

SHOALS CHAMBER OF COMMERCE

BYLAWS

December, 1994

ARTICLE I - GENERAL

Section 1: Name

This organization is incorporated under the laws of the State of Alabama and shall be known as the Shoals Chamber of Commerce.

Section 2: Purpose

The Shoals Chamber of Commerce is member driven, united, and committed to providing leadership and vision to promote positive economic growth and to enhance the quality of life for all Shoals citizens.

Section 3: Area

Shoals shall mean to include the counties of Colbert and Lauderdale.

Section 4: Limitations of Methods

The Shoals Chamber of Commerce 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

Section 1: Eligibility

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

Section 2: Election

Applications for membership shall be in writing, on forms provided for that purpose, and signed by the applicant. Election of members shall be by the Board of Directors, at any meeting thereof. Any applicant so elected shall become a member upon payment of the regularly scheduled investment as provided in Section 3 of Article II.

Section 3: Investments

Membership investments shall be at such rate or rates, schedule or formula as may be from time to time prescribed by the Board of Directors, payable in advance.

Section 4: Termination (resignation, expulsion and delinquency)

- a) Any member may resign from the Chamber upon written request to the Board of Directors.

- b) Any member shall be expelled by the Board of Directors by a two-thirds vote for nonpayment of dues after ninety (90) days from the date due, unless otherwise extended for good cause.
- c) Any member may be expelled by a two-thirds vote of the Board of Directors, at a regularly scheduled meeting thereof, for conduct unbecoming a member or prejudicial to the aims or repute of the chamber, after notice and opportunity for a hearing are afforded the member complained against.

Section 5: Voting

In any proceeding in which voting by members is called for, each member in good standing shall be entitled to cast one (1) vote, but no firm, association, or corporation shall have more than twenty (20) voting members.

Section 6: Exercise of Privileges (Assignment of membership within subscription and any limitations.)

Any firm, association, corporation, partnership, or estate holding membership may nominate individuals whom the holder desires to exercise the privileges of membership covered by its subscriptions, and shall have the right to change its membership nomination upon written notice.

Section 7: Orientation

At regular intervals, orientation on the purposes and activities of this organization shall be conducted for the following groups: new directors, officers and directors, committee chairs, committees and new members. A detailed outline for orientation of each of these groups shall be a part of this organization's policy and procedures manual.

Section 8: Honorary Membership

Distinction in public affairs shall confer eligibility to honorary membership for a period of time to be determined by the Board. Honorary members shall have all the privileges of members, 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 majority vote at any regularly scheduled Board meeting.

ARTICLE III - MEETINGS

Section 1: Annual Meeting

The annual meeting of the corporation, in compliance with State law, shall be held during the month of March of each year. The time and place shall be fixed by the Board of Directors and notice thereof mailed to each member at least ten (10) days before said meeting.

Section 2: Additional Meetings (General membership, Board and Committee meetings)

General meetings of the chamber may be called by the Chairman at any time, or upon petition in writing of any ten percent (10%) of members in good standing:

- a) Notice of special meetings shall be mailed to each member at least five (5) days prior to such meetings;

- b) Board meetings may be called by the Chairman or by the Board of Directors upon written application of three (3) members of the Board. Notice (including the purpose of the meeting) shall be given to each director at least one (1) day prior to said meeting;
- c) Committee meetings may be called at any time by the Chairman, respective department vice-chair, or by the committee's chair.

Section 3: Quorums

At a Board meeting, a majority of directors present shall constitute a quorum; at committee meetings, a majority shall constitute a quorum except when a committee consists of more than nine (9) members. In that case, five (5) shall constitute a quorum. At any duly called general meeting of the chamber, ten percent (10%) of its members shall constitute a quorum. This membership quorum can only approve or disprove recommendations from the Board of Directors.

Section 4: Notices, Agenda, Minutes

Written notice of all chamber meetings must be given at least five (5) days in advance unless otherwise stated. An advance agenda and minutes must be prepared for all meetings. A detailed outline for preparation of both shall be a part of this organization's procedures manual.

ARTICLE IV - BOARD OF DIRECTORS

Section 1: Composition of the Board

The Board of Directors shall be composed of twenty-four (24) members, 1/3 (one-third) of whom shall be elected annually to serve for three (3) years, or until their successors are elected and have qualified. The incoming Chairman may appoint, subject to the approval of the Board, four (4) members to the Board to serve one-year terms. The Chairman, Chairman-Elect, Second Chairman-Elect and Past Chairman shall serve as additional members of the Board.

The government and policy-making responsibilities of the chamber shall be vested in the Board of Directors, which shall control its property, shall exercise control over its finances, and direct its affairs.

Section 2: Selection and Election of Directors

- A. Nominating Committee. At the regular November Board meeting, the Chairman shall appoint, subject to approval by the Board of Directors, a Nominating Committee of five (5) members of the Chamber. The Chairman shall designate the chairman of the committee.

At the December Board meeting, the Nominating Committee shall present for approval a slate of candidates which represents the entire Shoals area to serve three-year terms to replace the directors whose regular terms are expiring. Each candidate must be an active member in good standing and must have agreed to accept the responsibility of a directorship. No Board member who has served two consecutive three-year terms is eligible for election for a third term. A period of one (1) year must elapse before eligibility is restored.

- B. Publicity of Nominations. Upon approval of the slate of candidates by the Board of Directors, the President shall immediately notify the membership by mail of the names of persons nominated as candidates for directors and the right of petition.

- C. Nominations by Petition. Additional names of candidates for directors can be nominated by petition bearing the genuine signatures of at least ten (10) qualified members of the chamber. Such petition shall be filed with the Nominating Committee within twenty (20) days after notice has been given of the names of those nominated. In the event the twentieth (20th) day falls on a holiday, Saturday, or Sunday, the petition is due by 5:00 p.m. the next business day in the Chamber office. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.
- D. Determination. If no petition is filed within the designated period, the nominations shall be closed and the nominated slate of eight (8) candidates shall be declared elected by the Board of Directors at their regular January Board meeting.

If a legal 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 eight (8) candidates only. The President shall mail this ballot to all active members at least twenty (20) days before the regular February Board meeting.

The ballots shall be marked in accordance with instructions printed on the ballot and returned to the chamber office within ten days. In the event the tenth (10th) day falls on a holiday, Saturday, or Sunday, the ballots become due by 5:00 p.m. on the next business day. The eight candidates receiving the greatest number of votes cast shall be constituted and declared members of the Board of Directors to serve for a period of three (3) years. Should a tie vote occur in the election of Directors, the election shall be decided by lot.

- E. Judges. The Chairman shall appoint at the December meeting, subject to the approval of the Board of Directors, at least three (3), but not more than five (5), judges who are not members of the Board of Directors or candidates for election. One will be designated chair. Such judges shall have complete supervision of the election, including the auditing of the ballots. They shall report the results of the election to the Board of Directors at the February Board meeting.

Section 3: Seating of New Directors

All newly elected and appointed Board members shall be seated at the regular March Board meeting and shall be participating members thereafter. Retiring directors shall continue to serve until the end of the program year.

Section 4: Vacancies

Vacancies on the Board of Directors, or among the officers, shall be filled by a nomination by the Chairman and a majority vote by the Board of Directors.

Section 5: Removal of Directors

Any Director may be removed by the Board of Directors by a majority vote cast in any regular or special meeting duly assembled at which a quorum is present and voting whenever in its judgment the best interests of this non-profit corporation will be served hereby, subject to the limitations prescribed by Section 10-3A-42, Code of Alabama, 1975. Absence by a Director from three (3) consecutive regular Board meetings and/or five (5) meetings in a fiscal year, without an excuse received within ten (10) days following the Board meeting at which any absence occurs, shall be construed as a resignation and the office shall automatically be deemed vacant.

Section 6: Policy

The Board of Directors is responsible for establishing procedure and formulating policy of the organization. It is also responsible for adopting all policies of the organization. These policies and procedures shall be maintained in a policy manual, to be reviewed annually and revised as necessary.

Section 7: Management

The Board of Directors shall employ a President and shall fix the salary and other considerations of employment.

Section 8: Indemnification

The Chamber shall, by resolution of the Board of Directors, provide for indemnification by the chamber of any and all current or former officers, directors and employees against expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding in which they or any of them are made parties, or a party, by reason of having been officers, directors or employees of the chamber, except in relation to matters as to which such individuals shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for negligence or misconduct.

ARTICLE V - OFFICERS

Section 1: Determination of Officers

The Board of Directors (new and retiring) at its regular March meeting, shall reorganize for the coming year. The Nominating Committee for Directors shall also nominate officers each year. At this meeting, the Board shall elect the Chairman, Chairman-elect, 2nd Chairman-elect, as many vice-chairmen as is deemed necessary to conduct the activities of the chamber, and the vice-chairman of finance & administration. Officers will be elected from members of the new Board except the Chairman may be elected from the retiring Directors. All officers shall take office on the first day of the new fiscal year and serve for a term of one (1) year or until their successors assume the duties of office. They shall be voting members of the Board of Directors.

Section 2: Duties of Officers

- A. Chairman. The Chairman shall serve as the chief elected officer of the chamber of commerce and shall preside at all meetings of the membership, Board of Directors and Executive Committee.

The Chairman shall, with advice and counsel of the Executive Committee and the President, determine all committees and divisional vice-chairs, select all committee chairs and vice-chairs, and assist in the selection of committee personnel, subject to approval of the Board of Directors.

- B. Chairman-Elect. The Chairman-elect shall exercise the powers and authority and perform the duties of the Chairman in the absence or disability of the Chairman. The Chairman-Elect shall also serve as a member of the Strategic Planning Committee. In the event the Chairman-elect is for any reason unable to fulfill specified duties, the 2nd Chairman-elect shall automatically advance to the position.

- C. 2nd Chairman-elect. The second Chairman-elect shall exercise the powers and authority and perform the duties of the Chairman-elect in the absence or disability of the Chairman-elect. In the event that the Chairman-elect is unable to serve as Chairman or Chairman-elect, the 2nd Chairman-elect shall automatically advance to the position. The 2nd Chairman-elect shall also serve as a member of the Strategic Planning Committee.
- D. Past-Chairman. The immediate past-chairman shall serve as the chairman of the Strategic Planning Committee, which will be responsible for assessing and updating the Chamber's long range plan. This plan, at all times, will be directed toward business and community needs in the area served by the Chamber. Further, it is the responsibility of this committee to recommend an updated plan to the Executive Committee by February 1 of each year.
- E. Vice Chairmen. The duties of the vice-chairmen shall be such as their titles by general usage would indicate, and such as required by law, as well as those that may be assigned by the Chairman and Board of Directors. They will also have under their immediate jurisdiction all committees pertaining to their general duties.
- F. Vice Chairman-Finance & Administration. The Vice- Chairman-Finance & Administration shall be responsible for the safeguarding of all funds received by the chamber and for their proper disbursement. Such funds shall be kept on deposit in financial institutions, or invested in a manner approved by the Board of Directors. Checks are to be signed by the Vice Chairman-Finance & Administration and the President, or in the absence of either or both, by any two officers. The treasurer shall cause a monthly financial report to be made to the Board.
- G. President. The President shall be the chief administrative and executive officer, and serve at the pleasure of the Board. The President shall serve as secretary to the Board of Directors, and cause to be prepared notices, agendas and minutes of meetings of the Board.

The President shall serve as adviser to the Chairman and Strategic Planning Committee on program planning, and shall assemble information and data and cause to be prepared special reports as directed by the program of the chamber.

The President shall be an ex-officio member of the Board of Directors, the Executive Committee and all committees.

With assistance of the divisional vice chairmen, the President shall be responsible for administration of the program of work in accordance with the policies and regulations of the Board of Directors.

The President shall be responsible for hiring, discharging, directing and supervising all employees.

With the cooperation of the Executive Committee and Budget Committee, the President shall be responsible for the preparation of an operating budget covering all activities of the chamber, subject to approval of the Board of Directors. The President shall also be responsible for all expenditures with approved budget allocations.

Section 3: Executive Committee

The Executive Committee shall act for and on behalf of the Board of Directors when the Board is not in session but shall be accountable to the Board for its actions. It shall be composed of the Chairman, Past Chairman, Chairman-Elect, 2nd Chairman-elect, divisional Vice-Chairs and the

Vice-Chairman of Finance & Administration. The Chairman will serve as Chair and the President shall be an ex-officio member of the Executive Committee.

Section 4: Indemnification

The chamber shall, by resolution of the Board of Directors, provide for indemnification by the chamber of any and all of its officers or former officers as spelled out in Article IV, Section 8 of these bylaws.

ARTICLE VI - COMMITTEES AND DIVISIONS

Section 1: Appointment and Authority

The Chairman, by and with the approval of the Board of Directors, shall appoint all committees and committee chairs. The Chairman may appoint such ad hoc committees and their chairs as deemed necessary to carry out the program of the chamber. Committee appointments shall be at the will and pleasure of the Chairman and shall serve concurrent with the term of the appointing Chairman, unless a different term is approved by the Board of Directors.

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

Section 2: 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 of Directors.

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

Section 3: Testimony

Once committee action has been approved by the Board of Directors, it shall be incumbent upon the committee chairs or, in their absence, whom they designate as being familiar enough with the issue, to give testimony to, or make presentations before, civic and governmental agencies.

Section 4: Divisions

The Board of Directors 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 proposed programs of such divisions, bureaus, departments, councils, or subsidiary corporations, including collection and disbursement of funds.

No action or resolution of any kind shall be taken by divisions, bureaus, departments, councils, or subsidiary corporations having bearing upon or expressive of the chamber, unless approved by the Board of Directors.

ARTICLE VII - FINANCES

Section 1: Funds

All money paid to the chamber shall be placed in a general operating fund unless otherwise specified by law or by the Board of Directors. Funds unused from the current year's budget will be placed in a reserve account.

Section 2: Disbursements

Upon approval of the budget, the President is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. Disbursement shall be by check with two authorized signatures required.

Section 3: Fiscal Year

The fiscal year of the chamber shall close on March 31st.

Section 4: Budget

As soon as possible after election of the Board of Directors and officers, the Executive Committee shall adopt the budget for the coming year and submit it to the Board of Directors for approval.

Section 5: Annual Audit

The accounts of the chamber shall be audited annually as of the close of business on March 31st by a public accountant. The audit shall at all times be available to members of the organization within the offices of the chamber.

Section 6: Bonding

The President and such other officers and staff as the Board of Directors may designate and all Directors authorized to sign checks shall be bonded by a sufficient fidelity bond in the amount set by the Board and paid for by the chamber.

ARTICLE VIII - DISSOLUTION

Section 1: Procedure

The chamber shall use its funds only to accomplish the objectives and purposes specified in these bylaws, 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

Section 1: Parliamentary Authority

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 or bylaws of the chamber.

ARTICLE X - AMENDMENTS

Section 1: Revisions

These bylaws may be amended or altered by a two-thirds (2/3) vote of the Board of Directors, or by a majority of the members at any regular or special meeting, providing the notice for the meeting includes the proposals for amendments. Any proposed amendments or alterations 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 acted upon.

AMENDMENTS (as recorded from February 1994 forward)

Article I, Section 2: Purpose (Amended February 18, 1994)
Article III, Section 3: Quorums (Amended February 18, 1994)
Article IV, Section 1: Composition of the Board (Amended February 18, 1994)
Article IV, Section 2: Selection and Election of Directors (Amended February 18, 1994)
Article V, Section 2: Duties of Officers (Amended February 18, 1994)
Article VI, Section 1: Funds (Amended February 18, 1994)
Article VI, Section 2: Disbursements (Amended February 18, 1994)
Article IV, Section 1: Composition of the Board. (Amended December 8, 1994)
Article V, Section 2: Duties of Officers (add 2nd Chairman elect to become paragraph C);
Article V, Section 1: (add 2nd Chairman elect);
Article V, Section 2: paragraph B (add 2nd Chairman elect);
Article V, Section 3: (add 2nd Chairman elect) (Amended July 11, 1996)
Article II, Section 8: Honorary Membership (Amended November 12, 1998)
Article IV, Section 5: Removal of Directors (Amended November 12, 1998)
Article IV, Section 8: Indemnification (Amended November 12, 1998)
Article V, Section 3: Executive Committee (Amended November 12, 1998)
Article V, Section 4: Indemnification (Amended November 12, 1998)
Article VII, Section 1: Funds (Amended November 12, 1998)
Article VII, Section 6: Bonding (Amended November 12, 1998)
Article IV, Section 1: Composition of the Board (Amended May 11, 2000)