

BY-LAWS

of

St. Marys Chamber of Commerce, Incorporated

Article One Offices

The principal office of the Corporation shall be located at such place as the Board of Directors may determine from time to time.

Article Two Purposes

The purposes of the Corporation, which shall be a Chamber of Commerce, and hereafter referred to as the "Chamber of Commerce" or "Chamber" shall be:

- [a] to bring together businessmen and businesswomen, together with other interested persons, in an organization which represents the interests of the business community to make the community a better place to live and work;
- [b] to bring together business owners, or their representatives, to share their business experience and create a platform for the exchange of business and community growth and/or improvement ideas; and
- [c] provide an opportunity to members for business education and fraternity.

In no event shall the purposes of the Chamber of Commerce be interpreted as extending beyond those purposes validly allowed for tax exempt chambers of commerce under Section 501(c)(6) of the Internal Revenue Code and the corresponding Section of any future federal tax code.

The Chamber of Commerce shall be non-partisan and non-sectarian. Further, the Chamber of Commerce shall take no part in nor lend its support to the election or appointment of any candidate for public office.

Article Three Membership

Section 1 General

The Chamber of Commerce shall have only one class of membership; but such class shall be divided into voting and non-voting Members.

Section 2 Eligibility for Membership

Any person, business or association having an interest in advancing the objectives of the Chamber of Commerce, shall be eligible for membership.

Section 3 Acceptance to Membership

Eligible persons and entities who are current on the annual dues set by the Board of Directors, and have not previously been expelled from membership, or had their membership involuntarily terminated for any reason, shall be and become Members. In addition, any persons or business entities having been granted honorary membership by the Board of Directors shall be recognized as deemed Members.

Annual Dues may be referred to in these Bylaws, in meeting minutes and in Chamber of Commerce literature as an "investment."

Section 4 Voting

Only Members, whose dues are current, may vote. Each Member shall be entitled to one vote for each decision, resolution or issue. Similarly, when voting for the office of Director, each Member shall be entitled to one vote for each position to be elected. There shall be no cumulative voting.

All voting shall be in person; no votes may be cast by a proxy appointed by a Member.

A Member may assign his or her Membership to another person, eligible for membership, within the same business organization as the Member; however, once such membership is assigned, it cannot be reassigned back to the initial Member.

Whenever a business, association or organization (all of which shall be referred to as a "business") pay dues for multiple Memberships, then:

- [a] if such business designates the names of particular employees (partners, etc.) shall hold paid Membership rights, then each such person shall be entitled to vote as a single Member;

- [b] if such business does not designate the names of particular people to serve as Members, then each individual employee (partner, etc.) appointed by such business to attend a Membership meeting, shall be entitled to vote as a single Member, provided the business has not previously specified that the business itself will vote in place of any one such person. Although multiple employees of a business may be entitled to vote, if the business, as an entity, does specify that it will reserve the right to vote, it shall only be entitled to vote as a single Member, regardless of the number of Memberships for which it paid.

Unless otherwise specified by the Bylaws, whenever a quorum is represented at a meeting of Members, then the majority vote of the quorum shall be sufficient to pass a resolution, appoint a Director, or approve any other action of the Members.

Section 5 Termination of Membership

Any Member may resign at any time by providing such resignation, in writing, to the Board of Directors. Dues shall not be refunded upon resignation of a Member.

The Membership of any individual or business entity shall automatically terminate once that person or entity fails to qualify as a Member under these Bylaws.

The membership of any Member or group of Members may be terminated, by a two-thirds vote of the Board of Directors, at any regular or special meeting of the Board of Directors, upon a finding by the Board that, in its opinion, the continuation of such membership or memberships may be detrimental, in any respect, to the Chamber of Commerce. Upon such termination by the Board of Directors, a proportionate percentage of membership dues paid by the terminated Member or Members shall be refunded.

The failure of any Member to pay dues within 30 days of the due date for such dues, shall result in an automatic termination of membership, without further action by the Board of Directors or notice to the Member. However, in the discretion of the Board of Directors, an extension of the 30-day period may be granted.

Section 6 Certificates

Membership shall be recorded on the appropriate books of the Chamber of Commerce. Membership certificates, signed by the President or Secretary, may be issued by the Chamber of Commerce. If such certificates are issued, they shall take the form specified by the President, and may be changed from time to time.

Section 7 Membership Rights

All rights granted to Members of a not-for-profit Chamber of Commerce under the Kansas General Corporation Code, as amended, shall be granted to the Members, provided that:

- [a] to the extent such rights are permitted to be limited by Bylaws or Articles of Incorporation, such rights shall be so limited by the Articles of Incorporation and these Bylaws as they may be amended from time to time;
- [b] such rights shall be deemed inapplicable to the Members, to the extent they adversely affect the ability or status of the Chamber of Commerce to qualify under Section 501(c)(6) of the Internal Revenue Code, or the corresponding Section of any future federal tax code, as a tax-exempt organization.

Members shall also have the right to appoint and remove Members of the Board of Directors in accordance with these Bylaws.

At the annual September general meeting of Members, the Members shall elect one person as a Member of the Board of Directors for each open Director's position.

Section 8 Liability

No Member shall be liable for the debts, liabilities or obligations of the Chamber of Commerce by reason of holding the position of Member.

Article Four Meetings of Members

Section 1 Location of Meetings

All meetings of Members shall be held at such place within the St. Marys, Kansas, trading area, as the Board of Directors may designate from time to time.

Section 2 Notice of Meetings

Notice of all annual, general or special meetings of Members shall be provided via e-mail correspondence directed to each Member who provides a current e-mail address. Notice shall also be provided by posting the date, time and location of a annual, general or special membership meeting on the website of the Chamber of Commerce: www.saintmarys.com.

A monthly meeting of the Members shall be held on the second Tuesday of each month, at a location designated by the Board of Directors, unless the Board of Directors suspends or temporarily alters such schedule.

The annual meeting of Members shall be held at 11:45 am on the second Tuesday of each September, at the place designated by the Board of Directors.

Section 3 Special Meetings

Special meetings of the Members may be held for any purpose, at any time, provided notice of such meeting is given in the same manner set forth above for any regular meeting, at least seven days prior to the meeting by:

- [a] the President;
- [b] the Executive Director;
- [c] a group of at least four members of the Board of Directors;
- [d] a group of at least twenty percent (20%) of the Members.

Section 4 Quorum

Except as otherwise provided by law or these Bylaws, a quorum at any meeting of Members shall consist of: (a) at least 12 voting Members; or (b) one-half of all voting Members, whichever is less.

Section 5 Presiding Officer

Meetings of the Members shall be presided over by the President, or if not present, the Vice President. The Secretary of the Chamber of Commerce shall act as Secretary of every meeting, but if the Secretary is not present, the presiding officer shall choose any person present as secretary of the meeting.

Section 6 Consent in Lieu of Meetings

Any action which may be taken at an annual, regular or special meeting of Members may be taken without a meeting, without prior notice, and without a vote, if a consent or multiple consents, in writing, are signed by a majority of all voting Members, and delivered to the Chamber of Commerce by mail or by hand. Every such written consent must bear the date of the signature of each Member who signs the consent. No written consent shall be effective unless, within sixty days of the earliest dated consent, written consents signed by a sufficient number of Members to take the action specified by the consents are delivered to the Executive Director or the Board of Directors.

Delivery to the Executive Director or the Board of Directors under this Section shall require personal delivery to the Executive Director, personal delivery to any elected officer, or by mail addressed to the Board of Directors at the principal place of business of the Chamber of Commerce.

Article Five Directors

Section 1 Qualification of Directors

Directors shall be limited to and selected from those individuals who are voting Members of the Chamber of Commerce. In the event a business or association pays Membership dues for its employees, but does not designate the names of specific persons as Members, then persons whose names are not designated cannot serve as Directors.

Section 2 Number, Term, Quorum, and Vacancies

- [a] Except as otherwise restricted in the Articles of Incorporation, the property, affairs and business of the Chamber of Commerce shall be managed by a Board of Directors consisting of nine (9) Members.

- [b] Each Director shall serve a term of three (3) years, beginning with and ending with the annual meeting of Members at which the election of Directors is held.

- [c] Board Members may serve a maximum of three (3) consecutive terms.

- [d] A majority of Directors in office shall be necessary to constitute a quorum for the transaction of business.

- [e] In the event there are vacancies on the Board of Directors, other than vacancies which are filled by action of the Members at the time the vacancy occurs, then as an exception to the provision of these Bylaws concerning the election of Directors by Members, the remaining Directors, although less than a quorum, may by a majority vote, elect a successor or successors for the unexpired term or terms.

Section 3 Payment of Directors

Only those persons who accept the position, and are willing to serve without payment therefor, may serve as a Director of the Chamber of Commerce.

Section 4 Regular, Special and Annual Meetings

In addition to annual and special meetings, unless such schedule is suspended or modified by the Board of Directors, a regular meeting of the Board shall be held on the first Thursday of each month, at a location designated by the Board. An agenda for such meetings shall be available to the Directors prior to the meeting. The meeting held on the first Thursday of September shall be the annual meeting of Directors.

Special meetings of the Board may be called by:

- [a] the President; or
- [b] any group of three (3) Board Members.

Notice of annual, regular or special meetings of the Board shall be provided via e-mail correspondence at least three (3) days prior to the meeting.

Meetings of the Board may be held at any time, without notice, if all the Directors are present, or if, before, during, or after the meeting, those not present waive such notice in writing, by facsimile, or by electronic transmission.

Section 5 Location of Meetings

Meetings of Board of Directors may be held at such place, within the St. Marys, Kansas, trading territory as may be designated by the Board of Directors, and specified on notice for any such meeting. In addition, a meeting of the Board may be held, at no designated place, but in instead by means of remote participation via telephone or other electronic communication medium.

Whether a meeting is held at a specific location, or exclusively by remote participation, Directors shall be deemed present in person if participating by remote participation.

Section 6 Resolution in Lieu of Meetings

In lieu of a meeting of the Board of Directors, the Directors may take any action which may otherwise be undertaken at a meeting, without prior notice, and without a vote, by a written consent or separate written consents.

Written consent may be in the form a traditional signed document, a facsimile, e-mail or other electronic transmission. Such written consent, if in electronic form, must be printed on paper and filed in the Corporate minute book.

A resolution in lieu of a meeting by the Board of Directors shall be valid if dated consents are submitted by the same number of Directors necessary to pass the resolution at a meeting of all Directors, unless objection is made thereto by any single Director. In such case, a resolution in lieu of a meeting, to be valid, must be signed by all Directors.

Section 7 Powers of Directors

The Board of Directors shall have all such powers as may be exercised by Kansas law, subject to the Articles of Incorporation, and these Bylaws.

The powers of the Board of Directors shall include the power:

- [a] to elect a Corporate President, Vice President, Secretary, Treasurer and other officers deemed appropriate by the Board of Directors;

- [b] engage an Executive Director and/or other employees;
- [c] to purchase or otherwise acquire goods, services, rights or privileges for the benefit of the Chamber of Commerce, at such prices and on such terms as the Board of Directors may deem proper;
- [d] to undertake, place into effect, acquire, purchase and/or facilitate any action in furtherance of the purposes of the Chamber of Commerce;
- [e] to confer upon any officer, administrator, or Board committee, the power of selecting, engaging, discharging or suspending employees and agents, and taking any action which furthers the purposes of the Chamber of Commerce;
- [f] to determine by whom and in what manner the Chamber of Commerce's bills, notes, receipts, acceptances, endorsements, checks, releases, contracts and other documents shall be signed;
- [g] to adopt and approve annual budgets for the Chamber of Commerce, if the Board deems such action appropriate and/or necessary;
- [h] to accept or decline donations, including donations subject to specified conditions; and
- [i] to establish a schedule of dues for Members.

Section 8 Limitation Upon Powers of Directors

As a limitation to the powers of the Board of Directors as previously set forth:

- [a] The Board of Directors shall not hold or exercise the power to authorize any transaction or activity which is not permitted by:
 - [i] a Kansas not-for-profit Chamber of Commerce;
 - [ii] a tax exempt organization under Section 501(c)(6) of the Internal Revenue Code or the corresponding Section of any future federal tax code; and
 - [iii] the Articles of Incorporation or these Bylaws; and
- [b] all income and assets of the Chamber of Commerce must be used for those not-for-profit activities and programs which advance the general or specific purposes of the Chamber of Commerce as set forth in these Bylaws.

Section 9 Executive Director

The Board of Directors shall have the authority to employ an Executive Director for the Chamber of Commerce. Such Executive Director may neither be a Director of the Chamber of Commerce nor an officer of the Chamber of Commerce. The Executive Director may, but need not, be a Member of the Chamber of Commerce.

The Executive Director shall have the responsibility of attending to daily management of the Chamber of Commerce, subject to the authority of the Board of Directors.

Compensation for the Executive Director shall be set by the Board of Directors.

The Board of Directors may authorize the Executive Director to sign disbursement checks to pay specific debts, and may further authorize the Executive Director to sign disbursement checks without specific authorization by the Board, upon such conditions and limitations as the Board may set.

Section 10 Amendment of Bylaws

These Bylaws, and any subsequent amendments thereto, may be amended or altered by a two-thirds vote of the entire Board of Directors. However, a vote to amend the Bylaws may only be held following notice for a meeting, specifying that a vote will be held to amend the Bylaws, and including proposed amendments or alterations to the Bylaws. Such notice shall be submitted to members of the Board of Directors, in writing or by e-mail correspondence, at least 10 days in advance of the meeting at which the vote is to be taken.

Section 11 Removal

A member of the Board of Directors shall automatically be removed from office, without any action by the Board or Members, upon such Director's cessation to qualify as a Director.

At any annual, regular or special meeting of Members, any Director or Directors may be removed from office, without cause, and without assignment of any reason therefore, by a majority vote of the Members present at the meeting, provided, a sufficient number of Members are present at the meeting to constitute a quorum.

When any Director or Directors are removed by the Members, their unexpired terms shall be considered vacancies on the Board to be filled by the remaining Directors, unless the Members, at the time of removal, vote upon and elect substitute Directors for the unexpired terms.

Section 12 Committees

By resolution or resolutions adopted by a majority of the members of the entire Board, the Board of Directors may appoint such committee or committees as it may deem appropriate. Each such committee shall be composed solely of members of the Board of Directors, with each committee to have at least three such members. Each committee shall have and may exercise such powers as conferred or authorized by the resolution which created it, and shall account to the Board of Directors as frequently and at such times and meetings as the Board of Directors may specify.

No action by a committee shall be valid without a resolution by a quorum of the committee. The quorum for a committee with only two members, shall be two. The quorum for a committee with more than two members shall be the majority of all committee members.

Article Six Officers

Section 1 Number

The officers of the Chamber of Commerce shall include a President, Vice President, Secretary and Treasurer. In addition, there may be such other and subordinate officers as the Board of Directors may deem necessary.

Section 2 Payment of Officers

Only those persons who accept the position, and are willing to serve without payment therefor, may serve as an officer of the Chamber of Commerce.

Section 3 Persons Eligible for Office

Only Board Members may serve as Officers of the Chamber of Commerce.

Section 4 Term of Office

The President, Vice President, Secretary and Treasurer shall be chosen by the Board of Directors at the annual Board of Directors meeting, to serve a term of one year, and such further period as necessary until succeeded in office.

Section 5 Removal

Any officer may be removed from office, with or without cause, at any time, by an appropriate vote of the Board of Directors.

Section 6 Vacancies

Any vacancy in a Corporate office, for any cause, may be filled for the unexpired portion of the term by the Board of Directors at a regular or special meeting.

Section 7 Duties

[a] The President shall preside at all meetings of the members of the Board of Directors and all meetings of Members.

The President shall have general supervision of the affairs of the Chamber of Commerce, shall have the power to sign or countersign all certificates, checks, contracts or other instruments authorized by the Board of Directors, shall make reports to the Board of Directors and Members, and shall perform such other duties as are incident to such office or are required by the Board of Directors.

The President, without further authorization by the Board, when deemed appropriate for the benefit of the Chamber of Commerce, shall be authorized to pay bills and debts of the Chamber of Commerce up to the amount of \$100.00.

- [b] The Vice President shall assume the duties of President in the event the President is unable to perform same; provided that the Vice President shall not have the authority to sign checks or pay bills/debts unless specifically granted such authority by the Board of Directors.
- [c] The Secretary: shall conduct all official correspondence; shall preserve all documents of the Chamber of Commerce; and shall keep a record of the minutes of the meetings of Members and meetings of the Board of Directors. The Secretary shall also perform such duties as are incident to such office and such duties as may be required by the Board of Directors or assigned by the Articles of Incorporation or these Bylaws.
- [d] The Treasurer shall be the custodian of all funds of the Chamber of Commerce. Disbursement of such funds under the custody of the Treasurer shall be made with the authority of the Board of Directors or as authorized by these Bylaws. The Treasurer shall have authority to sign disbursement checks in such amounts as may be authorized by the Board of Directors. The Treasurer shall also perform such duties as are incident to such office and such duties as may be required by the Board of Directors or are assigned by the Articles of Incorporation or these Bylaws.

The Treasurer shall maintain checking and/or other deposit accounts with both the St. Marys State Bank of St. Marys, Kansas and the Kaw Valley State Bank and Trust Company, located in St. Marys, Kansas. From time to time, and without specific authorization from the Board, the Treasurer or President may make adjustments to such accounts to reasonably equalize balances among the two banks.

- [e] In case of the absence or disability of any officer of the Chamber of Commerce, the Board of Directors may, from time to time, delegate the powers and duties of such officer to any other officer, or any Director, or other Member whom it may select.

Article Seven Prohibited Activities

Section 1 Political Activities

Notwithstanding any provisions in these Bylaws which may be interpreted to the contrary, no substantial part of the activities of the Chamber of Commerce shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Chamber of Commerce shall not participate in, or intervene in (including the publishing or distribution

of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Section 2 Corporate Profits Cannot Benefit Private Individuals

Notwithstanding any provisions in these Bylaws which may be interpreted to the contrary, no part of the net earnings of the Chamber of Commerce shall inure to the benefit of, or be distributable to its Members, Directors, officers, or any other private persons, except that the Chamber of Commerce shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of the Chamber of Commerce.

Section 3 General Limitation on Activities

Notwithstanding any provisions in these Bylaws which may be interpreted to the contrary, and in addition to the limitations set forth by previous Sections of this Article, the Chamber of Commerce shall not carry on any other activities not permitted to be carried on by a Chamber of Commerce exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code, or the corresponding Section of any future federal tax code.

Further, to fulfill the purposes for which the Chamber of Commerce exists, and to insure that it achieves and maintains an Internal Revenue Code 501(c)(6) tax exempt status, no action by the Members, no action by the Board of Directors, and no action by any employee or agent of the Chamber of Commerce may be taken, even if such action may be interpreted as authorized by these Bylaws, if such action would result in the denial of or revocation of the Chamber of Commerce such 501(c)(6) tax exempt status (or the corresponding Section of any future federal tax code).

Article Eight

Indemnification of Directors, Officers and Employees

Section 1 Indemnification

The Chamber of Commerce shall indemnify any present and former Director, Officer, and employee who is or was 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, for reasonable expenses resulting from such suit or proceeding, providing the action or inaction by the person which precipitated such person's involvement in the suit or proceeding was undertaken (or omitted) in a good faith manner reasonably believed to be in, or not opposed to, the best interests of the Chamber of Commerce. Such indemnification shall extend to all reasonably incurred expenses, judgements, fines and amounts paid in settlement. However, mandatory indemnification shall not be provided for any action or claims made by or on behalf of the Chamber of Commerce, or if the person did not have reasonable cause to believe that such conduct was lawful.

In addition to the mandatory indemnification provisions set forth above, the Board of Directors shall have the power to indemnify any present and former Director, Officer, Member, employee, agent, servant, or representative who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action or suit by reason of the fact that such person was or is then a Director, Officer, Member, employee, agent, servant, or representative, against any expenses actually and reasonably incurred in connection with the defense or settlement of such action or suit, if such person acted in good faith and in a manner such person reasonably believed to be in and or not opposed to the best interest of the Chamber of Commerce.

Expenses which the Chamber of Commerce will indemnify, as set forth above, including attorney's fees, may be paid by the Chamber of Commerce, in the discretion of the Board of Directors, either in advance of the final disposition of such action, suit or proceeding, or upon receipt of a documented request by or on behalf of the person to be indemnified. Such expenses may be paid upon such terms and conditions, if any, as the Board of Directors deems appropriate, provided that such conditions are not inconsistent with the provisions of this Section above.

The indemnification and advancement of expenses provided by, or granted pursuant to this Section shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may otherwise be entitled under these Bylaws, any agreement, vote of Members, law, rule of court or otherwise.

Article Nine Fiscal Year

The fiscal year of the Chamber of Commerce shall end on the 31st day of August of each year.

Article Ten Dissolution

Upon dissolution, no distribution of any Corporate assets may be made to any Director, Officer or other private individual or entity. Rather, upon dissolution or termination of the Chamber of Commerce, after all assets are first applied to pay debts and expenses of the Chamber of Commerce, any remaining assets shall be distributed exclusively for the purposes set forth by these Bylaws, and in no event for any purpose other than one for which not-for-profit organizations, exempt from taxes under Section 501(c)(6) of the Internal Revenue Code (or the corresponding Section of any future federal tax code) may distribute assets. The selection of the entity or entities to receive such distribution shall be determined by a majority vote of the Board of Directors.

Article Eleven Conflicts of Interest

Section 1 Purpose of Article

The purposes of this Section and Article, the term “interested person” shall refer to any Director, Officer or member of a committee with governing Board delegated powers, who has a direct or indirect financial interest in a matter subject to vote.

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Board of Directors considering the proposed transaction or arrangement.

After disclosure of financial interest in all material facts, and after discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining members of the Board of Directors shall decide if a conflict of interest exists. If such conflict does exist, then such person shall be excluded from all further Board discussion and votes concerning the transaction or arrangement. Further, such person shall not be permitted to attend that portion of any meeting during which such transaction or arrangement is discussed.

Article Twelve Incorporation of Tax Exempt Requirements

These Bylaws shall be deemed to incorporate by reference all requirements of the Internal Revenue Code and applicable Treasury Regulations, as they may be amended from time to time, which are necessary for the Chamber of Commerce to be granted and to retain status as a tax exempt not-for-profit organization under Internal Revenue Code Section 501(c)(6) and corresponding Section of any future federal tax code.

THESE AMENDED BYLAWS were adopted on December 4, 2008, by the Board of Directors, after compliance with all notice obligations for adopting amended Bylaws, in accordance with the previously existing Bylaws.

By: _____
Joseph Thomas, Secretary

By: _____
John Jost, President