

BYLAWS

Effective as of December 16, 2011

ARTICLE I - GENERAL

Section 1-1 - Name: The organization has been incorporated under the name of Spring Grove Area Professionals and is a non-profit, Pennsylvania corporation. The organization shall be known as Spring Grove Area Chamber of Commerce. Spring Grove Area Chamber of Commerce is a duly registered fictitious name held by Spring Grove Area Professionals.

Section 1-2 - Purpose: Spring Grove Area Chamber of Commerce serves members' collective needs and enhances a vibrant climate for the Spring Grove business community.

Section 1-3 - Office: Spring Grove Area Chamber of Commerce is incorporated under the laws of the Commonwealth of Pennsylvania and its principal office shall be located at 199 West First Avenue in Spring Grove, PA.

Section 1-4 - Limitation: Spring Grove Area Chamber of Commerce shall observe all local, state, and federal laws which may apply to a non-profit organization as defined in section 501 (c) (6) of the Internal Revenue Code.

Section 1-5 - Logo: Spring Grove Area Chamber of Commerce shall have a logo of such design as adopted by the Board of Directors. The logo shall be the only approved representation of Spring Grove Area Chamber of Commerce.

ARTICLE II - MEMBERSHIP

Section 2-1 - Eligibility: Any person, sole-proprietor, association, corporation, partnership, trust or estate living in or operating a business within the boundaries of the Spring Grove Area School District shall be eligible for membership in Spring Grove Area Chamber of Commerce.

Section 2-2 - Application: Each applicant shall make written application to the membership committee in such form and manner as may be prescribed from time to time by the Board of Directors.

Section 2-3 - Election: Applicant's for membership shall be presented to the Board of Directors for approval.

Section 2-4 - Investment: Annual membership investment shall be at the rates prescribed by the Board of Directors payable in advance and on an annual renewal basis.

Section 2-5 - Business Members:

- a. Any business, association or organization within the Spring Grove Area School District is eligible for a Business Membership. Likewise, any individual who resides within the Spring Grove Area School District, but whose business may be outside the school district, shall also be eligible for a Business Membership.
- b. Members joining Spring Grove Area Chamber of Commerce as a representative of a firm, corporation or partnership may only represent a business which acts as their primary source of income. Members representing a part-time or side business may join as an Affiliate Member. At such time as the business meets the appropriate criteria, they may upgrade their membership from an Affiliate to a Business Membership.
- c. Each member may only represent one business in Spring Grove Area Chamber of Commerce. Where a member is associated with several businesses, they must choose which business they will represent in Spring Grove Area Chamber of Commerce and may not promote other businesses to other members. They may, however, have an associate from additional businesses join the group to represent additional businesses. A separate membership is required for each business represented.
- d. Businesses with multiple representatives attending meetings must identify a single "Designated Voting Representative" who will cast a single vote on behalf of the business.
- e. Member firms may display evidence of their support for Spring Grove Area Chamber of Commerce at their places of business, but all other privileges of membership, including the right to vote, are vested with the designated voting representative.
- f. Member firms may request the transfer of active memberships sponsored by them to new individuals whose names may be presented to the Board of Directors for consideration.

Section 2-6 - Affiliate Members: Any business, association or organization whose location is outside the Spring Grove Area School District may join Spring Grove Area Chamber of Commerce as an Affiliate Business.

Section 2-7 - Voting: Each Business Member shall be entitled to one vote. Affiliate Members do not have voting privileges.

Section 2-8 - Multi-Level Marketing Businesses: Multi-level distributors are eligible for membership in Spring Grove Area Chamber of Commerce as either Business or Affiliate Members, however, such members are limited to promoting their products and services only, not the development of their down lines/sales force and must limit their membership to one product line or service.

Section 2-9 - Termination:

- a. Any member may resign from Spring Grove Area Chamber of Commerce upon written request to the Board of Directors; however, such resignation shall not relieve a member from any arrearage of membership investments, subscriptions or their indebtedness to Spring Grove Area Chamber of Commerce.

- b. At the discretion of the Board of Directors, any member who fails to regularly attend meetings or actively participate in Spring Grove Area Professional activities may be expelled by giving written notice of such action to the member.
- c. Any member may be expelled by a two-thirds vote of the Board of Directors at a regularly scheduled meeting thereof for conduct prejudicial to the aims or reputation of Spring Grove Area Chamber of Commerce; after notice and opportunity for a hearing before the Board of Directors.
- d. Any member who fails to pay the annual membership renewal fee will be automatically terminated after the renewal due date.

Section 2-10 - Reinstatement: The Board of Directors may reinstate any former member of Spring Grove Area Chamber of Commerce upon terms and conditions as it may deem fit.

Section 2-11 - Member Acceptance: Any person who is proposed and accepted into membership of Spring Grove Area Chamber of Commerce shall be deemed to have accepted these Bylaws and any subsequent changes prepared by Spring Grove Area Chamber of Commerce and shall be bound by them in all respects.

ARTICLE III - MEETINGS

Section 3-1 - Regular Meetings: Regular meetings of Spring Grove Area Chamber of Commerce shall be held once a month as designated by the Board of Directors.

Section 3-2 - Additional:

- a. The Board of Directors shall hold regular meetings at the discretion of the President.
- b. Committee meetings may be called by the President, the Board of Directors or by the committee's chairperson.

Section 3-3 - Quorums:

- a. Attendance by a majority of the members shall constitute a quorum at any regular or special meeting of Spring Grove Area Chamber of Commerce.
- b. At all meetings of the Board of Directors, attendance by a majority of the Board members shall constitute a quorum. On any action requiring a vote by the Board of Directors, a majority vote of those members present will constitute a favorable vote.

Section 3-4 - Notice: Written notice of all Spring Grove Area Chamber of Commerce' meetings must be given at least three (3) days in advance unless otherwise stated. In cases of emergency, of which the President shall be the judge, special meetings may be held on twenty-four (24) hours' notice. Notification of meetings may be made through email, postal mailings or posted on the Spring Grove Area Chamber of Commerce website or social media sites.

Section 3-5 - Waivers of Notice: Whenever any written notice is required to be given under the provisions of the Articles, these Bylaws, or the Non-profit Corporation Law of 1988, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except as otherwise set forth in these Bylaws, neither the business to be transacted nor the purpose of a meeting need to be specified in the Waiver of Notice of such meeting.

ARTICLE IV - BOARD OF DIRECTORS

Section 4-1 - Composition: The Board of Directors shall be elected by the membership at an annual meeting. The Board shall appoint the following Officers of Spring Grove Area Chamber of Commerce:

- a. President
- b. Sr. Vice-President
- c. Jr. Vice-President
- d. Secretary
- e. Treasurer

The Chairs of the committees shall also serve as members of the Board. The government and policy-making responsibility of Spring Grove Area Chamber of Commerce shall be vested in the Board of Directors, which shall control its property, be responsible for its finances and direct its affairs.

Section 4-2 - Officer Duties:

- a. **President** - The President shall serve as the chief elected officer of Spring Grove Area Chamber of Commerce and shall preside at all regular meetings of the membership and Board of Directors. He/She shall, at the annual meeting of Spring Grove Area Chamber of Commerce, and at such other times as he shall deem proper, communicate to Spring Grove Area Chamber of Commerce and to the Board of Directors such matters and make such suggestions as may tend to promote the prosperity and increase the usefulness of Spring Grove Area Chamber of Commerce. The President shall assign the Sr. Vice-President the areas of responsibility, subject to Board of Directors approval. The President shall, with the advice and counsel of the Sr. Vice-President, determine all committees, select all committee leaders and assist in selection of committee personnel.
- b. **Sr. Vice-President** – The Sr. Vice-President shall exercise the powers and authority and perform the duties of the President in the absence or disability of the President. The Sr. Vice-President shall also serve as liaison to all committees of Spring Grove Area Chamber of Commerce and as such will be at all times alert to assure that the activities of

the Spring Grove Area Chamber of Commerce are directed toward achieving business and community needs and group objectives in the area served by Spring Grove Area Chamber of Commerce.

- c. **Jr. Vice-President** – The Jr. Vice-President shall perform all duties as directed by the President and Board of Directors and assume the duties of Sr. Vice-President in the absence or disability of the Sr. Vice-President.
- d. **Treasurer** - The Treasurer shall be responsible for the safe-guarding of all funds received by Spring Grove Area Chamber of Commerce and for their proper disbursement. Such funds shall be kept on deposit in financial institutions, or invested in a manner approved by the Board. Checks are to be signed by the Treasurer and the President or in the absence of either or both, by any two (2) officers. The Treasurer shall give a monthly Financial Report to be made to the Board.
- e. **Secretary** – The Secretary shall keep and maintain accurate minutes of all regular membership and Board of Directors meetings. He/She shall be responsible for all general correspondence of Spring Grove Area Chamber of Commerce as required by the President and the Board of Directors. The secretary shall also maintain a record of attendance for all regular membership meetings.

Section 4-3 - Nomination Procedure: At the regular meeting in October, the President shall appoint a Nominating Committee of three (3) or more members of Spring Grove Area Chamber of Commerce. The President shall designate the head of the committee. The Nominating Committee shall present to the membership at its November meeting, a slate of candidates to serve a one-year term to replace directors whose terms are expiring.

Section 4-4 - Eligible Candidates: Each candidate must be an active member in good standing and must have agreed to accept the responsibility of the office to which they have been nominated.

Section 4-5 - Term: No Board member who has served two consecutive terms is eligible for election for a third term. A period of one year must lapse before eligibility is restored.

Section 4-6 - Election: The election shall be held at the regular December meeting. The Chairperson shall appoint at least three (3) but not more than five (5) judges who are not candidates for election. Such judges shall have complete supervision of the election, including auditing of the ballots. The President, with approval of the election judges, will prepare a ballot including all nominations and present it at the December meeting to all members in good standing. Winning candidates will be determined by a majority vote of all members present. No proxy votes shall be allowed. In case of a tie vote affecting the results, the election judges shall cast lots and certify as elected the person or persons whom the lot determines.

Section 4-7 - Seating: All newly elected officers shall be installed and seated at the regular meeting in January. Retiring directors shall continue to serve until the January meeting.

Section 4-8 - Advisor to the Board: The outgoing president shall act as an Advisor to the Board of Directors and may attend all meetings of the Board. The Advisor shall not have voting

privileges on the Board. The duties of the Advisor terminate in January of the year in which a new President has been elected.

Section 4-9 - Powers: The Board of Directors shall manage the property and affairs of Spring Grove Area Chamber of Commerce and shall carry out its commercial, industrial, public, legislative and financial policies. Without in any way limiting the generality of the foregoing the Board of Directors shall have power to acquire and dispose of property, to appoint such officers as agents of Spring Grove Area Chamber of Commerce as it shall deem advisable, to create such committees and to designate as members of such committees such persons as it shall determine, and to confer upon such committees such powers, authority and duties as it may deem advisable and generally to do any and every lawful objects of Spring Grove Area Chamber of Commerce. The Board may create, or authorize the creation of such divisions, councils or affiliate either within Spring Grove Area Chamber of Commerce or consisting or made up in part of other organizations or persons not members of Spring Grove Area Chamber of Commerce, for such purposes not inconsistent with the purposes of Spring Grove Area Chamber of Commerce and upon such terms and conditions as the Board may determine.

Section 4-10 - Vacancies: A member of the Board who shall be absent from three (3) consecutive regular meetings of the Board may be dropped from membership on the Board, unless confirmed by illness or other absence approved by a majority vote of those voting among officers, shall be filled by the Board by a majority vote and shall be for the unexpired term of that particular vacancy.

Section 4-11 - Policy: The Board is responsible for establishing procedure, and formulating policy of the organization. They are also responsible for adopting all policies, and position statements of the organization. These policies shall be maintained in a Policy Manual, to be reviewed annually and revised as necessary.

ARTICLE V - LIMITATION OF PERSONAL LIABILITY OF DIRECTORS

Section 5-1 - General Rule: A director shall not be personally liable for monetary damages as director for any action taken, or any failure to take any action, unless:

- a. the director has breached or failed to perform the duties of director in accordance with the standard of conduct contained in Section 6.02 below; and
- b. The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness;

Provided, however, the foregoing provision shall not apply to (a) the responsibility or liability of a director pursuant to any criminal statute or (b) the liability of a director for the payment of taxes pursuant to local, state or federal law.

Section 5-2 - Standard of care and justifiable reliance.

1. Each director of the corporation shall stand in a fiduciary relation to the corporation and shall perform his or her duties as a director, including his or her duties as a member of any committee of the board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

- a) One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented.
- b) Counsel, certified public accountants or other persons as to matters which the director reasonably believes to be within the professional or expert competence of such person.
- c) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

2. A director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

3. An officer shall perform his or her duties as an officer in good faith, in a manner he or she reasonably believes to be in the best interests of the corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. A person who so performs his or her duties shall not be liable by reason of having been an officer of the Corporation.

4. In discharging the duties of their respective positions, the Board, committees of the Board and individual director may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon persons with whom the corporation has business and other relations and upon communities which the offices or other establishments of or related to the corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of Section 5-1.

5. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a director or any failure to take any action shall be presumed to be in the best interests of the Corporation.

Section 5-3 - Indemnification: The corporation shall indemnify any officer or director (or employee or representative of the Corporation) 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 or not by, or in the right of, the Corporation) by reason of the fact that such person is or was a representative of the Corporation, against expenses (including attorneys fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and with respect to any criminal proceeding, had no reason to believe such conduct was illegal, provided, however, that no persons shall be entitled to

indemnification pursuant to this Article in any instance in which the action or failure to take action giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness; and provided, further, however, in instances of a claim by or in the right of the Corporation, indemnification shall not be made under this section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the corporation unless and only to the extent that the Court of Common Pleas of the judicial district embracing the county in which the registered office of the corporation is located or the court in which the action as brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or other court shall deem proper.

Section 5-4 - Procedure: Unless ordered by a court, any indemnification under Section 5-3 or otherwise permitted by law shall be made by the corporation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because he or she has met the applicable standard of conduct set forth under that Section. Such determination shall be made:

1. by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to the action or proceeding; or
2. if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

Section 5-5 - Advancement of Expenses: Expenses incurred by a person entitled to indemnification pursuant to this Article or otherwise permitted by law in defending a civil or criminal action, suit or proceeding shall, in any case required by Section 5-3, and may, in any other case, be paid by the corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay the amount so advanced if it shall ultimately be determined that such person is not entitled to be indemnified by the corporation.

Section 5-6 - Continuing Right to Indemnification: The indemnification and advancement of expenses provided pursuant to this Article shall continue as to any person who has ceased to be an officer or director (or employee or representative) of the corporation and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 5-7 - Mandatory Indemnification: Notwithstanding any contrary provision of the Articles or these bylaws, to the extent that a representative of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in either Section 5-3 above, he or she shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him or her in connection therewith.

Section 5-8 - Insurance: The corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person's status as such, whether or not the corporation would otherwise have the power to indemnify such person against such liability.

Section 5-9 - Reliance on Provisions: Each person who shall act as an authorized representative of the corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

Section 5-10 - Other Rights: This Article shall not be exclusive of any other right which the corporation may have to indemnify any person as a matter of law.

ARTICLE VI - COMMITTEES

Section 6-1 - Standing Committees: Spring Grove Area Chamber of Commerce shall maintain the following standing committees:

- a. Finance Committee
- b. Membership Committee
- c. Social/Charity Committee
- d. Marketing Committee

Section 6-2 - Ad Hoc Committees: The President, with the approval of the Board, may appoint such ad hoc committees and their leaders as deemed necessary to carry out the program of Spring Grove Area Chamber of Commerce. It shall be the function of committees to make investigations, conduct studies and hearings, make recommendations to the Board and to carry on such activities as may be delegated to them by the Board.

Section 6-3 - Appointment and Authority: The President, by and with the approval of the Board of Directors, shall appoint all committee leaders. Committee appointments shall be at the will and pleasure of the President and shall serve concurrent with the term of the appointing President, unless the Board approves a different term.

Section 6-4 - Limitation of Authority: No action by any member, committee, employee, Director or Officer shall be binding upon, or constitute an expression of the policy of Spring Grove Area Chamber of Commerce until it shall have been approved or ratified by the Board. Ad Hoc Committees shall be discharged by the President when their work has been completed and their reports accepted, or when, in the opinion of the Board, it is deemed wise to discontinue the Ad Hoc committee.

ARTICLE VII - FINANCE

Section 7-1 - Funds: All money paid to Spring Grove Area Chamber of Commerce shall be accounted for by way of monthly accounting and budget reports.

Section 7-2 - Disbursement: Upon approval of the budget, the Treasurer is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval

of the Board.

Section 7-3 - Fiscal Year: The fiscal year of Spring Grove Area Chamber of Commerce shall close on December 31st.

Section 7-4 - Budget: As soon as possible after election of the new Officers, the Board of Directors shall approve and adopt the budget for the coming year..

Section 7-5 - Annual Audit: The accounts of Spring Grove Area Chamber of Commerce shall be internally audited by the Finance Committee annually as of the close of business on December 31st. The audit report shall be presented to the membership within 60 days of the close of the year and shall at all times be available to members of Spring Grove Area Chamber of Commerce.

Section 7-6 - Bonding: The President and such other officers and staff as the Board of Directors may designate shall be bonded by a sufficient fidelity bond in the amount set by the Board and paid for by Spring Grove Area Chamber of Commerce.

ARTICLE VIII - DISSOLUTION

Section 8-1 - Procedure: Spring Grove Area Chamber of Commerce shall use its funds only to accomplish the objectives and purpose specified in these Bylaws, and no part of said funds shall be distributed to the members of Spring Grove Area Chamber of Commerce. On dissolution of Spring Grove Area Chamber of Commerce, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organization to be selected by the Board of Directors.

ARTICLE IX - PROCEEDINGS

Section 9-1 - Parliamentary Authority: The concurrent edition of Robert's Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not inconsistent with the Charter or Bylaws of Spring Grove Area Chamber of Commerce.

ARTICLE X - AMENDMENTS

Section 10-1 - Revision: The Bylaws may be amended or altered by a majority vote of the members present at any regular or special meeting, providing the notice of the meeting includes the proposals for amendment; or by a majority vote of the members voting in response to a mailed ballot provided a quorum return is received. Any proposed amendments or alterations shall be submitted to the Board of Directors or the members in writing, at least ten (10) days in advance of the meeting at which, or date of ballot mailing on which, the amendments are to be decided. Notification of proposed Bylaw amendments may be made by email, postal mail or posting on the Spring Grove Area Chamber of Commerce website or social media sites.