

DEER PARK CHAMBER OF COMMERCE BY-LAWS

ARTICLE 1 PURPOSE

Section 1: Name and Area

This organization is incorporated under the laws of the State of Texas and is known as the Deer Park Chamber of Commerce Inc., hereinafter referred to as the chamber. Its principal office shall be located within the boundary of the City of Deer Park.

Section 2: Purpose

The purpose of the Deer Park Chamber of Commerce Inc. is to advance economic growth, enhance the quality of life and improve the business, professional, cultural and educational environment of Deer Park by encouraging business development, inspiring professionalism, promoting civic responsibility, and increasing public awareness through cooperative efforts of businesses, the professions, government and the community.

Section 3: Limitations of Methods

The chamber shall observe all local, state and federal laws which apply to a non-profit organization as defined in Section 501 (C) 6 of the Internal Revenue Code.

ARTICLE II MEMBERSHIP AND DUES

Section 1: Membership Eligibility

Any person, association, corporation or partnership having an interest in the objectives of the chamber shall be eligible for membership.

Section 2: Membership Application

Application for membership in the chamber shall be submitted in writing on a chamber application form accompanied by the payment of the regularly scheduled investment as provided in the investment section. Approval of membership shall require the vote of a majority of the members of the Board of Directors present at any regular or special meeting. Membership anniversary date will be the first day of the first month following Board of Directors approval.

Section 3: Classes of Membership and Investments

There shall be four (4) classes of membership in the chamber: business, individual, non-profit entity and honorary memberships. For the purpose of determining investments, the membership shall be classified as individual or business. Clarification of member class shall be deferred to the Board of Directors at approval process. Member class is defined as:

A. Business Membership

A business is defined as a business firm, corporation, partnership, or association. For classification purposes, a self-employed person or a member of a partnership will be eligible for a business membership only. The annual business member investment shall be at a rate or rates according to the formula prescribed by the Board of Directors.

- B. Individual Membership
Individual memberships will be available to anyone regardless of where the person is employed. The individual member investment shall be at a rate or rates according to the formula prescribed by the Board of Directors.
- C. Honorary Membership
Distinction in public affairs shall confer eligibility of honorary membership. Honorary members shall have all privileges of membership except the right to vote and shall be exempt from payment of dues. The Board of Directors shall confer or revoke honorary membership by a two-thirds vote.
- D. Non-Profit Membership
Non-Profit membership is offered to 501(c)(3) and churches at a discounted rate prescribed by the Board of Directors.

Section 4: Membership Dues

Dues shall be payable annually, within thirty (30) days of the anniversary date. The membership anniversary date will be the first day of the first month following Board of Directors approval. Member privileges are available to all members in good standing. A member in good standing shall have paid member dues current and any other outstanding amount(s) due and owing the chamber. All other amounts owing other than membership dues are considered delinquent after 60 days from due date.

Section 5: Privileges of Members

All members may attend meetings of the membership and observe meetings of the Board of Directors. A member attending a meeting of the Board of Directors for the purpose of addressing an issue or matter pertinent to the objectives of the chamber shall have provided notification to the Chairman of the Board to be placed on the agenda for said purpose only. The records and facilities of the chamber shall be open and available to all members for the purpose of conducting chamber business, as provided in Article VII, Section 7.

Section 6: Voting

Each member in good standing is entitled to cast one vote. Business members shall designate in writing to the chamber, the person who will exercise that member's right to vote.

Section 7: Resignation, Suspension, and Termination of Membership

Members may resign or may qualify for suspension or termination with the following guidelines.

A. Resignation

Any member may resign from the chamber upon written request to the Board of Directors. The chamber shall not be obligated to refund any membership investment paid in advance of resignation.

B. Suspension

Members whose dues remain delinquent 60 days after their anniversary date, will receive written notice of pending suspension to the member address of record. If delinquency is undisputed and remains unpaid, then a member shall be suspended by a two-thirds vote of the Board of Directors for nonpayment of investment after 90 days from the anniversary date.

C. Expulsion

Any member may be expelled from the chamber for conduct unbecoming a member or prejudicial to the aims or repute of the chamber. The claimant shall submit in writing the alleged violation(s) to the Chairman of the Board. After notice and opportunity for a hearing are afforded for the member complained against, that member may be expelled by a two-thirds vote of the Board of Directors. Any member expelled by the Board of Directors shall be refunded their membership investment pro rata.

ARTICLE III BOARD OF DIRECTORS

Section 1: Authority

The government and policy-making responsibilities of the chamber shall be vested in the Board of Directors which shall control its property, be responsible for its finances, and direct its affairs. No matter involving the policies of the chamber shall be finally acted upon by the membership without prior approval of the Board of Directors.

The Board of Directors shall employ a President and shall fix his/her salary and other conditions of employment.

Section 2: Composition

The Board of Directors shall be composed of not fewer than fifteen (15) members elected for three-year terms or until their successors are elected and seated. The number of directors elected each year shall be sufficient to replace directors whose regular three (3) year term have expired, including if the case may be that of the Chairman, Chairman Elect, and Immediate Past Chairman of the Board. The Chairman, Chairman Elect, and the Immediate Past Chairman shall be voting members of the Board of Directors, if not among the fifteen elected directors.

The Board of Directors may appoint Ex Officio Director (s) from time to time as deemed desirable. Ex-Officio Directors do not have voting rights, nor do they count towards the quorum.

Section 3: Selection and Election of Directors

Selection and Election of Directors shall be performed by the following procedures:

A. Nominating Committee

At the regular September Board of Directors Meeting, the Chairman of the Board shall appoint subject to approval of the Board of Directors a nominating committee of five (5) members of the chamber. The committee shall consist of the Chairman Elect serving as Chairman, two (2) additional directors and two (2) non-director members.

By October 1 the nominating committee shall present to the Chairman of the Board a slate of candidates to serve three (3) year terms to replace the directors whose elected or appointed terms will expire. The proposed slate of candidates shall be presented to the Board of Directors for approval at the regularly scheduled October Board of Directors meeting. The slate of proposed candidates shall be sufficient to fill the expired terms. A candidate must be a member in good standing and must have agreed to accept the responsibility of directorship. Appointed members of the Board of Directors whose terms have expired shall be eligible for nomination to an elected term. No member of the Board of Directors may

be elected to serve more than two consecutive terms, or in the event the director filled an unexpired term, may not serve more than seven consecutive years on the Board. After being off the Board for at least two years, a former director may be re-elected to the Board.

B. Election

All nominated names shall be placed on the official ballot alphabetically with space and instructions on the number of persons to be elected to the Board of Directors. Space for write-in candidate (s) will appear in conjunction with the proposed candidate (s) for election.

C. Ballots

Official ballots shall bear the corporate seal of the chamber, if sent by mail. The ballots shall be mailed or emailed to the membership no later than the first working day of November and must be returned to the chamber office on or before the due date specified on said ballot. Ballots shall be returned in a sealed envelope marked ballot, if sent by mail. Emailed ballots shall be returned in the manner designated by the nominating committee.

Prior to the general membership ballot deadline, the Chairman of the Board will appoint a committee chairman and four (4) judges. The committee will consist of one (1) director and three (3) non-director members who will canvass and report election results. Candidates receiving the highest number of votes shall be elected to fill vacant positions on the Board of Directors. All ballots shall be preserved by the President for not less than sixty (60) days following the election. They may be destroyed after that time.

The election of directors shall be confirmed at the December meeting of the Board of Directors and announced at the next monthly general membership meeting.

D. Seating of New Directors

All newly elected members of the Board of Directors shall be seated at the January Board of Directors meeting. All outgoing members will serve until the end of December and be invited to attend the coming year Board Retreat. Where, the current, outgoing and incoming directors shall meet to discuss and prepare a Program of works for the coming fiscal year.

The first duty of the newly constituted Board of Directors shall be to elect officers.

E. Attendance

A member of the board of directors who shall be absent from 4 consecutive regular meetings of the board of directors shall automatically be dropped from the board of directors unless confined by illness or other absence approved by a majority vote of those voting at any meeting.

F. Vacancies

All vacancies on the Board of Directors whether created by resignation, death or by action of the Board of Directors as here in above provided, shall be appointed by the Chairman of the Board and approved by a majority vote of the remaining Directors present at any regular meeting or special called meeting for that purpose. Likewise, in those cases where a vacancy has less than one year remaining on its term, the Board of Directors may by majority vote declare that vacancy to remain unfilled until the next regular Board of Directors election by the general membership.

G. Removal of Directors

One or more of the Directors may be removed with cause at any time by a two-thirds vote of the Board members that constitute a quorum at any board meeting or special meeting called for that purpose.

Section 4: Indemnification of Directors and Officers

The chamber shall indemnify any director, officer, former director or former officer for any money paid by him and expenses reasonable incurred by him including attorney's fees as a result of any claim, action, suit or proceeding against him by reason of his being or having been a director or officer whether adjudicated or settled so long as any payment made in settlement of any such claim, action, suit or proceeding be deemed reasonable by independent counsel selected by the Board of Directors. The chamber shall not indemnify any director, officer, former director or former officer for any payments made by him or expenses incurred by him as result of any claim, action, suit or proceeding against him, whether adjudicated or settled, as a result of his negligence, gross negligence or willful misconduct while acting or purporting to act in his capacity as director or officer.

Section 5: Policy

No matter involving the policies of the chamber shall be finally acted upon by the membership until it has been approved by the Board of Directors.

Section 6: Program of Work

The program of work for the chamber for each year shall be completed on or before the December Board of Directors meeting and the reports thereof filed with the Chairman of the Board. The existing Board of Directors will present a program of work for the year at the annual meeting of the chamber.

ARTICLE IV MEETINGS

Section 1: Annual Meeting

The annual meeting of the corporation shall be held once a year, within the first quarter. A notice with time and place will be sent to the general membership at least ten days before said meeting.

Section 2: Regular Board Meeting

The regular meeting of the Board of Directors shall be held on the third Tuesday of each month during the year at such a time as the Board of Directors may determine and at such place as may be from time to time designated by the Board of Directors.

Section 3: Special Meetings

All notices required in this section shall include the date, time, place and purpose of the meeting. Only those matters set out in the purpose may be considered at the meeting.

A. General Membership

Special meetings of the general membership may be called by the Chairman of the Board or the Chairman of the Board shall call a special meeting upon the written request of thirty members in good standing. Written notice of special meetings of the general membership shall be deposited in the U.S. Mail, hand delivered, or transmitted via fax or e-mail to each member in good standing at least five (5) days prior to the meeting.

B. Board of Directors

Special meetings of the Board of Directors may be called by the Chairman of the Board or the Chairman of the Board shall call a special meeting upon the written request of three (3) directors. Notice of special meetings of the Board of Directors shall be communicated either verbally, in writing, or transmitted via fax or e-mail to each director at least one (1) day prior to the meeting.

Section 4: Proxy

A member of the Board of Directors may be allowed to sign a Proxy Statement giving another Board member the authority to vote in he's/her absences. Proxy applies to quorum. No more than 3 proxies per year per director.

Section 5: Quorum

At any duly called meeting of the general membership, thirty (30) members in good standing shall constitute a quorum. Two-thirds of the directors shall constitute a quorum of the entire Board of Directors.

ARTICLE V
CHAMBER OFFICERS AND THEIR DUTIES

Section 1: Determination of Officers

The newly elected Board of Directors and the Chairman Elect during the preceding year shall take office on January 1 of the new year and shall be formally sworn into office at the chamber's annual meeting. The Immediate Past Chairman shall be an officer and voting member of the Board of Directors. Each officer shall serve a term of one (1) year or until his/her successor is elected.

The newly constituted Board of Directors at its first meeting immediately following the Board of Directors meeting in December shall organize for the coming year. At this meeting which may be recessed to a certain time, the Board of Directors shall elect by

secret ballot the Chairman Elect, as many Vice Presidents of equal rank as deemed necessary, the Secretary and the Treasurer. The Chairman Elect must have at least one year remaining on his/her regular Board of Directors term and served on the Board of Directors at least a minimum of one year.

Section 2: Duties of Officers

A. Chairman of the Board

The Chairman of the Board shall preside at all meetings of the chamber and the Board of Directors and perform all duties incident to this office. He/she shall, subject to the approval of the Board of Directors appoint all committees except those so defined in the by-laws and he/she shall be ex-officio member of all committees. He/she shall at the annual meeting of the chamber and other times as he/she may deem proper recommend to the membership and the Board of Directors such matters and make such suggestions as may tend to promote the general program of the chamber. The Chairman of the Board is empowered to sign all contracts and obligations of the chamber in the absence of the President. The Chairman of the Board shall submit a report of activities of the chamber to the membership annually.

B. Chairman Elect

The Chairman Elect shall exercise powers and authority and perform the duties of the Chairman of the Board in absence or disability of the Chairman of the Board. The Chairman Elect shall also serve as head of the program of work committee of the chamber. The Chairman Elect and committee will be responsible for determining the activities of the chamber are directed toward achieving business and community needs in the area served by the chamber.

C. Immediate Past Chairman

Until such time as the Chairman Elect is elected by the Board of Directors in accordance with Article III Section 3, the Immediate Past Chairman shall preside at all meeting of the membership, Board of Directors and Executive Committee in the absence of the Chairman of the Board.

D. Vice President

Duties of Vice President(s) who are of equal rank shall be determined by the Chairman of the Board.

E. Secretary

The Secretary shall be responsible for preservation of documents, communications and preparation of minutes of every regular and special meetings of the Board of Directors. All minutes of same shall be maintained and preserved in the chamber office as an official record of the chamber.

F. Treasurer

The Treasurer shall account for all receipt of funds to be deposited in the depository or depositories determined by the Board of Directors. The Treasurer shall prepare, or cause to be prepared, a monthly financial report and present same at the regularly scheduled Board of Directors

meeting. The chamber's annual financial report shall be prepared by the Treasurer and available to the membership in the chamber office.

G. President

The President shall be the chief administrative officer. The President shall be a non-voting member of the Board of Directors, the executive committee and all chamber committees. The President shall report directly to the Board of Directors.

The President shall sign all contracts and obligations of the chamber as provided for within the budget or otherwise approved previously by the Board of Directors.

The President is empowered to hire, discharge and supervise chamber office personnel in accordance with chamber policy and procedure relating thereto. The President shall administer the program of work at the direction of the Board of Directors; prepare the annual proposed operating budget for review of the Treasurer and subsequent approval of the Board of Directors. The President shall be responsible for all expenditures with approved budget allocations.

The President shall serve as advisor to the Chairman of the Board and the Board of Directors on program planning and shall assemble information and data and cause to be prepared special reports as directed by the Board of Directors.

The President may call upon any officer, director or member for assistance in fulfilling his/her duties and responsibilities.

Section 3: Executive Committee

The Executive Committee shall review and prepare recommendations to the Board of Directors for the continuity of business of the chamber when the Board of Directors is not in session. The Executive Committee shall be accountable to the Board of Directors for its actions, and without prior approval of the Board of Directors may not act on behalf of the Board of Directors. The Executive Committee shall be composed of the Chairman of the Board, Immediate Past Chairman, First Vice President who is Chairman Elect, all additional Vice Presidents, Secretary, Treasurer, and the President. The Chairman of the Board shall serve as Chairman of the Executive Committee.

ARTICLE VI
AUTHORITY

Section 1: Appointment and Authority

The Chairman of the Board by and with approval of the Board of Directors shall appoint all division chairmen, all committees and committee chairmen. He/she may appoint such ad hoc committees and their chairmen as deemed appropriate to carry out the program of the chamber.

Appointments shall be for a term of one year or until their successors are appointed, said term to begin January 1. The Chairman of the Board may discharge any division or committee when its work has been completed and its report accepted, or when the Board of Directors deems it appropriate to discontinue same.

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

Section 2: Limitation of Authority

The Board of Directors shall authorize and define the powers, duties, and limitation of all divisions and committees. The Board of Directors shall annually review and approve all activities and proposed program of work for all divisions and committees.

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 approved or ratified by the Board of Directors.

Section 3: Action

Once committee action has been approved by the Board of Directors, it shall be incumbent upon the committee chairmen, or the chairmen's designee to make presentations, representation and carry forth the responsibility designated by the committee.

ARTICLE VII FINANCES

Section 1: Funds

All money paid to the chamber shall be placed into a general operating fund or in such other special funds as may from time to time be established by the Board of Directors.

Section 2: Disbursements

Upon approval of the budget, the President is authorized to make disbursements from the general operating fund in accordance with said budget without additional approval of the Board of Directors. Special fund disbursements shall be made at the direction of the Board of Directors. Disbursements shall be by check.

Section 3: Fiscal Year

The fiscal year of the chamber shall commence on January 1 and close on December 31.

Section 4: Budget

A proposed budget for the general operating fund shall be submitted by the President to the Board of Directors on or before its regular December meeting. The Board of Directors shall adopt a budget on or before January 30.

Section 5: Audits

The Board of Directors may at its discretion, by a majority vote, cause the records of the chamber to be internally or independently audited. No officer or director is authorized to conduct an audit. Audit findings shall be disclosed to the Board of Directors and available to members of the organizations within the offices of the chamber.

Section 6: Bonding

The President and such other officers and staff as the Board of Directors may designate shall be bonded in an amount set by the Board of Directors and paid by the chamber.

Section 7: Records

All records of the chamber shall be available to the membership for inspection at the business office of the chamber during normal business hours. At no time may the records of the chamber office be removed from the chamber business office.

Section 8: Borrowing

The Board of Directors shall not borrow funds in excess of 50% of the current annual budget revenue unless ratified by a majority of the membership present at any regular or special called meeting.

ARTICLE VIII DISSOLUTION

Section 1: Procedure

The chamber shall use its funds only to accomplish the objectives and purposes specified in these by-laws, and no part of said funds shall inure or be distributed to the members of the chamber. On dissolution of the chamber, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations to be selected by the Board of Directors as defined in IRS Section 501 (C) (3).

ARTICLE IX PARLIAMENTARY AUTHORITY

Section 1: Procedure

The current edition of Roberts Rules of Order shall be the final source of authority in all questions of parliamentary procedures when such rules are not inconsistent with the charter of by-laws of the chamber.

ARTICLE X AMENDMENTS

Section 1: Procedure

The by-laws may be amended or altered by a two-thirds (2/3) vote of the Board of Directors and ratified by a majority of the members present at any regular or special meeting, providing the notices for the meeting includes the proposals for amendments. Any proposed amendments shall be submitted to the Board of Directors and the members in writing at least ten (10) days in advance of the meeting at which they are to be acted upon.