

# **HOUSTON NORTHWEST CHAMBER OF COMMERCE BY-LAWS**

## **ARTICLE I**

### **GENERAL**

#### **Section 1: Name**

This organization is incorporated under the nonprofit corporation laws of the State of Texas and shall be known as the Houston Northwest Chamber of Commerce Inc. (Chamber)

#### **Section 2: Mission Statement**

The mission of the Houston Northwest Chamber of Commerce is building successful businesses and a thriving community.

The purpose of the Chamber is to drive community development to improve quality of life in North Harris County, assisting existing businesses while encouraging new firms to relocate to the area. Additionally, the Chamber is dedicated to community support, including cultural, education and civic welfare. In all of its endeavors, the Chamber shall conduct its activities in an ethical and moral way for the good of its members and the community as a whole.

#### **Section 3: Limitations of Methods**

The Chamber shall observe all local, state and federal laws which apply to nonprofit organizations defined in Section 501C-6 of the Internal Revenue Service Code.

The Chamber shall be nonpartisan and nonsectarian and shall take no part in or lend its influence or facilities, either directly or indirectly to the nomination, election or appointment of any candidate for political office in any city, county, state or nation.

The foregoing provision shall not prevent the Chamber from supporting or recommending sound legislation and improvements in governmental affairs.

## **ARTICLE II**

### **MEMBERSHIP**

#### **Section 1: Eligibility**

Any reputable person, proprietorship, association, corporation, partnership or estate in sympathy with the objectives of the organization and which agrees to adhere to its by-laws, rules and regulations shall be eligible to apply for membership.

## **Section 2: Election**

Applications for membership shall be in writing, on forms provided for that purpose. Any applicant shall become a member upon payment of the investment as provided in Article II, Section 3.

## **Section 3: Investment**

Membership investment shall be for a period of one year at such a rate or rates, schedule or formula as may be from time to time prescribed by the executive committee and approved by the Board of Directors, payable in advance, or by special agreement approved in advance by the Executive Committee.

## **Section 4: Termination**

- (a) Any member may resign from the Chamber upon written notice to the Board of Directors.
- (b) A member shall be terminated for nonpayment of dues after ninety (90) days from the last day of the month in which the dues are payable.
- (c) Any member may be expelled by two-thirds vote of the Board of Directors for conduct unbecoming a member or for conduct or business activities prejudicial to the aims or purposes of the chamber after:
  - (1) 30 days notice of the proposed expulsion; and
  - (2) Opportunity for a hearing.

## **Section 5: Voting**

Each member whose investment is currently paid and who is otherwise in good standing shall be entitled to one vote on general membership issues.

Proxies shall be permitted. Proxies shall be designated in writing to the Secretary of the Board of Directors at least twenty-four (24) hours prior to a vote or meeting.

## **Section 6: Exercise of Privileges**

Any proprietorship, association, corporation, individual or partnership holding membership may nominate one authorized representative who the member has authorized to exercise the privileges of membership and shall have the right to change its representative upon written notification to the Chamber.

## **Section 7: Orientation**

At regular intervals and at least once annually, orientation meetings addressing the purpose and activities of this organization and duties of its officers, staff members and committees shall be conducted for officers, directors, committee chairmen and new members.

## **ARTICLE III**

### **MEETINGS**

#### **Section 1: Annual Membership Meeting**

An annual membership meeting of the Chamber shall be held during January of each year. The Board of Directors shall fix the meeting time and place and notify each member at least ten (10) days prior to said meeting. At the discretion of the Board of Directors, the annual membership meeting may be styled as an installation banquet or any other appropriate title.

#### **Section 2: Special Membership Meetings**

Special membership meetings of the Chamber may be called by the Chairman of the Board at any time, upon petition in writing of fifteen (15) percent of the membership votes in good standing or at the request of the Executive Committee. Notice of special membership meetings shall be given to each member at least seven (7) days prior to such meeting.

#### **Section 3: Quorum**

At any duly called membership meeting of the Chamber, fifteen (15) percent of the Chamber's total membership vote shall constitute a quorum.

## **ARTICLE IV**

### **BOARD OF DIRECTORS**

#### **Section 1: Authority**

The governing of the Chamber, the direction of its work and the control of its property shall be vested in its Executive Committee and its Board of Directors.

#### **Section 2: Size and Composition**

The Board shall be composed of a maximum of 15 directors, of which at least 12 shall be voting members and at least two non-voting members as follows:

- (a) 11 elected members (voting)
- (b) The President of the Chamber (non-voting)
- (c) The Chairman of the Board (voting)
- (d) Chairman Emeritus (non-voting)

Achievement of this Board size shall be accomplished over the course of years through natural Board attrition.

### **Section 3: Eligibility**

Members of the Board of Directors must be Chamber members in good standing. No person shall be eligible for the board membership while he/she is a declared candidate for an elected political office in city, county, state or federal government or political subdivisions such as utility or school districts.

Any Director, upon filing for such an office, shall automatically be placed on leave of absence until immediately following the determination of election results, at which time the Director shall automatically be reinstated without further action.

Any Director charged with a felony and indicted shall automatically be on leave of absence until immediately following the determination of the charge. If not convicted, the Director shall be automatically reinstated without further action. If convicted, such director shall be automatically terminated without further action.

A member of the Board who has absences from four regular board meetings during one calendar year may be dropped from membership on the Board, subject to recommendation by the Executive Committee and approval by the Board.

### **Section 4: Term of Board Membership**

- (a) The Chairman of the Board, other than a Chairman appointed to complete an unexpired term, shall serve for one year as Chair Elect. After that, that person shall serve an additional year as Chairman of the Board and a final year as Immediate Past Chairman regardless of the term remaining on that person's current term of membership on the Board.
- (b) Elected members of the Board shall serve for a term of two years. No person shall serve more than three successive terms as director unless he/she was appointed to fill an unexpired term. That person shall be permitted to serve a total of more than six consecutive years, but no more than eight consecutive years. The Chairman of the Board shall be eligible to serve a maximum of eight consecutive years on the board; the first five years being appointed or elected, the sixth as Chairman Elect, the seventh of Chairman of the Board and the final eighth year as Immediate Past Chairman. All terms of this subsection apply for the time periods specified or until their successors are elected or appointed.
- (c) All elected terms shall commence on January 1 and terminate on December 31.
- (d) The two-year terms shall be staggered commencing each year.

**Section 5: Vacancies**

The Board Chairman, with the approval of the Executive Committee and the Board, shall appoint directors to fill portions of un-expired terms, which may occur. Such appointments shall commence upon the approval by the Board and shall end on December 31 of the same calendar year. The remaining years of the term of the vacating member shall be filled in accordance with the Election Procedures of Article IV, Section 8. Appointments shall be made from a slate of candidates recommended by the Nominating Committee but may also include consideration of additional members nominated by at least three current board members for the position.

**Section 6: Quorum**

A majority of the voting members of the board shall constitute a quorum.

**Section 7: Meetings**

Regular meeting of the Board of Directors shall be held at a time and place fixed by the Board of Directors.

**Section 8: Elections**

- (a) **Nominating Committee:** At the July monthly Board meeting, the nominating committee shall present to the chairman a slate of candidates to serve two-year terms and candidates to complete un-expired vacant terms. Each nominee must have agreed to accept the responsibilities of directorship.
- (b) **Publicity of Nominations:** Prior to September 1, the chairman shall notify the membership of the names of the nominees along with a brief biographical sketch for each. Such notice shall arrange nominee's names in alphabetical order. Additionally, at the same time, the chairman shall include an explanation of the right of nomination by petition as provided by Article IV, Section 8.
- (c) **Nomination by Petition:** Prior to October 1, additional names of candidates for director may be nominated by petition bearing original signatures representing at least five (5) percent of the total votes in the Chamber. Such petitions accompanied by biographical data on each candidate shall be filed with the nominating committee. The nominating committee shall determine the legality of the petition(s) and eligibility of each nominee and that determination shall be final.
- (d) **Determination:** If no petition is filed within the designated period, the nominations shall be closed and the nominated list shall be declared elected by

the Board of Directors at their regular October Board meeting. If legal petitions shall present additional eligible candidates, the Board Chairman shall appoint a panel of three persons to supervise the election. Such panel members shall be neither board nor nominating committee members. The panel shall cause ballots to be prepared listing all candidates in alphabetical order. Instructions for voting shall be printed on the ballot. The ballot shall be mailed to active members prior to October 14. All voting shall be by secret ballot. Ballots shall be returned to the panel prior to November 1. Ballots received by the panel after that date shall not be considered. The panel shall validate all returned ballots, verify all votes cast, tally all votes and report the results to the Board of Directors at its regularly scheduled November meeting. The candidates with the greatest number of votes shall be declared elected. In case of ties, the Board shall determine the winner by a simple majority vote.

- (e) Seating of New Directors: Newly elected directors shall take office January 1. However, newly elected directors shall be encouraged to attend board meetings without voting privileges immediately after election to enable them to become acquainted with the Board's activities.

#### **Section 9: Electronic Voting**

The Chairman of the Board, with the approval of the Executive Committee, may, when time is deemed of the essence between regular meetings, seek a vote on a particular action item (other than election to membership on the Board of Directors) by electronic means. The notification and request for a vote by Directors shall fully describe the issues involved and shall allow a reasonable time in which to vote. Should any member of the Board of Directors request a deferral to a regular meeting, no such electronic vote may be had.

### **ARTICLE V**

#### **EXECUTIVE COMMITTEE**

##### **Section 1: Authority**

The Executive Committee is ultimately responsible for staff and personnel actions including the compensation of the President and staff. It shall also be the initial forum for hearing any disciplinary questions regarding a member; however, any recommendation to remove a member shall be referred to the entire Board for approval before any action may be taken as set forth in Article II, Section 4. The Executive Committee shall act for and on behalf of the Board of Directors when the Board is not in session, with its actions subject to ratification or rescission by the Board. However, Board ratification or approval is not required for staff personnel actions including the compensation of the President or staff. The Executive Committee shall also consider proposed actions and make recommendations to the Board.

## **Section 2: Composition**

The Executive Committee shall be composed of the Chairman of the Board, the Chairman-Elect of the Board, Secretary, Treasurer, Immediate Past-Chair and Chairman Emeritus (non-voting). The Chairman of the Board shall serve as the Chairman of the Executive Committee. The President shall be a nonvoting member of the Executive Committee.

## **Section 3: Quorum**

A majority of the voting members of the Executive Committee shall constitute a quorum.

## **Section 4: Meetings**

Meetings of the Executive Committee shall be held at a regular time and place to be established by consent of its members. The Chairman of the Board may elect to waive a regular Executive Committee meeting. The majority of the Executive Committee may elect to waive having a regular meeting for any individual month by a formal vote at a prior meeting or by an electronic vote in the interim between monthly meetings. Special meetings of the Executive Committee shall be called by the Chairman of the Board on his own motion or at the behest of two other members of the Executive Committee. Special meetings shall be held at a time and place acceptable to a majority of the Executive Committee.

## **Section 5: Electronic Voting**

The Chairman of the Board, on his/her own motion or at the request of a member of the Executive Committee, may request the members of the Executive Committee to vote on any issue by electronic means when time is deemed to be of the essence. Any such request shall fully disclose the issue, the reason for time being critical and allow a reasonable time to respond. Should a member of the Executive Committee object to electronic voting on this issue, it shall be deferred to the next meeting of the Executive Committee.

# **ARTICLE VI**

## **FINANCE COMMITTEE**

### **Section 1: Authority**

The Finance Committee shall be chaired by the Treasurer and shall oversee the finances of the Chamber. It shall review the detailed budget submitted by the President, make modifications, as it deems appropriate, and submit a final draft budget to the Board of Directors for approval. The Finance Committee shall recommend budget revisions, as they may be needed from time to time. It may conduct reviews of receipts and expenditures and their respective variances to the budget at any time and shall do so no less often than once per

calendar year. It shall report immediately any financial irregularities to the Executive Committee and the Board of Directors.

The Finance Committee shall also serve as the Audit Committee as defined in the Sarbanes-Oxley Act of 2002. It shall select an independent Certified Public Accountant (subject to Executive Committee approval) to prepare the Chamber's annual tax return and to conduct any independent financial review or audit that may be deemed appropriate as provided elsewhere in these by-laws.

## **Section 2: Composition**

The Finance Committee shall be composed of a minimum of six (6) persons that shall include the Treasurer, the Assistant Treasurer (if any), the Chairman of the Board, the Chairman Elect, the President, and one member of the Board of Directors who is not a member of the Executive Committee. Except for the Treasurer, the Chairman of the Board and the Treasurer, with the approval of the Board of Directors, shall appoint the members. The Treasurer shall be the Chairman of the Committee.

## **Section 3: Term**

The term of the members of the Committee shall be one (1) year. Vacancies shall be filled by the Chairman of the Board with the approval of the Board.

# **ARTICLE VII**

## **OFFICERS**

### **Section 1: List of Officers**

The Officers of the Chamber shall consist of the Chairman of the Board, The Chairman Elect of the Board, the Immediate Past Chair, the Chair Emeritus (non-voting), the Treasurer, the Assistant Treasurer (if appointed), the Secretary and the President who takes minutes for the Board and sits as a non-voting member in support of Board actions.

### **Section 2: Terms of Office**

Officers shall be elected for a period of one (1) year with the term commencing on January 1 and ending on December 31. No officer may serve more than three (3) consecutive years in the same position with the exception of the Chair Emeritus. Tenure as a member of the Board of Directors shall not be affected by election as an officer and no tenure shall be extended because of election to an officer's position except as provided in Article IV, Section 4(b).

### **Section 3: Eligibility**

Officers of the Chamber are members of the Board of Directors and shall be governed by the same rules of eligibility as provided in Article IV, Section 3.

### **Section 4: Election of Officers**

All officers shall be approved by majority vote of the Board. The Executive Committee shall nominate the Chairman Elect and the Treasurer of the Chamber and shall also present the Chairman a slate of candidates to fill the other officers' positions. The recommendations of the Executive Committee together with any nominations by a current member of the Board shall be considered and the officers approved by the Board of Directors at the meeting of the Board no later than the November meeting of each year. The membership shall be promptly informed of the election of officers.

Newly elected officers shall assume office on January 1.

### **Section 5: Succession**

The Chairman Elect of the Board shall automatically succeed to the office of Chairman on January 1 of the year following that person's term as Chairman Elect. In the event of either, (1) the resignation of the Chairman or, (2) the removal from office of the Chairman for any reason, the Executive Committee shall recommend an Interim Chairman for the unexpired term for approval by the Board of Directors.

### **Section 6: Vacancies**

The Chairman of the Board, with the approval of the Executive Committee, shall appoint persons to fill unexpired portions of terms of officers, which may be created. Such appointments shall commence on approval by the Executive Committee and shall end on December 31 of the same calendar year. All such appointments are subject to the provisions of Article IV, Section 8 (a).

### **Section 7: Duties of Officers**

#### **(a) Chairman of the Board**

The Chairman of the Board shall serve as the Chief Executive Officer of the Chamber and shall perform all duties incidental to the office subject to the approval of the Board. He/she shall sign or may authorize the President to sign deeds, contracts and other instruments affecting the operation of the Chamber or any of its properties. He/she shall sign all formal documents of the Chamber or, when time is of the essence, he/she may, in writing or by electronic means, delegate signatory authority to the Chair Elect or to the President. He/she shall be one of the persons authorized to sign checks on Chamber checking accounts in accordance with guidelines that may, from time to time, be established by the Board of Directors. He/she shall be the Board's delegate to supervise the President.

The Chairman and/or the President, exclusively, shall be the official spokespersons for the Board and for the Chamber and as such, may review and approve or delegate the review and approval of all releases to the media. The Chairman shall give all testimony on behalf of the Board of the Chamber, except in instances where he/she elects to decline giving such testimony or where the Chairman specifically designates another person to testify. In carrying out the duties outlined in this paragraph, the Chairman and/or the President shall base all statements and testimony on positions, policies and By-Laws previously approved by the Board of Directors.

The Chairman shall carry out the mandates and policies of the Board by directing, advising or counseling the President. He/she shall be governed in his actions at all times by the mandates of the By-Laws.

The Chairman shall preside at all meetings of the membership, Board of Directors and Executive Committee except where circumstances require that he/she delegate the duties to another officer of the Chamber.

The Chairman of the Board shall, with the advice and counsel of the President, appoint any Ad Hoc committee without further action. The Board Chairman shall appoint all committee members where so specified in the By-Laws.

(a) Chairman Elect of the Board

The Chairman Elect of the Board shall exercise the powers and authority and perform the duties of the Chairman of the Board in the absence or disability of the Chairman.

The Chairman Elect shall be the Parliamentarian during all Annual Membership Meetings, Special Membership Meetings, meetings of the Board of Directors and meetings of the Executive Committee and at other meetings as requested by the Chairman of the Board.

The Chairman Elect shall serve as the Chairman of the Nominating Committee.

(b) Treasurer

The Treasurer shall be responsible for the safekeeping of all funds received by the Chamber and for their proper disbursement. Such funds shall be kept on deposit in financial institutions approved by the Finance Committee. The Treasurer shall cause a monthly financial report to be made to the Board with appropriate recommendations to improve the financial condition of the Chamber.

(c) Assistant Treasurer

The Chairman may, with the approval of the Board of Directors, appoint an Assistant Treasurer to work with the Treasurer in the performance of his/her duties and in the absence of the Treasurer perform his/her duties.

(d) Secretary

The Secretary of the Chamber shall oversee the By-Laws of the Chamber and make recommendations for By-Laws revisions. He/she shall be permitted to prepare and sign correspondence from the Board and shall perform other tasks as requested by the Board.

## ARTICLE VIII

### COMMITTEES

#### Section 1: Definitions

The Chairman of the Board, to accomplish specific tasks, establishes Ad Hoc Committees. Ad Hoc Committees shall automatically terminate on the 31<sup>st</sup> of December of the year created. Each Ad Hoc Committee shall terminate sooner when its assigned task is complete or at the discretion of the Board Chairman with the approval of the Executive Committee.

#### Section 2: Authority

Committees and Ad Hoc Committees shall have the authority to carry out their tasks as stated by the By-Laws or as charged by the Chairman of the Board. However, no action by any Committee, or any of its members, shall legally or financially bind the Chamber without specific prior approval and authorization of the Board of Directors. No Committee of the Chamber shall express the policy of the Chamber or express or imply an endorsement on any matter nor make a financial commitment without the specific prior approval and authorization of the Board of Directors or the Executive Committee.

#### Section 3: Functions and Reports

Committees shall advise the Executive Committee via the Chamber staff of their operating plans for the upcoming year, including any monetary needs in such verbal or written detail as the Executive Committee may require. Upon review, the Executive Committee shall report this information, with any recommendations it may choose to make, to the Board of Directors for approval.

#### Section 4: Nominating Committee

The Nominating Committee which shall be in existence at all times shall consist of the Chairman Elect of the Board who shall serve as Chairman of the Nominating Committee and eight other members, four from the Board of Directors and four from the general membership. The Nominating Committee shall be appointed by the Chairman of the Board, with the consent and approval of the Executive Committee and the Board of Directors, from a slate submitted to him/her by the current Nominating Committee as the slate may be augmented by other

nominations made by a Board Member and seconded by two other Board Members. The Nominating Committee shall be appointed and approved at the annual Board Retreat that normally occurs in the month of November and shall serve for the following calendar year. The Nominating Committee shall be responsible to timely furnish the Chairman of the Board names of a candidate or candidates for appointment to fill vacant director seats, a slate to comply with Article IV, Section 8 (a), and candidates for Annual Awards. In the absence of an existing Nominating Committee at the time this paragraph is approved for addition to the by-laws, the Chairman of the Board, with the consent and approval of the Executive Committee and the Board of Directors, shall promptly appoint the initial nominating committee, with four of the members from the Board of Directors and four from the general membership and with the current Chairman Elect of the Board as its chair.

## **ARTICLE IX**

### **FINANCES**

#### **Section 1: Authority**

The Board of Directors controls the finances of the Chamber. The Board shall annually approve a budget reflecting income and expenditures. From time to time the Board shall modify the budget, as it deems necessary. The Board shall only approve a balanced budget or one in which income exceeds expenditures. The Finance Committee authorizes the establishment of banking and investment accounts, borrows money, and authorizes the expenditure of funds not reflected in the budget with the approval of the Executive Committee.

#### **Section 2: Receipts, Disbursement and Bank Accounts**

The President shall cause the receipt of all monies from all sources to be deposited in the Chamber's accounts established for that purpose. The President is authorized to make disbursements on accounts for expenses as provided in the budget without additional approval of the Board of Directors.

#### **Section 3: Fiscal Year**

The fiscal year of the Chamber shall close December 31 of each year.

#### **Section 4: Budget**

The Finance Committee shall submit a budget to the Board of Directors for review and subsequent approval no later than December 31.

#### **Section 5: Financials**

Compilation/Tax Return

The Finance director shall prepare a compilation of financial activity as of December 31 of each year on a timely basis. Additionally, the Finance Director shall prepare interim compilations as needed by the staff and directors.

The annual Federal Tax Return shall be prepared on a timely basis by a Certified Public Accountant.

Should any member of the Executive Committee or the Board of Directors so request, with the approval of a majority of the Board of Directors; the books and supporting records shall be submitted to an independent Certified Public Accountant for a complete “Certified Audit” or “Review”, the results of which shall be available to any member of the Chamber during normal business hours.

### **Section 6: Bonding**

The President, and such other Officers and staff as the Board may require, shall be bonded by a fidelity bond in an amount determined by the Board and paid for by the Chamber.

## **ARTICLE X**

### **MANAGEMENT**

#### **Section 1: General**

The operations and administration of the Chamber will be accomplished by the staff hired to execute day-to-day duties enabling the chamber to function as an efficient organization.

#### **Section 2: President**

The Chief Operating Officer and senior staff member of the Chamber shall be the President. That person shall be accountable to the Board of Directors for the full range of activities of the Chamber including, but not limited to: motivation of volunteers, revenue and expenses, maintenance of membership, employment/training/supervision of staff, implementation of policy, and maintenance of quarters.

##### **(a) Supervisory Relationships**

The President, while responsible to the Board, will report through the Board Chairman, who shall be the sole Chamber member authorized to direct supervisory responsibility. However, nothing shall prevent the President from reporting directly to the Executive Committee or to the Board any items that, in his/her opinion, are contrary to the By-Laws or stated Chamber policy or which are violations of local, state or Federal laws or activities harmful to the Chamber’s good name and image.

All members of the staff will report to the President, either directly or indirectly. He/she shall organize the staff and fix their duties to achieve maximum efficiency and effectiveness.

(b) Performance Evaluation Committee (PEC)

At least once each year or as mutually agreed upon, the President's performance will be evaluated by a committee called the Performance Evaluation Committee (PEC). This Committee is comprised of the Board Chair, Board Chair Elect and Immediate Past Chair and shall evaluate and make determinations regarding the President's salary and bonuses.

(c) Employment of Staff Members

The President shall fix the number of staff members, and their initial compensation subject to the limitation established by the approved budget. Subsequent compensation adjustments of subordinate staff members shall be fixed by the President subject to the limitations established by the approved budget.

The President, in consultation with the Chair and Chair Elect, shall have the authority and responsibility to supervise staff personnel, including appropriate counseling and disciplinary actions. The President may suspend without pay any employee pending an investigation into the circumstances and actions that lead to the suspension. The President shall promptly conduct and report the results of such investigation to the Executive Committee prior to making a final decision, with the approval of the Executive Committee, as to the employment status of any suspended employee.

(d) Budget

The President shall ensure that a detailed budget for the following fiscal year is presented to the Finance Committee no later than November 30. Such budget shall reflect generally accepted accounting principles and shall comply with Article IX and other Articles and policy guidelines, which the Board may establish from time to time.

(e) Authority to Expend Funds

The President shall expend funds necessary for ordinary operations of the Chamber within the limitations imposed by the approved budget. This authority shall not be delegated to any other staff or Chamber member unless specifically authorized by the Executive Committee. The President may sign all checks issued by the Chamber and shall ensure that counter signatures are obtained in accordance with policies established by the Executive Committee.

(f) Responsibility to Collect Funds

The President shall establish routines and procedures to ensure that funds paid to the Chamber for any purpose including (but not limited to) investments by Chamber members,

revenue from projects and gifts/donations/contributions are deposited in the Chamber's bank or investment account established for that purpose.

(g) Establishment of an Audit Trail

The President shall establish routines and procedures to ensure an Audit Trail of receipts and disbursements can be followed. He/she shall furnish monthly reports to the Board of Directors.

(h) Maintenance of Records

The President shall cause the retention and safekeeping of complete financial records for the Chamber for a period of at least five (5) years or longer if so directed by the Board of Directors.

The President of the Chamber shall cause minutes of the meetings of the Board and of the Executive Committee to be recorded and presented for approval. He/she shall maintain all official records of the Chamber including, (but not limited to), minutes of all Board and Executive Committee meetings and of other meetings as may be written and given to him, the master copy of the By-Laws, the reports of the Treasurer, the Certified Audits of the external auditor and/or past non-certified audits, deeds, leases, contracts, loan agreements, and investment certificates. In the performance of duties of this office, the President may delegate the authority to others to perform tasks required herein, but shall retain full responsibility for their proper execution.

(i) Taxation

The Chamber is classified as a non-profit organization under Article 501C-6 of the Internal Revenue Code. The President shall ensure that procedures and activities of staff do not jeopardize the Chamber's enjoyment of this tax status. He/she shall advise the Executive Committee of (to the best of his ability) of any actions or activities being planned or being conducted by the Chamber or any of its members, which could cause the loss of this status.

(j) Stewardship of Chamber Property

The President shall be accountable for the safekeeping of all chamber property including (but not limited to) monies, real estate, physical assets, supplies, investment assets, vehicles and records. He/she shall recommend to the Executive Committee policies and shall establish procedures and guidelines to ensure the safety and security of Chamber property and for its proper maintenance. He/she shall recommend to the Executive Committee appropriate insurance coverage protecting chamber property. Once such insurance coverage is authorized, he/she shall cause continuous coverage to be in force. He/she shall periodically cause an inventory of Chamber property and report the findings to the Executive Committee.

## **ARTICLE XI**

### **DISSOLUTION**

#### **Section 1: Procedure**

The chamber shall use its funds only to accomplish the objectives and purposes specified in these By-Laws, and no part of said funds shall insure, or be distributed, to the members of the Chamber. On dissolution of the Chamber, any funds or assets 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.

## **ARTICLE XII**

### **PARLIAMENTARY AUTHORITY**

#### **Section 1:**

The current edition of Roberts Rules of Order shall be the final source or authority in all questions of parliamentary procedure when such rules are not inconsistent with the Charter or By-Laws of the chamber.

## **ARTICLE XIII**

### **ADOPTION**

#### **Section 1:**

Upon the adoption of these By-Laws or subsequent revisions thereof, it is understood and agreed that the Directors and Officers then holding office shall be continued in office for the current year, without further election.

## **ARTICLE XIV**

### **PROVISIONS FOR INDEMNIFICATION**

#### **Section 1:**

The Chamber shall indemnify, to the extent provided in Sections 2 and 3 of this Article, any person who is or was a director, officer, agent or employee of the Chamber and any person who serves or served at the Chamber's request as a director, officer, agent, employee, partner or trustee of another corporation or of a partnership, joint venture or other enterprise. No indemnification shall exceed the total amount of insurance coverage (the amount of which shall be approved by the Board of Directors) carried by the Chamber and then in force and effect.

## **Section 2:**

In case of a suit by or in the right of the Chamber against a person named in Section 1 of this Article by reason of his/her holding a position named in said Section, the Chamber shall indemnify him/her for expenses (including attorneys' fees) but excluding amounts paid in settlement) actually and reasonably incurred by him/her in connection with the defense or settlement of the suit; if (1) he/she is successful on the merits or otherwise, or (2) he/she acted in good faith in the transaction which is the subject of the suit, and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Chamber. However, he/she shall not be indemnified in respect of any claim, issue, or matter as to which he/she has been judged liable for negligence or misconduct in the performance of his/her duty to the Chamber unless (and only to the extent that) the Court in which the suit was brought shall determine, upon application, that despite the adjudication but in view of all the circumstances, he/she is fairly and reasonably entitled to indemnity or such expenses as the court shall deem proper.

## **Section 3:**

In case of a suit action or proceeding (whether civil, criminal, administrative or investigative) other than a suit by or in the right of the Chamber--together hereafter referred to as a non-derivative suit, against a person named in Section 1 of this Article by reason of his/her holding a position named in said Section, the Chamber shall indemnify him/her for expenses (including attorneys' fees) amounts paid in settlement, judgments, and fines if (1) he/she is successful on the merits or otherwise, or (2) he/she acted in good faith in the transaction which is the subject of the non-derivative suit, and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Chamber and, with respect to any criminal action or proceeding, he/she had no reason to believe his/her conduct was unlawful. The termination of a non-derivative suit by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person failed to satisfy the standard of this Section 3.

## **Section 4:**

A determination that the applicable standard set forth in Sections 2 or 3 of this Article has been satisfied may be made by a court, or by (1) a majority of the Board of Directors of the Chamber, (whether or not a quorum) who were not parties to the action, suit or proceeding, (2) independent legal counsel in a written opinion or (3) the members of the Chamber. Anyone making a determination under this Section 4 may determine that a person has met the standard as to some matters but not as to others, and may reasonably prorate amounts to be indemnified.

## **Section 5:**

The Chamber may pay in advance any expense (including attorneys' fees) which may become subject to indemnification under the preceding Sections of this Article if (1) the Executive Committee with approval of the Board of Directors authorizes the specific payment and (2) the person receiving the payment undertakes in writing to repay unless it is ultimately determined that he/she is entitled to indemnification by the Chamber under this Article.

**Section 6:**

The indemnification and advance payment provided by this Article shall continue as to a person who has ceased to hold a position named in Section 1 of this Article and shall inure to his heirs, executors and administrators.

**Section 7:**

The Chamber may purchase and maintain insurance on behalf of any person who holds or who has held any position named in Section 2 against any liability incurred by him/her in any such position, or arising out of his status as such, whether or not the Chamber would have the power to indemnify him/her against such liability under this Article.

**Section 8:**

Indemnification payments, advance payments and insurance payments made under this Article shall be reported in writing to the members of the Chamber with the next notice of annual meeting, or within six months, whichever is the sooner.

**Section 9:**

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under the Texas Business Corporation Act, by-laws, agreement, vote of members or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding a position named in Section 1 of this Article.

**ARTICLE XV**

For convenience only, the language in these By-Laws utilizes masculine nouns, pronouns and adjectives. Anything to the contrary notwithstanding, the By-Laws are gender neutral and all masculine references herein shall be deemed to mean both male and female members, officers, directors or staff.

**ARTICLE XVI**

**AMENDMENTS**

**Section 1: By-Laws**

These By-laws may be amended or altered by introduction of a written rendition of the proposed amendment(s) to the Executive Committee at a regularly scheduled meeting which shall thereafter become an agenda item for study and approval at the next regularly scheduled

Board of Directors meeting. Final vote for amendment or alteration of these By-Laws shall require a majority vote of the Board of Directors.

**Section 2: Effective Date**

These By-Laws shall become effective immediately upon adoption by the Board of Directors.

Adopted by the Board of Directors of the Houston Northwest Chamber of Commerce, Inc., on this first of December 2010, by a 2/3 majority vote.

Attest:

President

Chairman of the Board



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Barbara Thomason

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Belinda Menasco