



## **BYLAWS**

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OCTOBER 18, 2011**

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March 18, 2014**

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*The advocate for business excellence in Fort Bend County*

**ARTICLE I  
GENERAL**

**SECTION 1. NAME**

This organization is incorporated under the Non-Profit Corporation Act of the State of Texas and shall be known as the Fort Bend Chamber of Commerce.

**SECTION 2. MISSION**

To advocate for business excellence in Fort Bend County.

**SECTION 3. LIMITATIONS**

The Chamber shall be non-profit, non-partisan and non-sectarian, but will concern itself with governmental affairs when it is in the best interests of the Fort Bend Chamber membership. The Chamber shall observe all local, state and federal laws which apply to non-profit organizations as defined in Section 501(c)(6) of the Internal Revenue Code.

**ARTICLE II  
MEMBERSHIP**

**SECTION 1. ELIGIBILITY**

Any legal business entity, individual, corporation, partnership or estate having interest in the objectives of the Chamber shall be eligible to apply for membership.

**SECTION 2. ELECTION**

Application for membership shall be in writing on the forms specified by the Board of Directors. Applications may be submitted to the membership director for recommendation to the Board of Directors; however, the Board shall have final approval. Memberships approved by the Board will begin upon payment of the prescribed membership investment.

**SECTION 3. DUES**

Membership dues shall be at such rate or rates, schedules or formulas as may be from time to time prescribed by the Board of Directors, payable annually in advance or other terms as approved by the President|CEO.

**SECTION 4. TERMINATION**

- a. Any member may resign from the Chamber upon written request to the Board of Directors. Resignation shall not relieve any member from liability of dues accrued and unpaid at the time resignation is received.
- b. Any member shall be automatically terminated after ninety (90) days for non-payment of dues unless extended for good cause by the President.
- c. Any member may be expelled by 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 is afforded to the member complained about.

## **SECTION 5. CLASSIFICATION**

a. Membership in the Fort Bend Chamber of Commerce shall be as follows:

1. Chairman's Circle
2. Business Class
3. Not-For-Profit Organization
4. Elected Officials
5. Life

b. Membership defined:

1. A Chairman's Circle membership is available to any person, firm, organization engaged in any profession or furnishing any service, or engaged in buying, selling, processing, manufacturing and distributing goods, wares and merchandise of any kind or character, and who contributes substantially to the success of the Chamber, as may be determined by the Board of Directors from time to time.
2. A Business Class membership is available to any person, firm, organization or associate engaged in any profession or furnishing any service, or engaged in buying, selling, processing, manufacturing and distributing goods, wares and merchandise of any kind or character.
3. A not-for-profit organization membership is available to any non-profit corporation or unincorporated association whose purpose includes the advancement of health, education, welfare, culture or religion or any community service club.
4. An Elected Official membership is available to any elected official currently in office in the State of Texas.
5. Life memberships in this Chamber may be conferred from time to time as the Board of Directors may determine upon those who are eligible for membership; provided, however, that such memberships shall only be conferred as awards for meritorious service rendered to the Chamber of Commerce. Such Life memberships shall be without dues, with the privilege of voting.

## **SECTION 6. EXERCISE OF PRIVILEGES**

Memberships shall be entitled to one selected primary representative in the Chamber of Commerce and all employees based on the membership tier selected.

Every good standing member's primary representative is entitled to one vote in any election, referendum or membership meeting.

No voting by proxy shall be permitted. Ballots will be sent, U.S. mail, postage prepaid, addressed to the last designated business address of each member or member designate.

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 nominations upon written notice.

### **SECTION 7. ORIENTATION**

Best efforts will be made to orient new members regarding the aims, objectives and program of work of the Chamber.

## **ARTICLE III** **MEETINGS**

### **SECTION 1. ANNUAL MEETINGS**

The annual meeting of the members of the Chamber shall be held in January of each year, or such other time and place as determined by the Board of Directors. Notice thereof shall be mailed, emailed or included in the Chamber newsletter to each member at least ten (10) days before said meeting.

### **SECTION 2. ADDITIONAL MEETINGS**

- a. Special meetings of the members of the Chamber may be called by the Chairman of the Board at any time or upon petition in writing of any twenty-five (25) members in good standing. Notice of special meetings shall be mailed to each member at least ten (10) days prior to such meetings.
- b. Meetings of the Board of Directors shall be held not less frequently than once quarterly at such time and place as may be determined by the Board. Special meetings of the Board of Directors may be called by the Chairman of the Board at any time or upon written application of five (5) 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. Meetings of the Standing Committees (as defined herein) shall be held not less frequently than once quarterly at such time and place as may be determined by the chairman of the respective Standing Committee. Special meetings of the Standing Committees may be called by their respective chairmen or by the Chairman of the Board at any time or upon written application of five (5) committee members. Notice (including the purpose of the meeting) shall be given to each committee member at least one (1) day prior to said meeting.

### **SECTION 3. QUORUM**

- a. At any duly called general or special meeting of the members of the Chamber, 3 % of members in good standing shall constitute a quorum.
- b. At all committee meetings and Board meetings, excluding the Executive Committee, a majority shall constitute a quorum.
- c. At any duly called meeting of the Executive Committee, three (3) members of the Executive Committee shall constitute a quorum.

### **SECTION 4. ACTION AT MEETINGS**

At meetings at which a quorum is present, action may be taken by affirmative vote of a majority of the members present.

## **ARTICLE IV** ***BOARD OF DIRECTORS***

### **SECTION 1a. COMPOSITION OF THE BOARD**

The Board of Directors shall be comprised of a least twenty (20) but not more than forty (40) members elected at large from the entire membership. The number of Directors shall be determined by the Board of Directors from time to time to be in the best interests of the Chamber. In order for a member to be elected as a Director, the member must reside in or have business interests in the Fort Bend County area. Directors shall be elected to serve a two (2) year term or until their successors are elected and shall have qualified. No person who shall have previously served two (2) consecutive full terms may be elected to the Board of Directors until the passage of at least one (1) year after completion of the second such term of service. No person who shall have previously served more than one (1) year of an unexpired term, followed immediately by one (1) full term, may be elected to the Board of Directors until passage of at least one (1) year after the completion of such full term of service. The Chairman of the Board and the Chairman-Elect shall additionally be members of the Board of Directors, even if his term as Director shall have otherwise expired. The past Chairman and the President shall serve as members of the Board.

### **SECTION 1b. 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.

### **SECTION 2. EX-OFFICIO MEMBERS OF THE BOARD**

The following persons shall serve as ex-officio members of the Board, unless any such persons shall have otherwise been elected or appointed by the President.

- a. The Divisional Chairmen
- b. The Legal Counsel

Ex-officio members of the Board shall have the right to participate in discussions at Board meetings, but shall not have voting privileges.

### **SECTION 3. NOMINATION AND ELECTION OF DIRECTORS**

At the regular September Board meeting, the Chairman of the Board shall appoint, subject to approval by the Board of Directors, a Nominating Committee of not less than three (3) nor more than six (6) Board members in good standing, including the Chairman of the Board-Elect, as members of the Directors Nominating Committee. The Chairman of the Board shall designate the Chairman of the Director Nominating Committee from among the committee members. The Chairman of the Board shall serve as an ex-officio, non-voting member of the Directors Nominating Committee.

As soon as practicable but in no event later than thirty (30) days after being appointed, the Directors Nominating Committee shall make its report to the Board of Directors placing in nomination the names of persons who are active members of the Chamber, or representatives of member firms, to replace the Directors whose terms are expiring. In making its nominations the Committee shall give due consideration to individual ability, interest in the Chamber of Commerce, industry representative, and area representation.

Immediately upon receipt of the report of the Directors Nominating Committee and approval of the report by the Board of Directors, the Committee shall confirm the fact that each nominee has given personal assurance of the nominee's willingness to accept the responsibilities of serving as a Director, including the attendance policy, if elected.

In addition to the nominations made by the Directors Nominating Committee, a Chamber member may be nominated as a candidate for the director position then open by a petition bearing the signature of at least 3 % of members in good standing of the Chamber. Any such petition shall be filed in the general offices of the Chamber of Commerce within ten (10) days after the names of the candidates nominated by the Directors Nominating Committee have been provided the membership by notice. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.

In the event that there are no valid nominations received in the office of the Chamber within ten (10) days after the names of the candidates nominated by the Directors Nominating Committee have been provided to the membership of the Chamber, the Chairman of the Board shall declare the election closed and slate proposed by the Directors Nominating Committee shall be declared elected.

If valid nominations are received in the offices of the chamber as described above, the names of all candidates shall be arranged on a ballot in alphabetical order. Instructions will be to vote for (number of vacancies) candidates only. The President shall mail this ballot through an existing communication, i.e. newsletter or by mail, e-mail or fax to all members in good standing at least fifteen (15) days before the regular September 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. The Board of Directors shall at its regular October Board meeting declare the eligible number of candidates with the greatest number of votes elected.

#### **SECTION 4. SEATING OF NEW DIRECTORS**

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

#### **SECTION 5. REMOVAL**

Any Director may be removed at any time by the majority vote of the Board of Directors.

#### **SECTION 6. VACANCIES**

Vacancies on the Board of Directors shall be filled by appointment of the Chairman of the Board and be approved by the Board of Directors. A member of the Board of Directors who has more than three unexcused absences from consecutive regular meetings of the Board of Directors shall be referred to the Board of Directors for discussion unless confined by illness or other absence approved by the President.

#### **SECTION 7. POLICIES**

All policies of the Board will be formalized and recorded for reference by the Officers, Directors and Administrative Staff. These policies shall be maintained in a policy manual to be reviewed annually and revised as necessary. Except as expressly prohibited under these Bylaws, the Board may adopt such rules and regulations as may be required to conduct the affairs of the Chamber.

#### **SECTION 8. MANAGEMENT**

The Board of Directors shall employ a President and shall approve the President's employment contract containing the President's salary, benefits, and other considerations of employment. Thereafter, annually, the Executive Committee, acting as a compensation committee, after consultation with the officers regarding their appraisal of the President's performance, shall review and approve the annual bonus compensation of the President and any increases to the annual salary of the President.

### **ARTICLE V** **OFFICERS**

#### **SECTION 1. NOMINATION OF OFFICERS**

The Board of Directors shall approve the appointment by the Chairman of the Board of five (5) members of the Board of Directors, including the Chairman-Elect, to serve as the Officers Nominating Committee in October of each year. The Chairman of the Board and the President shall serve as an ex-officio, non-voting member of the Officers Nominating Committee.

The Officers Nominating Committee shall select a candidate for Chairman of the Board, Chairman of the Board-Elect, and Secretary/Treasurer and such other offices as

the Board may establish from time to time, from among current or former Board Members. The Incumbent Chairman of the Board-Elect shall be nominated for the position of Chairman of the Board, unless the Officers Nominating Committee shall determine that the Chairman of the Board-Elect has failed to successfully perform duties as provided by these By-Laws.

## **SECTION 2. DETERMINATION OF OFFICERS**

The report of the Officers Nominating Committee shall be presented in written form prior to the November Board meeting to the incumbent Chairman of the Board.

At the November Board of Directors Meeting, the names of those nominated for officer positions shall be presented. The incumbent Chairman of the Board shall then ask for additional nominations from the Board. If there are none, those nominated shall assume their respective offices upon the commencement of the next succeeding term of officers.

The person having served as Chairman of the Board shall become Immediate Past Chairman of the Board upon the Commencement of the next succeeding term.

## **SECTION 3. TERM OF OFFICERS**

The term of all officers, except the President, shall commence on January 1 of the year for which such officers are elected and shall terminate on December 31 of the same year.

## **SECTION 4. DUTIES OF OFFICERS**

- a. 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 of the Board shall, with the advice and counsel of the President, assign Chairmen to divisional or committee responsibility, subject to Board of Directors approval.

The Chairman of the Board shall assist, with advice and counsel of Chairmen and the President, in recruiting all committees, selecting all committee chairmen, and assisting in the selection of committee personnel.

With the approval of the Board, the Chairman shall appoint a member who is an attorney licensed to practice law in the State of Texas to be the volunteer Legal Counsel to serve during the attorney's term.

The Chairman shall serve as Chairman of the Chairman's Circle and be responsible for the recruitment and retention of Chairman's Circle members.

The Chairman of the Board shall assist the Board of Directors and the President in determining that the program activities of the Chamber are at



such duration as is required, and to assure that the activities of the Chamber are directed toward achieving business and community needs in the area served by the Chamber.

b. Chairman of the Board - 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 Vice Chairman of the Chairman's Circle, and be responsible for assisting in the recruitment and retention of Chairman's Circle members.

c. Secretary/Treasurer:

The Secretary/Treasurer shall be responsible for attesting official documents, and 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 that are members of the Chamber in amounts fully insured by the FDIC.

d. Immediate Past Chairman of the Board:

The Immediate Past Chairman of the Board shall serve as a member of the Executive Committee and shall perform such other duties as may be assigned by the Chairman or the Board of Directors.

e. President:

The President shall be the chief administrative and executive officer. The President shall serve as recording secretary to the Board of Directors, and direct preparation of notices, agendas and minutes of meetings of the Board.

The President shall serve as advisor to the Board of Directors, Executive Committee and Divisional Vice Chairmen on program planning, and shall assemble information and data and direct preparation of special reports as directed by the program of work of the Chamber.

The President shall be a member of the Board of Directors, the Executive Committee, and all committees. With assistance of the divisional 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.

The President shall be responsible for the preparation of an annual operating budget covering all activities of the Chamber, subject to review of the Internal Committee and approval of the Board of Directors (any

deadline?). The President shall also be responsible for all expenditures with approved budget allocations.

The President shall direct, assist and coordinate the work of the Membership Division in increasing and expanding the membership support for the Chamber.

The President shall serve as the Chamber's representative unless otherwise decided by the Board to any other organization in which the Chamber maintains a membership.

#### **SECTION 5. REMOVAL FROM OFFICE**

Any officer of the Chamber may be removed at any time by the majority vote of the Board of Directors.

#### **SECTION 6. VACANCIES**

Vacancies among the officers shall be filled by the appointment of the Chairman of the Board with the approval of the Board of Directors.

#### **SECTION 7. EXECUTIVE COMMITTEE**

The Executive Committee shall consist of the Chairman of the Board, Immediate Past Chairman of the Board, Chairman-Elect, Secretary/Treasurer, Legal Counsel and President. The Chairman of the Board will serve as Chairman of the Executive Committee.

The Executive Committee will 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. Actions of the Executive Committee shall be within the policies and bylaws established by the Board.

### **ARTICLE VI** ***ADVISORY COUNCIL***

#### **SECTION 1. ADVISORY COUNCIL**

The Following individuals shall be invited to serve as members of the Advisory Council to the Board of Directors:

- a. All members of the United States and Texas Senate and House of Representatives whose districts include any part of Fort Bend County.
- b. The County Judge of Fort Bend County.
- c. The Mayors of the Cities located in Fort Bend County.
- d. The School District Superintendents of the Fort Bend ISD, Stafford MSD, and Lamar CISD and Katy ISD.
- e. The President of the Greater Fort Bend Economic Development Council.

- f. The campus directors (or other person being the senior campus administrative official) of higher education facilities located in Fort Bend County.
- g. Such other persons as may be determined by the Board of Directors from time to time; provided, however, that the term of such persons shall expire on December 31 of the year in which they were appointed.

The purpose of the Advisory Council shall be to advise the Board of Directors on current issues representative of their positions that affect the business community.

## **ARTICLE VII** **COMMITTEES AND DIVISIONS**

### **SECTION 1. APPOINTED AND AUTHORITY**

The Chairman of the Board shall, after consultation with the Executive Committee, have exclusive authority to appoint the chairmen and members of all committees set forth in these Bylaws. All persons appointed to serve as chairmen or members of committees shall be either: (1) voting members of the Board of Directors, or (2) ex-officio members of the Board of Directors. Committee appointments shall be at the will and pleasure of the Chairman of the Board, and in no event shall any such appointment exceed the term of the Chairman of the Board at the time of the appointment.

There shall be established three standing committees, which shall advise the Board on a continuing basis with regard to their areas of responsibility, as designated in this Article VII. These standing committees are referred to collectively herein as the “**Standing Committees**” and shall include the Internal Affairs Committee, the External Affairs Committee, and the Governance Committee.

The Chairman of the Board may appoint any other temporary or special purpose committees as he or she deems necessary.

### **SECTION 2. INTERNAL AFFAIRS COMMITTEE**

The Internal Affairs Committee shall have responsibility for advising the Board of Directors on the following matters: finance, facility maintenance, and any other matters as assigned by the Chairman of the Board or the Board of Directors.

### **SECTION 3. EXTERNAL AFFAIRS COMMITTEE**

The External Affairs Committee shall have responsibility for advising the Board of Directors on the following matters: marketing, public relations, sponsorships, and any other matters as assigned by the Chairman of the Board or the Board of Directors.

### **SECTION 4. GOVERNANCE COMMITTEE**

The Governance Committee shall have responsibility for advising the Board of Directors on the following matters: legal compliance, human resources, drafting and review of Governance Documents, succession planning, nominations to the Board of

Directors, evaluation of Board members, planning of Board meetings, drafting of mission statements and goals, Fort Bend Forward, and any other matters as assigned by the Chairman of the Board or the Board of Directors.

#### **SECTION 5. DIVISIONAL CHAIRMEN**

The Divisional Chairmen shall have the responsibility to implement the goals and objectives of their respective divisions.

#### **SECTION 6. RESPONSIBILITIES**

The Chairman of the Board shall have exclusive authority to determine which of the Standing Committees shall have responsibility for advising the Board of Directors on any particular matter.

#### **SECTION 7. MISCELLANEOUS**

No division, committee or task force, nor any of its members, shall take or make public any formal action, or make public any resolution, or in any way commit the Chamber on a question of policy without first receiving approval from the Board of Directors. Special committees or task forces shall be dissolved by the Chairman of the Board 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 committee.

### **ARTICLE VIII** ***FINANCE***

#### **SECTION 1. FUNDS**

All money paid to the Chamber shall be placed in a deposit account of a bank that is a Chamber member in amounts fully insured by the FDIC. Funds unused from the current year's budget will be placed in a reserve account.

#### **SECTION 2. DISBURSEMENTS**

Upon approval of the budget, the officers are authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. Disbursements shall be made by check. Checks shall be signed by the President and the Secretary/Treasurer; provided, however, that in the absence of either, the Chairman of the Board, the Chairman-Elect, may sign on behalf of such absent officer. From time to time, the President may authorize a payment by credit card or electronically as long as amounts that exceed \$2,500 are approved by another Executive Committee Officer. Notwithstanding the foregoing, the Board of Directors may establish a procedure for permitting the President to make disbursements up to \$2,500 on accounts and expenses provided for in the budget without additional approval of any other officer.

#### **SECTION 3. FISCAL YEAR**

The fiscal year of the Chamber shall close on the last day of December of each year.

#### **SECTION 4. BUDGET**

At the first Board meeting of each year, the President and Secretary/Treasurer shall adopt the budget for the coming year and shall submit it to the Board of Directors for approval.

## **SECTION 5. OBLIGATIONS AND CONTRACTS**

All notes, contracts, or other obligations, made and entered into or on behalf of the Chamber outside the scope of usual and customary expenses anticipated by the approved annual budget, shall first be authorized by the Board and signed in the name of the Chamber by the Chairman of the Board or the President and attested by another Executive Committee member so specified and approved by the Board. No officer or other member, except as otherwise provided in these By-Laws, shall have authority to sign any documents obligating or binding the Chamber, or to make any contract of a financial nature involving the Chamber, without the express approval of the Board.

## **SECTION 6. FINANCIAL EXAMINATIONS**

The Board of Directors requires an annual review and a full financial audit every other year by a certified public accounting firm.

# **ARTICLE IX INDEMNIFICATION**

## **SECTION 1. INDEMNIFICATION**

The Chamber shall indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was a director or, while a director of the Chamber, is or was serving at the request of the Chamber as an officer of the Chamber or as a director, officer, , employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise only if it is determined in accordance with Section 4.5 below that the person:

- a. conducted himself in good faith;
- b. reasonably believed:
  - (i) in the case of conduct in an official capacity as a director of the Chamber, that such director's conduct was in the Chamber's best interests; and
  - (ii) in all other cases, that such director's conduct was at least not opposed to the Chamber's best interests; and
- c. in the case of any criminal proceeding, had no reasonable cause to believe such director's conduct was unlawful.

The Chamber may indemnify any person who was, is or is threatened to be made a named defendant or respondent in a proceeding because the person is or was an officer, employee or agent of the Chamber to the same extent that it shall indemnify the directors of the Chamber under this Section 1.

## **SECTION 2. LIMITATIONS ON INDEMNITY**

Except to the extent permitted by Section 4 below, no person shall be indemnified under Section 1 above in respect of a proceeding:

- a. in which the person is found liable on the basis that personal benefit was improperly received by such person, whether or not the benefit resulted from an action taken in the person's official capacity; or
- b. in which the person is found liable to the Chamber.

## **SECTION 3. WHEN PERSON IS LIABLE**

The termination of a proceeding by judgment, order, settlement or conviction or on a plea of nolo contendere or its equivalent shall not be of itself determinative that the person did not meet the requirements set forth in Section 1 above. A person shall be deemed to have been found liable in respect of any claim, issue or matter only after the person shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

## **SECTION 4. INDEMNIFICATION COVERAGE**

A person may be indemnified under Section 1 above against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in connection with the proceeding; but, if the person is found liable to the Chamber or is found liable on the basis that personal benefit was improperly received by the person, the indemnification (a) shall be limited to reasonable expenses actually incurred by the person in connection with the proceeding and (b) shall not be made in respect of any proceeding in which the person shall have been found liable for willful or intentional misconduct in the performance of such person's duty to the Chamber.

## **SECTION 5. DETERMINATION OF RIGHT TO INDEMNITY**

A determination of indemnification under Section 1 above shall be made:

- a. by a majority vote of a quorum consisting of directors who at the time of the vote are not named defendants or respondents in the proceeding;
- b. if such a quorum cannot be obtained, by a majority vote of a committee of the Board of Directors designated to act in the matter by the affirmative vote of a majority of the full Board of Directors, consisting solely of two or more directors who at the time of the vote are not named defendants or respondents in the proceeding; or
- c. by special legal counsel selected by the Board of Directors or a committee of the Board of Directors by vote as set forth in Subsection (a) or (b) of this Section 5, or, if such a quorum cannot be obtained and

such a committee cannot be established, by the affirmative vote of a majority of the full Board of Directors.

#### **SECTION 6. OTHER DETERMINATIONS**

Authorization of indemnification and determination as to reasonableness of expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination that indemnification is permissible is made by special legal counsel, authorization of indemnification and determination as to reasonableness of expenses shall be made in the manner specified by Subsection 5(c) above for the selection of special legal counsel.

#### **SECTION 7. EXPENSES**

Reasonable expenses incurred by a person who was, is or is threatened to be made a named defendant or respondent in a proceeding may be paid or reimbursed by the Chamber in advance of the final disposition of the proceeding and without the determination specified in Section 5 above or the authorization or determination specified in Section 6 above, after the Chamber receives a written affirmation by the person of his good faith belief that such person has met the standard of conduct necessary for indemnification under this Article IX and a written undertaking by or on behalf of the person to repay the amount paid or reimbursed if it is ultimately determined that he or she has not met that standard or if it is ultimately determined that indemnification of the person against expenses incurred by such person in connection with that proceeding is prohibited by Section 4.4 above.

#### **SECTION 8. INSURANCE AND BONDING**

The Chamber will purchase and maintain insurance and bond coverage on behalf of any person who is a director, officer, or employee of the Chamber or who serves at the request of the Chamber as a director, officer, or employee.

#### **SECTION 9. MODIFICATIONS**

The provisions of this Article IV shall be modified to the extent the Texas Non-Profit Chamber Act may be amended in the future, but in the case of such amendment, only to the extent such amendment permits the Chamber to provide broader indemnification rights than such Act permitted the Chamber to provide prior to such amendment.

#### **SECTION 10. NON-EXCLUSIVE RIGHTS**

The right to indemnification and the advancement and payment of expenses conferred in this Article IX shall not be exclusive of any other right that a person indemnified pursuant to this Article IV may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation or these Bylaws, agreement, vote of disinterested directors or otherwise.

## **SECTION 11. INTERPRETATION**

If this Article IV or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Chamber shall nevertheless indemnify each director, and may indemnify any other person indemnified pursuant to this Article IX, as to costs, charges, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any proceeding to the fullest extent permitted by an applicable portion of this Article IX that shall not have been invalidated and to the fullest extent permitted by applicable law.

## **ARTICLE X** ***PARLIAMENTARY 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 or bylaws of the Chamber.

## **ARTICLE XI** ***AMENDMENTS***

These By-Laws may be amended or altered by a majority vote of the Board of Directors, or by a two-thirds vote of the members voting by a mail ballot, or by a two-thirds vote of the members present at any regular or special meeting of the Chamber called for that purpose, provided proper notice has been given to the entire membership.

## **ARTICLE XII** ***DISSOLUTION***

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).



