

BYLAWS OF BOERNE CHAMBER OF COMMERCE FOUNDATION, INC.

A Texas Non-profit Public Benefit Corporation

ARTICLE I ***Introduction***

1.1 Purpose

Boerne Chamber of Commerce Foundation, Inc. (the “Foundation”) is a nonprofit corporation organized and operated exclusively for charitable purposes. Principally, those charitable purposes center on education and support of the greater Boerne, Texas area business community. This mission will be fulfilled by, among other things, the following activities:

- To offer educational programs that provide the displaced worker with sufficient training for a new job in a different field or provide enhanced skills training to the worker to meet the increasingly competitive needs of the employer.
- To assist individuals who are interested in starting up a new business and to advise and train them in the necessary basic steps such as creating a business plan and financial lending.
- To work with individuals to focus on internal and external communications skills, procedures and tools to help their businesses grow and prosper.

Mission

The Boerne Chamber Foundation is a 501(c)(3) that focuses on the research and educational objectives of the Greater Boerne Chamber of Commerce. The Boerne Chamber Foundation supports sustainable solutions that drive Kendall County’s future economy including: talent, education, innovation, economic diversity, infrastructure, business climate, governance and quality of life.

1.2 Funding

The Foundation obtains funding from businesses, individuals and grants from city, county and state resources. Foundation resources will be allocated in one of two ways, either as Base Funds or as Special Funds.

A. Base Funds. The term “Base Funds” means the money, property and other items of value owned by the Foundation that shall be continuously owned and remain intact. Such Base Funds may be loaned by the Foundation but must accrue interest and be adequately secured. Interest from Base Funds may be donated, granted or otherwise disbursed at the Board’s discretion. Absent termination of the Foundation or unanimous consent of each Director at a duly called meeting, the corpus of the Base Funds shall never be permitted to diminish or be used for any purpose not set forth herein.

B. Special Funds. The term “Special Funds” means the money, property and other items of value pledged by third parties for the purposes expressly agreed to by the Foundation and such third party. Special Funds may only be accepted, distributed, loaned, disbursed, or otherwise used by the Foundation for purposes consistent with the Foundation’s mission.

1.3 Programing

The Foundation will receive Base Funds and Special Funds for, among other things, scholarship, training programs, educational seminars, and communication projects and other activities consistent with the Foundation’s mission, including, but not limited to:

- Educational classes to business owners and community
- Business mentorship programs
- Micro loans
- Externships with local educational institutions
- Leadership Boerne
- Lemonade Day Youth Entrepreneur Program
- Disaster assistance for small business

1.4 Principal Office and Registered Agent

The principal and registered office of the Foundation shall be located in Boerne, Kendall County, Texas. The Foundation shall have and continuously maintain a registered agent whose address shall be the same as the principal office.

ARTICLE II *Meetings*

2.1 Annual Meeting

An annual meeting of the Directors of the Foundation shall be held in January of each calendar year. At each annual meeting the Directors may transact any business as may come before the meeting.

2.2 Special Meetings

Special meetings of the Directors of the Foundation may be called by the Chairman of the Board or not less than thirty percent (30%) of the Directors of the Foundation having voting rights. A special meeting may only be called upon not less than 24 hours’ notice. The notice of any special meeting shall state the time, place, and purpose of such meeting. No business, except the purpose stated in the notice of the meeting, shall be transacted at a special meeting.

2.3 Place of Meeting

The Board of Directors may designate any place within the greater Boerne area in which a meeting of the Foundation is to be held when called by the Board of Directors. If no designation is made, the place of the Meeting shall be the principal office of the Foundation in the State of Texas. The Chairman may grant Directors the option to participate in a meeting by use of electronic means such as virtual meetings via the internet or by telephone upon the discretion of the Board of Directors.

2.4 Notice of Meetings

Written notice of all annual meetings must be given at least ten (10) days and not more than sixty (60) days before the date of the meeting. Unless a standing date is established by resolution, regular meetings require a minimum of five (5) days' notice. Notice may be made by electronic mail at any previously approved address, by regular mail, facsimile, hand delivery, established overnight carrier, or any reasonable means unanimously approved by the Directors.

2.5 Quorum

The Directors constituting thirty percent (30%) of the votes that may be cast at any meeting shall constitute a quorum at such Meeting. If a quorum is not present at any meeting of Directors, a majority of the Directors present may adjourn the meeting until the next meeting is duly called.

2.6 Action Without Meeting

Notwithstanding the provisions of this Article 2, any matter that is to be voted on, consented to, or approved by Directors may be taken without a meeting, without prior notice, and without a vote if consented to, in writing or by electronic transmission, by Directors holding not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which each Director entitled to vote on the action is present and votes. A record shall be maintained of each such action taken by written consent of Directors.

ARTICLE III

Board of Directors

3.1 General Powers

The affairs of the Foundation shall be governed by its Board of Directors, who shall develop and approve policies designed to accomplish the Foundation's mission. The Board of Directors shall furthermore have the authority to hire and fire the President of the Foundation, unless the Foundation is a party to a contract with any such employee providing otherwise. The Board of Directors shall furthermore adopt a budget for the Foundation before the beginning of the next fiscal year.

3.2 Number, Tenure, and Qualifications

The number of directors of the Foundation shall be no less than six (6). A minimum of five (5) directors shall be elected members. Two (2) or more positions shall be standing

positions on the Board for the immediate past Chairman of the Board, if any, and the President of the Greater Boerne Chamber of Commerce (the “Chamber”). These non-elected directors serving on the Board of Directors in a standing position have no voting rights but serve as liaisons to the Board of Directors. The term of office for directors to be elected by the members shall be three (3) years. Directors’ tenures shall be staggered with no more than one third of the voting Directors’ terms expiring in any given year. Each Director so elected shall hold office beginning with the first meeting of January for his/her respective term of office and until his/her successor shall have been elected. Directors shall be members in and remain in good standing of the Foundation throughout their term. Directors may serve two (2) consecutive three (3) year terms. Following one full year off the Board, a Director may be considered to serve two (2) additional consecutive three (3) year terms, pending majority approval by the Board.

3.3 Selection and Election of Directors.

A. Nominating Development Committee. The Chairman of the Board shall appoint, subject to approval by the Board of Directors, a Nominating Development Committee made of members of the Chamber, including Board members. The Chairman of the Board shall serve as the Chairman of the Nominating Development Committee; or may choose to designate any other Director to chair this committee should he or she so desire.

B. Nominations. Recommendations for Director nominees may be submitted by members, directors, and officers to the Nominating Development Committee. The Nominating Development Committee shall, after giving due consideration to such recommendations and such other persons as it may wish to consider, present a list of nominees of potential Directors to the Board for approval.

C. Seating of New Directors. Newly elected directors shall take office at the Board of Directors meeting in January.

3.4 Advisory Directors

Upon recommendation by the Nominating Development Committee, the Board may elect one or more Advisory Director(s) with the right to attend all Board of Directors meetings thereof, but with no power to make motions or to vote and who shall not be counted in determining a quorum.

3.5 Removal

Any Director or Advisory Director may be removed with or without cause by the Board of Directors whenever in its judgment the best interests of the Foundation would be served thereby.

3.6 Vacancies

A Director appointed by the Board of Directors to fill a vacancy shall be appointed for the unexpired term of his or her predecessor in office. Thereafter, any such appointed Director may be considered by the Nominating Development Committee as a nominee to be submitted to the members for a vote to serve on the Board of Directors.

3.7 Compensation

Directors shall not receive compensation. However, Directors may be reimbursed for expenses reasonably incurred on behalf of the Foundation.

3.8 Voting Percentage

The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws. The term “majority” means fifty one percent (51%) or more of the Directors entitled to vote at any Board of Directors meeting.

3.9 Indemnification

The Foundation shall indemnify each Director, Advisory Director, duly authorized agent or representative of the Foundation, the staff employed by the Foundation, and each of their spouses, heirs, legal representatives and assigns, against claims, fees, expenses and liabilities reasonably incurred in connection with any action, suit or proceedings in which the member, director, or staff is involved or made a party by reason of being, or having been such, whether the individual is wholly successful on the merits or otherwise. The Foundation may indemnify staff, officers and directors notwithstanding an adjudication of negligence or misconduct if, in the judgment of the Board, the staff member, officer or director acted in good faith and reasonably believed that his or her conduct was in the best interest of the Foundation, and, in the case of any criminal proceedings, reasonably believed that his or her conduct was not unlawful. Such indemnification shall be limited to reasonable expenses only, and not judgments, fines, etc., where the action against the staff member, officer or director was by or in the right of the Foundation. The foregoing right of indemnification shall not be exclusive of the rights to which any officer, member, director or staff may be entitled as matter of law and shall include reimbursement of any amount and excess paid or incurred in settling any action, suit or proceedings when such settlement has been approved by the Board, which shall not be unreasonably withheld. Such reimbursement shall be made as costs, including attorneys’ fees and associated expenses incurred.

ARTICLE IV ***Officers***

4.1 Officers

The officers of the Foundation shall be elected members of the Board of Directors to consist of the Chairman of the Board, the Chairman-Elect (“Chairman Elect”), the Secretary and the Treasurer. The Board of Directors may elect such other officers, as it deems desirable, and

such officers have the authority to perform the duties prescribed by these bylaws or, from time to time, by the Board of Directors.

4.2 Election and Term of Office

The officers of the Foundation shall be nominated by the Chair Elect and approved annually by the Board of Directors prior to the annual meeting. The newly elected officers will take office in January. Each officer shall hold office until his successor shall have been duly elected and shall have qualified. New offices may be created and filled at any meeting of the Board of Directors.

4.3 Duties of Officers

A. Chairman of the Board. The Chairman shall be the chief elected officer of the Foundation and shall in general, supervise and control all of the business and affairs of the Foundation. The Chairman shall preside at all meetings of the members, of the Board of Directors, execute any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Foundation; propose chairmen and members of any council or committee of the Foundation to be approved by the Board of Directors; and, in general, the Chairman shall perform all duties incident to the office of Chairman of the Board and such other duties as may be prescribed by the Board of Directors from time to time.

B. Chairman Elect. The Chairman Elect shall perform such duties as delegated by the Chairman. In the absence of the Chairman or in the event of his inability or refusal to act, the Chairman Elect shall perform the duties of the Chairman and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairman. The Chairman Elect shall perform such other duties as from time to time may be assigned to him or her by the Chairman or the Board of Directors.

C. Treasurer. The Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Chairman or by the Board of Directors.

D. Secretary. The Secretary shall take the minutes of the annual and special meetings of the members and the meetings of the Board of Directors and such other duties as from time to time may be assigned by the Chairman or by the Board of Directors.

ARTICLE V *Councils and Committees*

5.1 Appointment and Authority

The Chairman, by and with the approval of the Board of Directors, shall appoint all councils and committees and council and committee chairmen. The Chairman may appoint such ad hoc committees and their chairmen as deemed necessary. The Chairman shall, in conjunction with the Advisory Directors, annually evaluate each committee and its chairperson and shall, within six months of taking office recommend confirmation of or nominate a replacement for each chairperson. Councils and committees will make investigations, conduct studies and hearings, make recommendations to the Board of Directors and carry on such activities as may be delegated to them by the Board. However, unless expressly permitted otherwise herein, no action, statement, position, or agreement by any committee, director, employee, officer, or chairperson is binding upon the Foundation unless expressly approved or ratified by the Board of Directors.

5.2 Committees

The Board of Directors may designate and appoint one (1) or more committees, each of which shall consist of at least one (1) or more directors, together with any number of members of the Foundation as designated and appointed by the Board of Directors. However, neither the Executive Committee or any such other committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing these Bylaws; electing, appointing, or removing any member of any such committee or any director, officer or employee of the Foundation, amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Foundation, authorizing the voluntary dissolution of the Foundation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Foundation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on it or him by law. Each of the councils and committees of the Foundation may be assisted in its work by the Chamber staff and others duly designated by the Foundation.

5.3 Standing Councils

The Foundation may have standing councils. The Board of Directors shall appoint at least one Director to serve as a liaison for each such councils. The council chairmen shall from time to time, as requested, submit their proposed action plans and budgets for their respective councils to the Board of Directors for approval.

5.4 Removal

Any council member may be removed with or without cause from a council or committee by a majority vote of the Board of Directors whenever in their judgment the best interest of the Foundation shall be served by such removal.

5.5 Council Chairman

The chairman of a council shall serve at the pleasure of the Board of Directors.

5.6 Quorum

A majority of the whole council or committee shall constitute a quorum and the act of a majority of the members present at a council or committee meeting at which a quorum is present shall be the act of the council or committee.

5.7 Rules

Each council or committee may adopt rules for its own governance not inconsistent with these Bylaws or with any rules adopted by the Board of Directors.

5.8 Termination

A committee may be terminated and disbanded upon either: (i) completion of the committee's designated scope of work and acceptance of its final report by the Board of Directors.

ARTICLE VI

Finances

6.1 Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the Foundation, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation. Such authority may be general or confined to specific instances but must be reflected in official minutes or resolutions approved by the Board and signed by the Secretary.

6.2 Checks and Drafts

All checks, drafts or orders that exceed the limits set by the Board contained in the corporate records for the payment of money, notes, or other evidences of indebtedness issued in the name of the Foundation shall be signed as set forth in the financial policies of the Foundation. All payroll checks shall be signed by Chairman of the Foundation.

6.3 Deposits

All funds of the Foundation shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the Board of Directors of the Foundation may select.

6.4 Gifts

The Board of Directors may not accept on behalf of the Foundation any contribution, donation, gift, bequest, or devise for the primary purpose or for any special purpose of the Foundation.

6.5 Fiscal Year

The fiscal year of the Foundation shall begin on the first day of January and end on December 31st. The Board of Directors shall be authorized to change the fiscal year by resolution adopted by a majority of directors, and without amendment to these Bylaws.

6.6 Financial Records and Annual Reports

The Foundation shall maintain current and accurate financial records with complete entries as to each financial transaction of the Foundation, including income and expenditures, in accordance with generally accepted accounting principles. The Board of Directors of the Foundation or a committee appointed by the Chairman and approved by the Board of Directors shall annually prepare or approve a financial report for the Foundation for the preceding year. The report must conform to accounting standards as adopted by the American Institute of Certified Public Accountants. Further, the accounts of the Foundation may be subject to an outside review every three (3) years by a certified public accountant or as otherwise required by law.

6.7 Bonding

The Advisory Directors 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 the Foundation.

ARTICLE VII

Books and Records

7.1 Books and Records

The Foundation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings or meetings of its Board of Directors, the councils and committees having any of the authority of the Board of Directors, and shall keep such records at the registered or principal office a record giving the names and mailing addresses of the members entitled to vote. All books and records of the Foundation may be inspected by any Director, his agent or attorney upon written demand stating the purpose of the demand for any proper purpose relevant to that demand at any reasonable time during regular business hours of the Foundation in accordance with Section 22.351 of the Texas Business Organizations Code. The Director or Director's agent making a demand for the inspection and/or copies of the books and records of the Foundation may be charged for reasonable expenses incurred regarding demand thereof. The Foundation shall be custodian of the corporate records.

ARTICLE VIII

Liquidation and Dissolution

8.1 Dissolution Procedure

In the event, the Foundation shall ever liquidate or dissolve, for any reason, the remaining assets of the Foundation or the proceeds from the sale of such assets, after payment, satisfaction or discharge of all then existing liabilities and obligations of the Foundation, shall, except as otherwise permitted by law, be distributed for one or more tax exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, or corresponding section of any future federal tax code. The distribution of such assets or the proceeds thereof shall be accomplished as reasonably soon as practical, by the then duly qualified and acting Directors of the Foundation, after the date of final liquidation or dissolution of the Foundation.

ARTICLE IX

9.1 Parliamentary Authority

The proceedings of all meetings of the Foundation shall be governed and conducted according to the latest edition of Roberts' Manual of Parliamentary Rules.

ARTICLE X ***Waiver of Notice***

10.1 Waiver of Notice

Whenever any notices required to be given under the provisions of the Texas Business Organizations Code or under the provisions of the Articles of Incorporation or the Bylaws of the Foundation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time state therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XI ***General Provisions***

11.1 Amendment or Repeal

These Bylaws may be altered, amended, or repealed and new bylaws may be adopted by a majority of the directors present at any regular meeting or at any special meeting of the Board of Directors, if at least a ten (10) day written notice to all Board Members is given of an intention to alter, amend, or repeal these Bylaws or to adopt new bylaws at such meeting.

11.2 Conflicting Provisions

If any provision of these Bylaws conflicts with any provision of the laws of the State of Texas, such conflicting Bylaws provision shall be null and void, but all other provisions of these Bylaws shall remain in full force and effect. In the case of any conflict between the Articles of Incorporation of the Foundation and these Bylaws, the Articles of Incorporation shall control

unless such inconsistency is subject to Section 22.103 of the Texas Business Organizations Code.

11.3 Severability

Invalidation of any provision of these Bylaws, by judgment or court order, shall in no way affect any other provision which shall remain in full force and effect. The effect of a general statement shall not be limited by the enumerations of specific matters similar to the general.

11.4 Governing Law

These Bylaws are governed by and shall be construed in accordance with the laws of the State of Texas and in the exclusive venue and jurisdiction of Kendall County, Texas, which is and shall be considered the place where all chamber business is conducted.

11.5 Waiver.

No restriction, condition, obligation, or covenant in these Bylaws shall be deemed to have been abrogated or waived by reason of failure to enforce the same, regardless of the number of violations or breaches thereof which may occur.

11.6 Gender.

Whenever reference is made in these Bylaws to the masculine gender, such reference shall also include the feminine gender.

CERTIFICATE

The foregoing Bylaws consist of 11 pages. These Bylaws were APPROVED and ADOPTED by the Board of Directors of the Boerne Chamber of Commerce Foundation, Inc., a Texas non-profit corporation, on the ___ day of June 2020.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of June 2020.

_____, Secretary