating committee shall present to the President & Chief Executive Officer a slate of candidates to serve two-year terms to replace the Directors whose regular terms are expiring.

No Board member who has served 2-two-year elected terms is eligible for election. A period of one (1) year must elapse before eligibility is restored.

Upon receipt of the report of the Nominating Committee, the President & Chief Executive Officer shall immediately notify the membership by mail or listing in the monthly newsletter, of the names of persons nominated as candidates for directors and the right of petition.

Additional names of candidates for Directors can be nominated by petition bearing the signature of at least twenty-five (25) business or individual members of the Chamber. Such petition shall be filed with the Nominating Committee within (10) days after notice has been given of the names of those nominated. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.

If no petition is filed within the designated period, the nominations shall be closed, and the slate of candidates shall be declared elected by the Board of Directors at its regular January Board Meeting.

If a petition shall present additional candidates, the names of all candidates shall be arranged on a ballot in alphabetical order. Instructions will be to vote for five (5) or six (6) candidates only. The President & Chief Executive Officer shall email this ballot to all members in good standing at least fifteen (15) days before the January Board Meeting.

The ballots shall be marked in accordance with instructions printed on the ballot and returned to the Chamber office within ten (10) days. Ballots may be mailed and formatted electronically. The Board of Directors shall at its regular next Board meeting declare the five (5) or six (6) candidates with the greatest number of votes, elected.

The Chairman of the Board shall appoint, subject to the approval of the Board of Directors, at least (3), but not more than five (5) judges who are not members of the Board of Directors or candidates for election. Such judges shall, as a committee of the Chamber, have complete supervision of the election, including the auditing of the ballots. The committee shall report the

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results of the election to the Board of Directors. The Chairman shall appoint a chairman of the committee.

The nominating committee proposes nominations based on the following selection criteria.

1) Business owner or senior decision maker for the business, 2) Maintains diversity among all of the member cities and reflects locations of membership as a whole, 3) No more than (2) board representatives from the same industry at any one time on the Board, 4) Diversity of business size reflective of diversity in membership, 5) Chamber involvement - committee involvement, volunteer work, Ambassador work, attendance at Chamber events, etc., 6) Ability to dedicate a minimum of 5 hours each month to Chamber work (includes Board meetings, Committee Meetings & Lunches, 7) Exclusions of all elected officials and municipal staff - conflicts of interest may occur as a result of duty to the office in opposition to duty to the Chamber, 8) Is not and will not be serving on another Chamber board within the same county.

Section 4 – Vacancies

In the event of a vacancy among the elected directors, the Chairman shall appoint a replacement subject to the approval of the Board of Directors.

Failure of a director to attend three unexcused meetings of the Board shall result in automatic termination from the Board. The determination of whether an absence is excused shall be made by the Board in its sole discretion.

Section 5 – Duty of Board

The Board is responsible for establishing procedure, formulating and adopting policy of the Chamber. These policies shall be maintained in a policy manual, which shall be reviewed annually and revised as necessary. The Board may exercise all such powers of the Chamber and do all such lawful acts and things as are directed or required to be exercised or done by statute, the Articles of Incorporation, or these Bylaws.

Section 6 – Staff

The Board may employ a President & Chief Executive Officer and shall fix the salary and other considerations of his/her employment.

Section 7 – Indemnity

To the maximum extent allowed by and pursuant to the procedures set forth in Texas law, including Chapters 8 and 22 of the Texas Business Organizations Code, the Chamber may, by resolution of the Board, indemnify a director, officer, committee member, employee, or agent of the Chamber who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of its, his or her official capacity in the Chamber. The Chamber may purchase and maintain at its expense, insurance on behalf of such person(s) to the fullest extent permitted by applicable law.

ARTICLE VI

Executive Officers

Section 1 – Term of Office and Vacancy

All officers shall serve for one year or until their successors are selected and qualified. In the event of a vacancy in any of the offices, the Board may fill said vacancy by appointment of the Officer with a majority vote of the Board. The appointed officer shall serve the office for the unexpired portion of the predecessor officer's term.

Section 4 – Duties of Officers

- a. Chairman. The Chairman serves as the chief elected and top-ranking officer of the Chamber of Commerce and shall preside at all meetings of the membership, Board, and Executive Committee. The Chairman shall, with the advice and counsel of the President & Chief Executive Officer, assign committee chairs to divisional or departmental responsibility subject to the approval of the Board. The Chairman shall, with the advice and counsel of the President & Chief Executive Officer, determine all committees, select all committee leaders, and assist in the selection of committee personnel. The Chairman is considered the “President & Chief Executive Officer” of the Chamber as that term is used in Chapter 22 of the Texas Business Organizations Code.
- b. Chairman-Elect. The Chairman-Elect shall exercise the powers and authority and perform the duties of the Chairman in the absence, refusal, or inability of the Chairman to serve.
- c. Treasurer. The Treasurer shall be responsible for the safeguarding of all funds received by the Chamber and for its proper disbursement. Such funds shall be kept on deposit in financial institutions or if otherwise invested, the investment must be approved by the Board. Unless otherwise authorized by the Board, checks over \$1500.00 are to be signed by the Treasurer and by the President & Chief Executive Officer, or such financial obligations shall be signed by any two (2) officers listed on the Chamber's bank signature card. Payroll and payroll taxes are exempt from this policy and are authorized via ACH. The Treasurer shall cause monthly financial reports to be made to the Board.
- d. Secretary. The Secretary shall: (a) Give or cause to be given all notices as provided in the Bylaws or as required by law; (b) Take minutes of the meetings of the members and of the Board of Directors and keep the minutes as part of the corporate records; (c) Maintain custody of the corporate records and of the seal of the Chamber; (d) Keep a register of the mailing address of each Director, officer, and employee of the Chamber; (e) Perform duties as assigned by the President & Chief Executive or by the Board of Directors; and (g) Perform all duties incident to the office of Secretary.

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- e. The President & CEO shall be the Chief Executive Officer. The President & Chief Executive Officer shall serve as secretary to the Board and of the Chamber, and be responsible for the staff's preparation of notices, agendas, and minutes of the meetings of the Board.

The President & Chief Executive Officer shall serve as advisor to the Chairperson and Program of Work committee on planning and shall assemble information and data and prepare special reports as directed by the Program of the Chamber.

The President & Chief Executive Officer shall be an ex-officio, non-voting member of the Board, the Executive Committee, and all other committees.

The President & Chief Executive Officer shall be responsible for the administration of the Program of Work in accordance with the policies and regulations of the Board of Directors.

The President & Chief Executive Officer shall be responsible for hiring, discharging, directing, and supervising all other employees.

The President & Chief Executive Officer shall be responsible, with the assistance of the Treasurer, for the preparation of an operating budget covering all activities of the Chamber, subject to the approval of the Board. The President & Chief Executive Officer shall also be responsible for all expenditures within the approved budget allocations.

Section 5 – Powers

The Executive Committee shall act for and on behalf of the Board of Directors when the Board is not in Session and shall be accountable to the Board for the Executive Committee's actions.

Section 6 – Meetings

The Executive Committee shall meet from time to time as called by the Chairman or any three members of the Committee.

ARTICLE VII

Committees and Divisions

Section 1 – Committees

The Chairman, by and with the approval of the Board, shall appoint all standing committees and committee leaders. The Chairman may appoint such ad hoc committees and their leaders as deemed necessary to carry out the programs of the Chamber. Committee appointments shall be at the direction of the Chairman and shall serve concurrent with the term of the appointing Chairman, unless a different term is approved by the Board. Each committee shall submit its choice for committee chairman to the incoming Chairman of the Board. Upon approval of the program of work, the Chairman of the Board will finalize the committee chair appointments. It

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shall be the function of committees to make investigations, conduct studies and hearings, make recommendations to the Board, and to carry on such activities as may be delegated to them by the Board.

Section 2 – Divisions

The Board may create such divisions, bureaus, departments, councils or subsidiary corporations as it deems advisable to handle the work of the chamber. The Board shall authorize and define the powers and duties of all divisions, bureaus, departments, councils, and subsidiary corporations. The Board shall annually review and approve all activities and programs of such divisions, including collection and disbursements of funds. No action or resolution of any kind shall be taken by divisions, departments, councils or subsidiary corporations have bearing upon or purporting to be the act of the Chamber, unless approved by the Board of the Chamber.

Section 3 – Limitation of Authority

No action by any member, committee, division, employee, director, or officer shall be binding upon, or constitute an expression of, the policy of the Chamber until it shall have been approved or ratified by the Board.

Committees and/or divisions shall be discharged by the Chairman when their work has been completed and their reports accepted, or when in the opinion of the Board, it is deemed wise to discontinue the committees and/or divisions.

Section 4 – Termination of Status

The Board of Directors, in its sole discretion, may terminate the existence of or its relationship with any of the divisions, bureaus, departments, counsels, subsidiary corporations or committees. The Board may, according to applicable law, combine, reorganize, or redefine any of such entities as the Board deems to be in the best interest of the Chamber.

ARTICLE IX

Financial

Section 1 – Bonding

The President & Chief Executive Officer and such other officers and staff as the Board of Directors may designate shall be bonded by a sufficient fidelity bond in the amount set by the Board and paid for by the Chamber. The fiscal year of the East Parker County Chamber of Commerce begins January 1st of each year and ends the following December 31st.

Section 2 – Audit

Accounts and procedures will be examined semi-annually by the Executive Committee and an audit may be requested by the Executive Committee if deemed necessary.

Section 3 – Budget

The Treasurer shall submit a budget for the forthcoming year to the Board of Directors for adoption at the November Board meeting.

Section 4 – Revenues and Disbursements

Upon approval of the budget, disbursements may be made on accounts and expenses provided for in the budget without additional approval by the Board.

ARTICLE X

Parliamentary Procedure

The proceedings of the Chamber shall be governed by and conducted according to the latest edition of Robert's Rules of Order, except as otherwise provided herein or as may be determined by the Board of Directors.

ARTICLE XI

Amendments

These by-laws may be altered, amended or repealed and new by-laws may be adopted by a two-thirds (2/3) vote of the Board of Directors, or by a majority vote of those members present at any regular or special membership meeting of the East Parker County Chamber of Commerce, provided notice of the meeting includes the proposals for such changes. Proposed changes shall be submitted to the Board or the members in writing at least ten (10) days in advance of the meeting at which they are to be considered.

ARTICLE XII

Dissolution

Upon dissolution, all Chamber assets shall be distributed to one or more charitable, educational, scientific or philanthropic organization(s) qualified as exempt from taxes under Section 501(c)(3) of the Internal Revenue Code, or, as permitted by the Treasury Regulations governing the Chamber, to one or more organizations qualified as exempt from taxes under of the Internal Revenue Code that serves similar purposes as this Chamber. Any recipient organization and the

manner and extent of distribution shall be determined by the Board of Directors according to Texas law. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Chamber is then located, exclusively for such purposes or to such organization or organizations (or to the federal government, or to a state or local government, for a public purpose), as said Court shall determine.

CERTIFICATE OF SECRETARY

I hereby certify that I am the duly elected and acting Secretary of the Chamber and that the foregoing Bylaws, comprised of thirteen (13) pages including this page, constitute the Bylaws of the Chamber as duly adopted and made effective by the Board of Directors at a meeting held on May 25, 2016.

DATED: January 19, 2018

[Signature]

Jeanna Vaughan

[Printed Name]

Secretary of the Corporation

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