

FREELAND AREA CHAMBER OF COMMERCE BYLAWS

ARTICLE I GENERAL

Section 1.01 Name

This organization is incorporated under the laws of the State of Michigan and shall be known as the Freeland Area Chamber of Commerce.

Section 1.02 Purpose

The Chamber is organized to advance the general welfare and prosperity of the Freeland area so that its citizens and all areas of its business community will prosper. The Chamber will employ all necessary means of promotion, giving particular attention and emphasis to the business and educational interests of the Freeland area.

Section 1.03 Area

The "Freeland Area" will consist of Tittabawassee Township and the immediate surrounding area of Freeland. The office of this organization shall be in Freeland, Michigan.

Section 1.04 Limitations of Methods

The Chamber will observe all local, state and federal laws that apply to a nonprofit organization as defined in Section 501(c) (6) of the Internal Revenue Code.

ARTICLE II MEMBERSHIP

Section 2.01 Eligibility

Any person, association, corporation, partnership or estate having an interest in the purposes of the Chamber will be eligible to apply for membership.

Section 2.02 Exercise of Privileges

The head of the firm may assign anyone to represent them at meetings and activities and for each paid membership there will be only one (1), office holder. One additional membership may be applied for if a spouse or business associate desires to hold office.

Section 2.03 New Members

All applications for membership must be sponsored by a member in good standing and all such membership applications must be approved by the Board of Directors. All applications for membership must be accompanied by dues paid in advance for the balance of the current calendar year. Such dues are to be prorated in accordance with the following schedule:

1st Half	100%
2nd Half	50%

Section 2.04 Dues

Membership dues will be at such rates as may be from time to time prescribed by the Board of Directors, subject to approval by a two-thirds (2/3) majority vote of the members present at a meeting. Written notice of proposed changes must be mailed to the last known address of each member thirty (30) days prior to the date of such meeting.

All dues shall be paid in full and fall due on the second day of January for the current calendar year. Notice of dues owing shall be given to the members.

Section 2.05 Honorary Members

All applications for honorary membership must be sponsored by a member in good standing and all such membership applications must be approved by the Board of Directors. Honorary members cannot represent a commercial business and do not have voting and/or motion privileges.

Section 2.06 Voting

Every member of the Chamber in good standing is entitled to one (1) vote in any election, referendum or membership meeting. Voting by proxy will not be permitted.

Section 2.07 **Termination**

a) A member may resign from the Chamber upon written request to the Chamber office; b) A member may be expelled by the Board of Directors by a two-thirds (2/3) vote for nonpayment of dues after sixty (60) days from the date due, unless otherwise extended for good cause; and c) A member may be expelled by two-thirds (2/3) vote of the Board of Directors 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 offending member.

Section 2.08 **Orientation**

Annually, all members of the Board of Directors, committee members and staff will participate in an orientation training program outlining their respective duties. Every effort will be made to orient new members regarding the aims, objectives and work program of the Chamber. The orientation training program will be the responsibility of the Executive Advisory Committee.

ARTICLE III BOARD OF DIRECTORS

Section 3.01 **Composition of the Board**

The Board of Directors of the organization shall consist of a total of nine (9) directors; six elected for three (3) year terms, the immediate Past President, and two appointed positions consisting of a Secretary and Treasurer.

Section 3.02 **Responsibility of the Board**

The government and policy-making responsibilities of the Chamber will be vested in the Board of Directors, which will control its property, be responsible for its finances, and direct its affairs.

Section 3.03 **Vacancies**

In the event that a director misses three (3) consecutive or three (3) out of six (6) consecutive Board meetings without justified reasons, the directorship may be declared vacant, and by approval of the Board, the President authorized to appoint a replacement.

Vacancies on the Board of Directors, or among the officers, will be filled by appointment of the President and approved by the Board of Directors by a majority vote.

In the event the President vacates office the acting Vice President shall fill the position. In the event that the Vice President position is vacated then a special election shall be held by the current members of the Board of Directors in order to fill the position.

Section 3.04 **Employment of Executive Director**

The Board of Directors will employ an Executive Director. The President of the Board shall, with an annual review committee appointed by the President and comprised of a minimum of three Executive Committee members, fix the salary and other considerations of employment.

ARTICLE IV MEETINGS

Section 4.01 **Annual Meeting**

The annual meeting of the Chamber, in compliance with state law, will be held during the first quarter of each year. The date, time and place will be fixed by the Board of Directors and notice thereof mailed to each member at least ten (10) days before the meeting at the last known address.

Section 4.02 **Regular Membership Meeting**

The organization shall hold a minimum of four meetings a year of the membership. The members present at a regular meeting constitute a quorum.

Section 4.03 **Board of Directors Meetings**

Meetings of the Board of Directors shall be held at prearranged dates. At all of these meetings of the Board of Directors, the President shall preside and five (5) members of the nine (9) member Board shall constitute a quorum. Minutes from all Board meetings must be disclosed at general membership meetings.

Action required or permitted to be taken by the Board of Directors at a meeting may be taken without a meeting if, before or after the action, all members of the Board of Directors then in office consent to the action in writing. The written consents shall be filed with the minutes of the proceedings of the Board of Directors. The consent shall have the same effect as a vote of the Board of Directors for all purposes.

A member of the Board of Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 4.04 Special Meetings

Special meetings of the membership shall be called by the President or Vice President at the request of three (3) or more of the Board of Directors providing members are notified of such meetings at least five (5) days prior to such meetings.

Special meetings of the Board of Directors may be called by the President or by the Board of Directors upon the written application of three (3) members of the Board. Notice, including the purpose of the meeting, will be given to each Director at least one (1) day prior to the meeting.

ARTICLE V ELECTIONS

Section 5.01 Annual Election

Not less than thirty (30) days prior to the annual election to be held on the date of the first meeting in January of each year, the immediate Past President shall appoint and chair a committee, composed of not less than three (3) members in good standing for the purpose of nominating new directors.

Section 5.02 Nominating Committee

The nominating committee shall not less than ten (10) days prior to the date of the election make recommendations to the members in writing the names of candidates for election. On the day of election, nominations will also be taken from the floor.

The nominating committee shall select nominees for each expiring directorship to serve for three (3) years, two each year. No director shall be eligible for two (2) consecutive three (3) year terms.

Section 5.03 Proxies

Proxies shall not be recognized. Absentee ballots are acceptable under the direction of the Election Committee.

Section 5.04 Election of Officers

At the Board meeting following the annual elections, the Board of Directors shall elect a Vice-President from the Board of Directors. The Vice-President from the previous year shall move up to be President. If he/she desires not to be President or can not for any reason fulfill the office for one (1) year, or if the incumbent President wishes not to serve for another term, only then shall a President be elected.

The Vice-President elect shall make it known before the election if he/she desires to be President the following year. The President and Vice-President may not be eligible to hold that office for more than two (2) years. The Secretary and Treasurer shall be appointed by the Board of Directors from the membership, for that year. These elected and appointed members shall constitute the officers for this organization.

Section 5.05 Taking Office

Officers and Directors shall take office on the first meeting in February.

Section 5.06 Voting Rights of the Board of Directors

All Board of Directors will be voting members, except the President who will vote at the Board meetings in the event of a tie vote. The Executive Director is not a member of the Board of Directors.

ARTICLE VI DUTIES OF OFFICERS

Section 6.01 President

The President, as Chief Elected Officer of the organization, will be the chief administrative officer and executive officer of the organization, shall supervise the organization's affairs and activities and make an annual report to the members. The President shall prepare notices and agendas for all meetings.

With the cooperation of the Budget and Finance Committee, the President will be responsible for the preparation of an operating budget covering all activities of the Chamber, subject to the approval of the Board of Directors.

Section 6.02 Vice-President

The Vice-President shall preside at membership and Board of Director meetings in the absence of the President and shall have such other duties as the President may assign.

Section 6.03 Secretary

The Secretary shall give notice of all regular and special meetings and shall keep a permanent record of such meetings. He/she shall be custodian of the official records of the organization.

Section 6.04 Treasurer

The Treasurer will be responsible for the safeguarding of all funds received by the Chamber and for their proper disbursement. All funds will be kept on deposit in financial institutions or invested in manner approved by the Board of Directors. All checks are to be signed by two of the following three parties; The Treasurer, the Executive Director or the President. If any of these three are unable someone may be appointed by the Board of Directors.

The Treasurer shall issue notice of dues payable and be responsible for the collection thereof, keep the books of the organization, disburse funds at the direction of the Board of Directors. The Treasurer will cause a monthly financial report to be made to the Board of Directors.

Section 6.05 Executive Director

The Executive Director will be responsible to conduct the affairs of the Chamber as specified by the job description and in accordance with the policies and regulations of the Board of Directors.

Section 6.06 Executive Committee

The Executive Committee will act for and on behalf of the Board of Directors in administrative matters only, when the Board is not in session, but will be composed of the President, Vice-President, Secretary, and Treasurer. The President will chair the Executive Committee.

ARTICLE VII DIRECTORS AND OFFICERS INDEMNIFICATION

Section 7.01 Third Party Suits

To the extent permitted by Michigan law from time to time in effect and subject to the provisions of this Article, the Chamber will indemnify a person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, other than an action by or in the right of the Chamber, by reason of the fact that the person is or was a director, officer, employee or agent of the Chamber, or is or was serving at the request of the Chamber as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or not-for-profit, against expenses, including attorney's fees, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Chamber, its shareholders or its members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that the conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, will not of itself create presumption that the person reasonably believed to be in or not opposed to the best interests of the Chamber, its shareholders or its members, and, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

Section 7.02 Suits by or in Right of the Chamber

To the extent permitted by Michigan law from time to time in effect and subject to the provisions of this Article, the Chamber will indemnify a person who was or is a party to or is threatened to be made a party to a threatened, pending or completed action or suit by or in the right of the Chamber to procure a judgment in its favor by reason of the fact that the person is or was a director, officer, employee or agent of the Chamber, or is or was serving at the request of the Chamber as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not-for-profit, against expenses, including actual and reasonable attorney's fees, and amounts paid in settlement incurred by the person in connection with the action or suit if the

person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Chamber, its shareholders or its members. However, indemnification will not be made for a claim, issue or matter in which the person has been found liable to the Chamber unless and only to the extent that the court in which the action or suit was brought has determined upon application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for expenses which the court considers proper.

Section 7.03 Indemnification Against Expenses

To the extent that the director, officer, employee or agent of the Chamber has been successful on the merits or otherwise in defense of the action, suit or proceeding referred to in this Article, or in defense of a claim, issue or matter in the action, suit or defense of a claim, issue or matter in the action, suit or proceeding, the successful party will be indemnified against expenses, including actual and reasonable attorney's fees, incurred in connection with the action, suit or proceeding and in any action, suit or proceeding brought to enforce the mandatory indemnification provided in this Section.

Section 7.04 Determination that Indemnification is Proper

An indemnification under this Article, unless ordered by a court, will be made by the Chamber only as authorized in the specific case upon a determination that the indemnification of the director, officer, employee or agent is proper in the circumstances because the person has met the applicable standard of conduct set forth in this Article. This determination will be made in any of the following ways: a) by a majority vote of a quorum of the Board consisting of directors who were not parties to the action, suit or proceeding, or b) if the quorum described in subdivision (a) is not obtainable, then by a majority vote of a committee of directors who are not parties to the action; the committee will consist of not less than two (2) disinterested directors, or (c) by independent legal counsel in a written opinion, or (d) by the shareholders or members.

Section 7.05 Partial Indemnification

If a person is entitled to indemnification under this Article for a portion of expenses including attorney's fees, judgments, penalties, fines and amounts paid in settlement but not for the total amount thereof, the Chamber may indemnify the person for the portion of the expenses, judgments, penalties, fines or amounts paid in settlement for which the person is entitled to be indemnified.

Section 7.06 Reimbursement of Expenses

Expenses incurred in defending a civil or criminal action, suit or proceeding described in this Article may be paid by the Chamber in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay the expenses if it is ultimately determined that the person is not entitled to be indemnified by the Chamber. The undertaking will be by unlimited general obligation of the person on whose behalf advances are made but need not be secured.

Section 7.07 Bylaws not Exclusive

The indemnification or advancement of expenses provided in this Article and this Section is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under the articles of incorporation, bylaws or a contractual agreement. However, the total amount of expenses advanced or indemnified from all sources combined will not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses. The indemnification provided in this Article and this Section continues as to a person who ceases to be a director, officer, employee or agent and will inure to the benefit of the heirs, executors and administrators of the person.

Section 7.08 Insurance

The Chamber may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Chamber, or is or was serving at the request of the Chamber as a director, officer, employee, or agent of another Chamber, business corporation, partnership, joint venture, trust or other enterprise against any liability asserted against the person and incurred by the person in any such capacity or arising out of the person's status as such, whether or not the Chamber would have the power to indemnify the person against such liability under the provisions of this Article.

Section 7.09 Merged and Reorganized Chambers

For purpose of this Article "Chamber" includes all constituent corporations absorbed in a consolidation or merger and the resulting or surviving corporation, so that a person who is or was a director, officer, employee or agent of the constituent corporation or is or was serving at the request of the constituent corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, business corporation, partnership, joint venture, trust or other enterprise, whether for profit or

not-for-profit, will stand in the same position under the provisions of this Section with respect to the resulting or surviving corporation or business corporation as the person would if the person had served the resulting or surviving corporation or business corporation in the same capacity.

Section 7.10 Liability of Directors

A director will not be personally liable to the Chamber, its shareholders or its members for monetary damages for breach of the director's fiduciary duty. However, this Article will not eliminate or limit the liability of a director for any of the following: a) a breach of the director's duty of loyalty to the Chamber, its shareholders or its members; b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; c) a violation of MCLA 450.2551; d) a transaction from which the director derived an improper personal benefit; e) an act or omission occurring before the effective date of these bylaws; and f) an act or omission that is grossly negligent.

Section 7.11 Contracts with Directors

A . A contract or other transaction between the corporation and one or more of its directors or officers, or between the corporation and a domestic or foreign corporation, domestic or foreign business corporation, firm, or association of any type or kind, in which one or more of its directors or officers are directors or officers of the corporation, or are otherwise interested, is not void or violable solely because of such common directorship, officership, or interest, or solely because such directors are present at the meeting of the Board or committee thereof which because their votes are counted for such purpose if any of the following conditions is satisfied:

1. The contract or other transaction is fair and reasonable to the corporation when it is authorized, approved or ratified; or

2. The material facts as to the Director's or officer's relationship of interest and as to the contract or transaction are disclosed or known to the Board or committee, and the Board or committee authorizes, approves, or ratifies the contract or transaction by a vote sufficient for the purpose without counting the vote of any common or interested Director.

B. Common or interested Directors may be counted in determining the presence of a quorum at a Board or committee meeting at which a contract or transaction is authorized, approved, or ratified.

ARTICLE VIII COMMITTEES AND DIVISIONS

Section 8.01 Appointment and Authority

The President by and with the approval of the Board of Directors, will appoint all committees and committee chairpersons.

Section 8.02 Limitations of Authority

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

A committee report shall be submitted to the Board of Directors no later than thirty (30) days after completion of its work. Committees will be discharged by the President when their work has been completed and their reports accepted.

ARTICLE IX FINANCES

Section 9.01 Funds

All money paid to the Chamber will be placed in a general operating fund.

Section 9.02 Fiscal Year

The fiscal year of the corporation shall be established from time to time by the Board of Directors. The current fiscal year shall end December 31, 1995, and each December 31st thereafter.

Section 9.03 Budget

As soon as possible after election of the new Board of Directors and the officers, the executive committee and the budget committee will prepare the budget for the coming year and submit it to the Board of Directors for approval.

Section 9.04 **Annual Audit**

The accounts of the Chamber will be audited every year. The audit will at all times be available to the members upon request. The annual audit of the books shall be conducted by a committee of three (3) members appointed by the President.

ARTICLE X ACCOUNTS, EXECUTION OF INSTRUMENTS, AND GIFTS

Section 10.01: **Money Instruments**

All checks, drafts, and orders for payment of money shall be signed in the name of the corporation by such officers or agents as the Board of Directors shall from time to time designate for that purpose. The Board of Directors may otherwise limit the authority of such officers and agents for this purpose.

Section 10.02: **Contracts, Conveyances, Etc.**

The Board of Directors shall have the power to designate the officers and agents who shall have authority to execute any contract, conveyance, or other instrument or document on behalf of the corporation. When the execution of any contract, conveyance, or other instrument or document has been authorized without specification of the executing officer(s), any two (2) or more of the Chairman, Vice President, Treasurer, and Secretary may execute the same in the name and on behalf of the corporation.

Section 10.03 **Deposits**

All funds of the corporation shall be deposited to the credit of the corporation in such state or federally insured financial institution(s) as the Board of Directors may select from time to time.

Section 10.04 **Gifts**

The Board of Directors may accept on behalf of the corporation any contribution, gift or devise for the general purposes or for any special purpose of the corporation. All funds, endowments, and other assets of the corporation shall be invested and administered in such manner as the Board of Directors may direct.

Section 10.05 **Custodian**

The Board of Directors shall be authorized, in its discretion, to designate and employ a custodian or other fiduciary to administer and invest the funds, endowments, and other assets of the corporation as the Board of Directors may determine from time to time.

Section 10.06 **Parliamentary Authority**

Robert's rules of order, newly revised shall be the parliamentary authority for all meetings not specifically covered by these By-Laws or by special rules of procedure adopted by the Board of Directors from time to time.

ARTICLE XI DISSOLUTION

The intention of the Chamber is to be a perpetual organization. The Chamber will use its funds only to accomplish the objectives and purposes specified in these bylaws and no part of the funds will inure or be distributed to the members of the Chamber. The assets will be used for charitable purposes. Upon dissolution of the Chamber, any funds remaining will revert to the local governing body.

ARTICLE XII AMENDMENTS

The bylaws may be amended or altered by a two-thirds majority of the members at any regular or special meeting, provided that the notice for the meeting includes the proposed amendments. Any proposed

amendments or alterations will be submitted to the Board or the members in writing at least thirty (30) days in advance of the meeting at which they are to be acted upon.

FREELAND AREA CHAMBER OF COMMERCE

Adopted: October 4, 1995

Amended: March 5, 1997

Amended: October 7, 1998

Amended: January 26, 2006

Amended: November 20, 2008

President

Date

Secretary

Date

Board Member

Date

Board Member

Date