

BY-LAWS

OF THE

SAUK VALLEY AREA

CHAMBER OF COMMERCE

ADOPTED, NOVEMBER 5, 1992

Modified, November 2, 2000

Modified, March 30, 2003

Modified, September 5, 2006

Modified, December 9, 2008

Modified, January 5, 2011

ARTICLE I

NAME AND LOCATION

NAME. The name of this organization shall be the Sauk Valley Area Chamber of Commerce and the principal office shall be located in Sterling, Illinois.

ARTICLE II

OBJECT-LIMITATION

Section 1. OBJECT. The Sauk Valley Area Chamber of Commerce (hereinafter referred to as the "Chamber") is organized to achieve the objectives of:

- A. Retaining the competitive enterprise system of business creating:
 - a. A better understanding and appreciation of the importance of the businessman and a concern for his problem.
 - b. A more intelligent business opinion and involvement in city, county, state, and national legislative and political affairs.
 - c. A greater appreciation of the value of a more liberal investment of substance and self on behalf of the interests of competitive business.
 - d. An atmosphere which will promote and foster the maximum freedom for individuals and for business firms consistent with ability of each to fulfill its responsibilities for the common good.
- B. Promoting business and civic growth and development by:
 - a. Promoting programs of an economic nature designed to strengthen and expand the income of all classifications of business in the Sauk Valley area.
 - b. Promoting programs of a civic nature which are designed to increase the functional capability of the Sauk Valley area.
 - c. Promoting programs of a social and cultural nature which are designed to retain the aesthetic values of the Sauk Valley area.
 - d. Discovering and correcting abuses which prevent the promotion of business expansion and the orderly growth and development of the Sauk Valley area.
 - e. Sponsoring or conducting programs of an educational nature to expand and strengthen the business community of the Sauk Valley area.

Section 2. LIMITATION. The Sauk Valley Area Chamber of Commerce shall observe all local, state, and Federal laws which apply to a non-profit organization defined in section 501 (C)(6) of the Internal Revenue Code.

ARTICLE III

BOARD OF DIRECTORS

Section 1. AUTHORITY. Control of the property and affairs of the Chamber shall be vested in the Board of Directors who shall conduct the affairs of the Chamber in accordance with these By-laws.

Section 2. SIZE AND COMPOSITION. The Board of Directors shall consist of the following.

- (a) Fifteen (15) members shall be directors for a term of three (3) years. The directors shall have their principal place of business in the service area of the Chamber. All such directors shall have voting privilege. No director shall be allowed to serve nor seek more than three (3) consecutive terms or nine (9) consecutive years.

Section 3. TERM OF OFFICE. The term of office of the fifteen (15) directors specified in Section 2A will be staggered so that five (5) members are elected each year.

Section 4. RESPONSIBILITY. The Board of Directors shall serve as the legislative body of the Chamber.

The Board shall approve the employment of the Executive Director and the terms of his/her employment.

Section 5. MEETINGS. The Board of Directors shall hold its meetings at least once each month. All board meetings will be in open session unless the notice of the meeting indicates otherwise, or unless the board votes otherwise at any meeting. Notice of the regular monthly meetings of the board shall be provided in writing not less than one nor more than two weeks prior to the meeting.

Section 6. SPECIAL MEETINGS. Special meetings may be called by the President or by any three (3) members of the Board whenever necessary. Such notice as is reasonable under the circumstances shall be given to the Board.

Section 7. ABSENTEEISM. The Executive Board shall have the power to remove any Director who shall not have attended at least two-thirds of the regular and special meetings of the Board of Directors during the Chamber year. If the term for which he/she was elected shall not expire at the end of such year, the Board of Directors shall fill the vacancy of the unexpired term.

Section 8. VACANCY. Any vacancy occurring in the Board of Directors shall be filled by an appointment of the remaining Directors within sixty (60) days of the term of

the Director whose place is to be filled and until that seat is filled by an election.

Section 9. QUORUM. Eight (8) voting members of the Board of Directors shall constitute a quorum. The majority of such a quorum shall control.

Section 10. INDEMNIFICATION. The Chamber may, by resolution of the Board of Directors, provide for indemnification by the Chamber of any and all current or former directors or officers against expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding, in which they or any of them are made parties, or a party, by reason of having been officers or directors of the Chamber, except in relation to matters as to which such officer or director shall be adjudged in such action, suit or proceeding to be liable for willful or intentional misconduct in the performance of duty.

ARTICLE IV

EXECUTIVE COMMITTEE

Section 1. COMPOSITION. The members of the Executive Committee shall, by virtue of their responsibility as officers include:

President
First Vice President
Second Vice President
Treasurer
Immediate Past President

Section 2. GENERAL RESPONSIBILITY. To act for the Board of Directors as necessary between regular board meetings with its actions to be reviewed and ratified as may be appropriate, by the Board at its next regularly convened meeting.

Section 3. MEETINGS. Meetings of the Executive Committee may be called by the President or, in his/her absence, by either Vice President. Three (3) members of the Executive Committee shall constitute a quorum at any meeting.

ARTICLE V

SELECTION OF DIRECTORS

- Section 1. NOMINATING COMMITTEE. During the first week of September, the President shall designate a Nominating Committee of five (5) members from the Chamber membership, not more than two (2) whom shall be from the Board of Directors.
- Section 2. NOTIFICATION. Prior to the October meeting of the nominating committee, notification via the Chamber newsletter will be made noting that nominations for Board of Director vacancies are currently being accepted.
- Section 3. CANDIDATES. During the October meeting, the Nominating Committee shall present a slate of five (5) candidates to replace the Directors whose regular three-year terms are expiring. The committee shall make personal contact with the nominees to confirm the willingness of the candidate to accept the responsibility of the directorship.
- Section 4. JUDGES. The President shall appoint a committee of election judges composed of three (3) Directors who shall supervise the election and prepare a written report of certification prior to the December Board meeting. The Board of Directors shall certify the election and prepare a written report of certification prior to the January Board meeting. The Board of Directors shall certify the election results of this report at the January meeting.
- Section 5. TIME AND PLACE. The annual election of Directors shall be held during the twenty-one (21) days prior to the December Board meeting.
- Section 6. BALLOTS. The ballots shall contain the names of those nominated by the Nominating Committee and any submitted from the Chamber's membership. These names shall be placed on the ballot for the purposes of writing in the names of other candidates for office.
- Section 7. POLLS. The polls shall be open for ten (10) days from the date of mailing.
- Section 8. VOTING. All voting shall be by secret ballot. No proxies shall be allowed.
- Section 9. RESULTS. The vacancies of the Board shall be filled by those candidates receiving the highest number of ballots.
- Section 10. TIE. In the election of Directors, should a tie occur, the committee of judges shall cast lots and certify as elected the person or persons upon whom the

selection falls.

ARTICLE VI

OFFICERS

Section 1. SELECTION OF OFFICERS. Immediately following the certification of new directors at the December meeting the current President shall convene the Executive Committee to select all new officers for the coming year. These officers include a President, First Vice President, Second Vice President, and Treasurer. All officers shall be members of the Board of Directors.

When proposed nominees have been agreed upon by the Executive Committee and the nominees have agreed to accept the position, such recommendation of agreement shall be included in the Agenda notice for the January Board meeting.

Section 2. SEATING OF OFFICERS. The first order of business at the regular February Board meeting shall be the seating of the new Directors. Immediately following shall be the presentation by the current President of those nominated as officers by the Executive Committee. He/she shall then ask for additional nominations from the floor. If there are none, those nominated will be deemed to be the new officers. If additional names are offered, an election by secret ballot will be held to determine the new officers. Once the new officers are chosen, they will assume the position prior to any further business. The President leaving office shall serve as the immediate past president of the organization by acclamation if his/her term does not expire and if he/she is not re-elected. If such term expires the most recent former past president on the Board will serve in that position.

Section 3. DUTIES OF OFFICERS

A. President. The President shall be the Chief Executive Officer of the Chamber of Commerce. His/her duties shall include, without limitation:

To preside at all meetings of the membership and the Board of Directors.

To be the official representative and spokesman of the Chamber in all instances and situations when such official representation is appropriate.

Appoint a Chairman for each major division and all committees of the Chamber.

Serve as a member and chairman of the Executive Committee.

With approval of the Board of Directors, sign all deeds, contracts and other instruments affecting the operation of the Chamber or any of its properties.

Spearhead development and execution of the Program of Work.

Encourage participation of Chamber members in the organization's activities.

Urge adequate financial support of the Chamber's programs.

Work closely with other community groups in an effort to solve local socio-economic problems.

Serve as ex-officio member of all committees.

Preside at the Annual meeting.

Perform such other duties as may be appropriate to the office of President.

B. First Vice-President. In the absence of the President, the First Vice-President shall act as Chief Executive officer. His/her duties shall include:

Preside at Board of Director meetings in the absence of the President.

Assist the President as spokesman for the organization.

Make recommendations to the President as to committee appointments.

Serve as a member of the Executive Committee.

C. Second Vice-President. He/she shall perform the duties of the President in the absence of the President and First Vice-President and he/she shall have such other duties that the President may delegate from time to time. He/she shall also serve as the legal Secretary for the organization.

D. Treasurer. The Treasurer shall serve as Treasurer of the Chamber of Commerce and as Chairman of the Budget and Finance committee. His/her duties shall include;

To determine the ways and means by which the budget requirements are to be met in conjunction with the Budget and Finance Committee.

To be responsible for all expense accounting.

To be responsible for accounting for all other financial affairs of the Chamber.

To present a final report of financial conditions to the Board of Directors at its December Board meeting.

To designate, with the approval of the Board of Directors, the banks(s) in which the funds of the Chamber shall be deposited.

Countersign (along with the Executive Director or a member of the Chamber's Executive Committee) all disbursement checks.

Serve as member of the Budget and Finance Committee as well as the Executive committee.

Section 4. TERM AND STARTING DATE. The term of office of all elected officers of the Chamber shall be for one year or until their successors have been duly qualified and elected. Such terms shall begin February 1, following their election.

Section 5. VACANCY. Should a vacancy or vacancies occur, the same procedure should be followed as used for selecting new officers at the beginning of the year to be approved by the Board at the next regular meeting.

ARTICLE VII

MEMBERSHIP

Section 1. ELIGIBILITY. All individuals, firms, partnerships, and corporations interested in the civic and economic well-being of the service area of the Chamber who desire to preserve and promote the objectives of the Chamber shall be eligible for membership.

Section 2. APPLICATION. All applications for membership shall be in writing to the Chamber for approval by the membership committee. The application fee must be submitted with the application.

Section 3. ADMISSION. The admission of an applicant to membership shall be reviewed by the Board of Directors upon affirmative recommendation of the membership committee and upon payment of the regularly scheduled investment as provided in Article VIII, Section 4.

Section 4. FORFEITURE. If any member shall fail to pay his dues within ninety days from the date payable, his membership shall be forfeited unless otherwise extended for good cause. The Board of Directors shall have the authority to determine the conditions for the reinstatement of any members whose membership has been forfeited because of nonpayment of dues.

Section 5. EXPULSIONS. Any member may be expelled by a two-thirds vote of the Board of Directors for conduct unbecoming as a member or prejudicial to the aims or repute of the Chamber, after notice and opportunity for a hearing are afforded the member complained against.

- Section 6. RESIGNATION. All resignations shall be tendered in writing to the Board of Directors.
- Section 7. DUE PROCESS. The Board of Directors shall have a five (5) member review committee to allow for due process to a complainant whose membership has forfeited or expelled, or a complainant denied membership. A review committee hearing will be set up at the request of and with the complainant within thirty (30) days of said forfeiture, expulsion or membership denial. The review committee shall then pass their findings on to the Board of Directors at the next regularly scheduled Board meeting following the completion of the hearing at which time the complaint will be allowed to appear before the Board to state their case should they so request. Such Board action shall be final.
- Section 8. VOTING RIGHTS OF MEMBERS. In matters of ballot vote each member whether individual or business will have one vote.

ARTICLE VIII

BUDGET-DUES STRUCTURE

- Section 1. BUDGET. A tentative budget for the next fiscal year shall be determined by the Program of Work Committee and the Budget and Finance Committee during November of each fiscal year. The Board shall adopt a budget for the Chamber of Commerce at its meeting in December.
- Section 2. GENERAL FUND. Financial receipts from membership sources shall become a part of the General Fund of the corporation. The expense for the operation and maintenance of the organization shall be paid from the General Fund.
- Section 3. SPECIAL FUNDS. Certain funds may be provided by individual or agencies and/or governmental bodies and carry specific assignments in support of one or more phases of the Chamber's Program of Work.
- Representatives of such agencies and/or governmental bodies shall be requested to serve on the group which will determine the desirable and potentially productive method by which such "earmarked" funds are spent.
- Section 4. DUES. The Board of Directors shall adopt a dues schedule which it deems appropriate and necessary to obtain the revenues for financing the Chamber organization and its Program of Work. Such dues schedule shall produce revenue in an equitable manner from the basic business classifications. Payments of dues shall be made based on terms agreed upon by the Executive Director and the member dating from the start of the membership.
- Section 5. FISCAL YEAR. The fiscal year of the Chamber shall be January 1 through December 31.

Section 6. ANNUAL AUDIT. The accounts of the Chamber of Commerce shall be audited annually as of the close of business on December 31 by a certified public accountant. The audit shall at all times be available to members of the organization within the offices of the Chamber.

ARTICLE IX

DIVISIONS AND COMMITTEES

Section 1. DIVISIONS. The Board of Directors has created four(4) divisions as it deems advisable to handle the work of the Chamber.

The Board shall authorize and define the powers and duties of the four divisions of Community Development, Economic Development, Organizational Affairs and Public Affairs. The Board shall annually review and approve all activities and proposed programs of said divisions including collection and disbursement of funds.

No action or resolution of any kind shall be taken by these divisions having bearing upon or expressive of the Chamber, unless approved by the Board of Directors.

Each of the divisions shall have a chairman appointed by the President from the Chamber membership with the approval of the Board of Directors.

Section 2. COMMITTEES. The Board of Directors shall authorize the formation of each committee and/or task forces as it may deem necessary and shall define their duties. No committee shall have less than three (3) members.

The President and the Divisional Chairman, by and with the approval of the Board of Directors shall appoint committee chairman. Committee appointments shall be at the will and pleasure of the President and Divisional Chairman and shall serve concurrent with the term of the appointing President, unless different term is approved by the Board of Directors.

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

Members of these committees shall be appointed by the committee chairman with approval by the Divisional Chairman.

Section 3. MEETINGS. Meetings of committees or task forces may be called at any time by the President, Divisional Chairman, Executive Director or by the Chairman of such committee.

Section 4. QUORUM. A majority of the members present on any committee task force

shall constitute a quorum, both in attendance and voting, as action taken must still be presented to the Board of Directors for final approval.

ARTICLE X

MEMBERSHIP MEETINGS

- Section 1. ANNUAL MEETING. An annual meeting of the membership shall be held during each year. Notice of the annual meeting of the membership shall be given by mail not less than 30 days before such meeting.
- Section 2. SPECIAL MEETINGS. Special meetings of membership may be called at any time by a majority vote of the Executive Committee or Board of Directors. Notice of special meetings of the membership must be given by mail not less than seven (7) business days before such meeting.
- Section 3. MEMBERSHIP QUORUM. Thirty-five (35) members present at any regular or special meeting of the Membership shall constitute a quorum.

ARTICLE XI

REFERENDA

- Section 1. MEMBERSHIP. Should the Board of Directors desire at any time to determine from the membership the position of the Chamber on any matter, a referendum vote by mail or electronic communication should be taken. It will be taken (a) upon the direction of the Board of Directors; or (b) upon petition signed by not less than 10 percent of the members of the Chamber in good standing.
- Section 2. CONTENTS. All propositions submitted to the membership by referendum shall be stated objectively.

The Executive Director shall cause to be mailed to each member.

1. A concise, impartial statement of the proposition approved by the Board of Directors.
2. If applicable,
 - a. An affirmative argument of not more than five hundred (500) words.
 - b. A negative argument of not more than five hundred (500) words.

3. A ballot to be returned by mail containing the proposition.

Section 3. LEGALITY. To bind the Chamber to a decision by referendum voting, it shall be necessary that at least 50 percent of the membership of the Chamber in good standing shall vote within fifteen (15) days, or such times as may be fixed by the Board of Directors.

Section 4. AUTHORITY. A two-thirds majority vote of those voting shall bind the Chamber. The result of the referendum shall be final and binding unless revoked or modified by another referendum or by a majority vote of members at a special or regular meeting of the membership.

ARTICLE XII

DEBTS AND OBLIGATIONS

Section 1. CREATION. No debt or obligation whatsoever shall be created by any officer or employee or agent of the Chamber; and no money shall be appropriated or paid out of the General Fund; and no contract or other act created by any officer or employee or agent of the Chamber, unless the same be authorized and directed or ratified by the Board of Directors in regular meeting or special meeting called for that purpose.

Section 2. PAYMENT. Items provided for in the approved budget for the year shall be submitted to the Administrative Assistant for payment. Non-budgeted bills for obligations or expenses shall be first passed upon by the appropriate committee, and then submitted to the Executive Director and the Board of Directors before being paid. All bills shall be paid by voucher check or through online banking which shall be signed by the Executive Director and one member of the Executive Committee of the Chamber's Board of Directors.

ARTICLE XIII

PARLIAMENTARY RULES

PROCEDURE. All meetings of the Board and committees shall be governed and conducted according to the latest edition of Robert's Rules of Order.

ARTICLE XIV

DISSOLUTION

USE OF FUNDS. The Chamber shall use its funds only to accomplish the objects and purposes specified in these By-laws. On dissolution of the Chamber, any funds remaining shall be distributed by the Board to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations. No amount shall be distributed to any member of the Chamber.

ARTICLE XV

AMENDMENTS

- Section 1. PROCEDURES. The By-laws may be amended or altered by a two-thirds majority vote of those present at any regular or special membership meeting, or received from a mail referendum
- Section 2. AMENDMENT. A proposed amendment shall first receive approval of the Board of Directors. After said approval, the proposed amendment shall be mailed to the membership not less than ten (10) days prior to the meeting set for final approval, or the return date of the ballots in the event of a mail referendum. If passed, the amendment shall become effective immediately, or at such other date as may be specified in the amendment.
- Section 3. EFFECTIVE DATE AND REPEALER. Former by-laws are hereby repealed and annulled by adoption of these bylaws.