

# **NEWARK CHAMBER OF COMMERCE BYLAWS**

## **ARTICLE I – GENERAL**

### **Section 1: Name**

This company is incorporated under the laws of the State of California and shall be known as The Newark Chamber of Commerce, hereinafter referred to as the Chamber.

### **Section 2: Limitations of Methods**

The Newark Chamber of Commerce shall observe all local, state and federal laws which apply to a not-for-profit Corporation as defined in section 501(c)(6) of the Internal Revenue code.

### **Section 3: Objectives**

The Newark Chamber of Commerce is a California nonprofit mutual benefit corporation and is organized for the purpose of advancing the commercial, industrial, civic and general interests of its Members, the City of Newark, Alameda County, California, and its trade area.

## **ARTICLE II - MEMBERSHIP**

### **Section 1: Eligibility**

Any individual, association, corporation, company, profession, partnership, sole owner or estate interested in the civic and economic well-being of the city of Newark, Alameda County, California, and its trade area, who also desires to preserve and promote the objectives of the Chamber, shall be eligible to apply for Membership.

- A. Each firm, association, corporation, company, partnership or estate shall designate an individual to exercise the voting rights conferred by its membership, and shall have the right to change its Membership representative upon written notice to the Chamber office.
- B. Honorary Membership may be conferred or revoked by the Board of Directors. This Membership shall not include the right to vote or to serve on the Board of Directors. Honorary members are exempt from payment of dues.

### **Section 2: Dues**

Membership dues shall be at such rate or rates, schedule or formula, as may be from time to time prescribed by the Board of Directors, payable annually in advance.

### **Section 3: Application**

Applications for Membership shall be made in writing to the Chamber office and the application shall be regarded as an agreement to adhere to the Bylaws, and Policies and Procedures.

- A. Any applicant shall become a Member upon payment of the membership dues.

### **Section 4: Termination**

Any Member may be expelled pursuant to the Newark Chamber of Commerce Policies and Procedures.

### **Section 5: Member in Good Standing**

A Member in good standing is a Member whose dues are in current paid status less than sixty (60) days past-due from the Membership's annual renewal date. Hereinafter, referred to as Member.

### **Section 6: Voting**

- A. In any proceeding in which voting by the Membership is called for, each Member in good standing shall be entitled to cast one (1) vote.
- B. Voting by written proxy shall be permitted, provided that the proxy is received at the Chamber office 48 hours prior to a specified meeting. Any proxy will be valid only for stated meeting.

## **ARTICLE III - MEETINGS**

### **Section 1: General Meetings; Special Meeting**

- A. Meetings of the general Membership of this organization shall be held at a place and time specified by the Board of Directors. Membership meetings may be concurrent with luncheons. The annual meeting of this organization shall be held in June at a date, time and place to be determined.
- B. Special meetings of the Chamber may be called at any time by the President/CEO or Chairman of the Board, any three (3) Directors, or not less than five percent (5%) of the Members (California Corporations Code Sec. 7510(e)). Notice of special meetings stating the purpose of such meeting shall be mailed to each Member by first-class, registered, or certified mail at least ten (10) days prior to such meetings.
- C. A quorum at any duly called meeting shall be not less than one-tenth of the voting Members.
- D. Action Without Meeting: In addition to the procedures set forth in Sections A through C of this Section 1, any action which may be taken at the annual or at a special meeting of the members may be taken without a meeting if the Board of Directors distributes a written ballot to every Member entitled to vote on the matter, in accordance with applicable law. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot within 120 days of

submission of the ballots equals or exceeds the number of votes that would be required to approve at a meeting which the total number of votes cast was the same as the number of votes cast by ballot.

## **Section 2: Board Meetings**

- A. The Board of Directors may meet monthly at a date, time and location determined by the Board, but in any event shall meet no less than eight (8) times a year.
- B. The Annual Meeting of the Board shall be held within one hundred twenty (120) days prior to the end of each fiscal year. The date, time and place shall be fixed by the Board of Directors and notice thereof mailed or personally delivered to each Director and Director-Elect at their last known address at least ten (10) days prior to such meeting.
- C. A quorum shall consist of a simple majority of eligible voting members of the Board of Directors.

Except as otherwise provided in these Bylaws or in the Articles of Incorporation of this corporation, or by law, no business shall be considered by the Board at any meeting at which a quorum, as hereby defined, is not present, and the only motion which the Chairman of the Board shall entertain at such meeting is a motion to adjourn.

The Directors present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Directors from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by law, or the Articles of Incorporation or Bylaws of this corporation.

- D. Special meetings of the Board of Directors may be called by the President/CEO or Chairman of the Board or by any two (2) Directors, and such meetings shall be held at the place, within the State of California, designated by the person or persons calling the meeting. Special meetings of the board shall be held upon four days' notice by first-class mail or 48 hours' notice delivered personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means. The articles or bylaws may not dispense with notice of a special meeting (California Corporations Code Sec. 7211(a)(2)).
- E. The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as defined above, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to hold the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

- F. Action without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as the unanimous vote of such Directors.
- G. The President/Chief Executive Officer (CEO) of the Chamber shall be a nonvoting member of the Board of Directors and all Committees.
- H. The Liaisons to the Board from the City, Newark Unified School District and/or College shall not be considered members of the Board of Directors and are therefore non-voting.

## **ARTICLE IV – BOARD OF DIRECTORS**

### **Section 1: Composition of the Board**

The Board of Directors shall be composed of fifteen (15) three-year Directors. The Liaisons from the City, Newark Unified School District and/or College shall be invited to each meeting but are non-voting.

### **Section 2: Powers**

Subject to the provisions of the California Nonprofit Mutual Benefit Corporation law and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the Members, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

### **Section 3: Method of Election**

#### **A. Nominating Committee**

At the regular July Board meeting the Chairman of the Board shall appoint, subject to the approval of the Board of Directors, a Nominating Committee of five (5) Members in good standing, a Vice Chairman of the Board and the President/Chief Executive Officer (CEO).

#### **B. Nominees, Eligibility**

It shall be the duty of the Nominating Committee to nominate one (1) person from the membership of the Chamber for each expiring term on the Board. Qualifications of nominees shall include active service as a member of the Chamber.

#### **C. Votes of the Nominating Committee**

The Nominating Committee shall select a list of nominees in sufficient time to give notice to the membership of the Chamber of its selections in the February Monthly Mailing of each year. A quorum of two-thirds (2/3) of the Nominating Committee membership is required for action on any director nominee selection. All votes of the

Nominating Committee in selecting director nominees shall be by secret ballot and all nominees shall be selected by a majority vote of the committee members voting.

**D. Presentation of Nominees**

The list of nominees shall be presented to the Board of Directors no later than the regularly scheduled February board meeting and following the presentation of the listing to the Chamber membership as set forth in Section C above. Additional single nominations (if any) may be made by the presentation of a petition, signed by ten (10) Chamber Members in good standing, to the President /Chief Executive Officer (CEO) or Chairman of the Board prior to the regularly scheduled February Board of Directors meeting.

**E. Automatic Election**

If no additional single nominations, as mentioned in Section D above, are presented, then the members nominated by the Nominating Committee shall automatically be elected directors. All nominees must indicate their willingness to serve as directors, if elected. In the event that more nominations are presented than there are vacancies on the Board, then the procedure in the following Section F below shall apply.

**F.** In the event that more nominations are presented than there are vacancies on the Board, written ballots of the slate will be printed with all eligible names listed in alphabetical order to be voted upon at the April Membership Meeting. Ballots will be verified and tallied by the Nominating Committee. In the event of a tie, a run off election will be held at June Membership Meeting.

**G.** Board terms are completed on the last day of June. All newly elected Board Members shall take office on July 1.

**Section 4: Duties of the Board**

THE PRIVILEGE OF SERVING AS A MEMBER OF THE BOARD OF DIRECTORS IS CONTIGENT ON THE FOLLOWING COMMITMENTS

It shall be the duty of the Director to:

- A. Attend regularly scheduled meetings at such times and places as required by these Bylaws
- B. Review minutes and stay well-informed regarding the organization's fiscal and operational status
- C. Participate in establishing and adopting all organizational Policies and Procedures; these policies shall be maintained in a Policy Manual, to be reviewed and revised as necessary
- D. Participate actively on at least one committee of the organization
- E. Actively promote chamber membership, assist in retention and recruitment, and assist in fundraising events

- F. Appoint and remove, employ and discharge, except as otherwise provided in the Bylaws, prescribe the duties and fix the compensation, if any, of the President/Chief Executive Officer (CEO) of the Chamber
- G. Register his/her current address with the Secretary of the Chamber. Thereafter, notices of meetings mailed or otherwise received with proof of delivery to such address shall be valid notices thereof.

### **Section 5: Terms of Office**

Board members shall serve for a term of three (3) years, with five (5) Directors being elected annually. Directors may be re-elected for up to one successive term.

### **Section 6: Compensation**

- A. Directors shall serve without compensation except that they may be paid reasonable compensation for products and/or services rendered to the Chamber in any capacity other than Director. Directors may not be compensated for rendering products and/or services to the Chamber in any capacity other than Director unless such other compensation is reasonable and is allowable under the provisions of Section 7 of this Article.
- B. Any contractual agreement involving compensation to any current Board member or their affiliate (as described in Section 7B below) must be approved by the Board.
- C. Notwithstanding the above, Directors shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their regular duties as specified in Section 4 of this Article.

### **Section 7: Restriction Regarding Interested Directors**

Notwithstanding any other provision of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested parties" means either:

- A. Any person currently being compensated by the Chamber for products and/or services rendered it within the previous twelve (12) months, whether as a full- or part-time or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or
- B. Any brother, sister, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

### **Section 8: Majority Action as Board Action**

Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation of Bylaws of this corporation, or provisions of the California Nonprofit Corporation Law, particularly those provisions relating to appointment of committees (Section 7212), approval of contracts or transactions in which a Director has a material financial interest (Section 7233) and indemnification of Directors (Section

7237), require a greater percentage or different voting rules for approval of a matter by the Board. The Chairman of the Board shall vote only in the case of a tie.

### **Section 9: Board Vacancies**

- A. Vacancies on the Board of Directors shall exist (1) at the end of an elected term, (2) on the death, resignation or removal of any Director, and (3) whenever the number of authorized Directors is increased.
- B. The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of the court, or convicted of a felony, or has been removed from office by order of the Superior Court for engaging in fraudulent acts pursuant to Section 7223 of the California Nonprofit Mutual Benefit Corporation Law.
- C. Any Director, or the entire Board of Directors, may be removed, with cause, by a majority vote of the Board of Directors. This vote must occur according to the procedures set forth in Article III, Section 1 for a general or special membership meeting, with all members having been duly notified.
- D. A member of the Board of Directors who shall be absent from three (3) regular or special meetings of the Board of Directors in any twelve (12) month period may be subject to removal from membership of the Board, by a majority vote of the Board. Said Director will be notified by mail of such determination.
- E. Any Director may resign effective upon giving written notice to the President/CEO, Chairman of the Board, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No Director may resign if the Chamber would then be left without a duly elected Director or Directors in charge of its affairs.
- F. Vacancies on the Board, or among the officers, shall be filled by a majority vote of the entire Board of Directors. Nominations for interim terms on the Board will be qualified by the Nomination Committee. A Director elected to fill a vacancy shall hold office until that term expires or until his or her death, resignation or removal from office.
- G. In the event that there are Board vacancies amounting to ½ of total positions or greater, the Membership will vote, at the next general meeting or at a special meeting, to fill the vacancies. The remaining Board member(s) shall be responsible for conducting all facets of the elections within (90) ninety days. Those elected to fill a vacancy shall hold office until the expiration of the term to which he/she was elected

### **Section 10: Non-Liability of Directors**

Where not otherwise specified by law, the Directors shall not be personally liable for the debts, liabilities, or other obligations of the Chamber.

### **Section 11: Indemnification by Corporation of Directors, Officers, Employees and Other Agents**

- (a) Right of Indemnity. To the full extent permitted by law, the Chamber shall indemnify any person who is a director, officer, employee or other person

described in Subsection 7237(a) of the California Corporations Code, including persons formerly occupying such positions (collectively, “Agents”), against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceedings” as that term is used in such subsection by reason of the fact that such person is or was described in such subsection. The term “expenses” as used in this Bylaw shall have the same meaning as in Subsection 7237(a) of the California Corporation Code.

- (b) Approval of Indemnity. Upon written request to the Board of Directors by any person seeking indemnity under Subsection 7236(b) or (c) of the California Corporations Code, the Board of Directors shall promptly determine whether such person has met the applicable standards of conduct set forth in such subsections.
- (c) Advancement of Expenses. To the full extent permitted by law, and except as shall otherwise be determined by the Board of Directors in the specific instance, expenses incurred by a person seeking indemnity under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the Chamber prior to the final disposition of the proceedings upon receipt of written undertaking by or on behalf of such person to repay such amount unless it shall be determined that such person is entitled to be indemnified by the Chamber therefore.

## **Section 12: Insurance for Corporate Agents**

The Board of Directors shall adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Chamber (including a Director, officer, employee or other agent of the Chamber) against any liability other than for violating provisions of law relating to self-dealing (Section 7233 of the California Nonprofit Mutual Benefit Corporation Law) asserted, whether or not the Chamber would have the power to indemnify the agent against such liability under the provisions of Section 7237 of the California Nonprofit Public Mutual Corporation Law.

# **ARTICLE V – OFFICERS AND EXECUTIVE BOARD**

## **Section 1: Number of Officers**

The officers of the Chamber shall be a Chairman of the Board, Vice Chairman – Membership, Vice Chairman – Marketing, Secretary, and Treasurer.

## **Section 2: Qualification, Election and Term of Office**

- A. Any Board of Director may serve as an officer of the Chamber. Officers shall be elected by the Board of Directors, at the Annual Meeting, and serve for a term of one (1) year. No officer may serve more than (2) two consecutive terms in a position.
- B. Chairman of the Board shall have served on the Board of Directors for the preceding year, except under the event that the majority of the Board is replaced and starting new.

### **Section 3: Removal and Resignation**

Any officer may be removed, with cause, at any time, by a two-thirds vote of the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors or to the President/CEO, Chairman of the Board or Secretary of the Chamber. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

### **Section 4: Vacancies**

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than the Chairman of the Board, such vacancy may be filled temporarily by the appointment by the Chairman of the Board until such time as the Board shall fill the vacancy.

### **Section 5: Executive Board**

The Executive Board is comprised of the elected officers of this corporation and shall have any of the powers and authority of the Board in the management of the business and affairs of the Chamber, except with respect to:

- A. The approval of any action which, under law or the provisions of these Bylaws, requires the approval of the Directors or a majority of all the Members
- B. The filling of vacancies on the Board or on any committee which has the authority of the Board
- C. The amendment or repeal of Bylaws or the adoption of new Bylaws
- D. The amendment or repeal of any resolution of the Board which by its express terms is not amendable or repealable
- E. The approval of any transaction to which this corporation is a part and in which one or more of the Directors has material financial interest.

By a majority vote of its Directors then in office, the Board may fill vacancies on the Executive Board from the Board of Directors. The Executive Board shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board of Directors at each meeting of the Board of Directors.

### **Section 6: Duties of Officers**

- A. Chairman of the Board. The Chairman shall serve as the chief elected officer of the Chamber and shall preside at all meetings of the membership, Board of Directors and Executive Committee. The Chairman shall, with the advice and counsel of the President/CEO, determine all committees and select all committee chairpersons, subject to the approval of the Board of Directors. The Chairman of the Board shall ex-officio be a member of such committees.

- B. Vice Chairmen. The duties of the Vice Chairmen shall be such as their titles by general usage would indicate, and such as required by law, as well as those that may be assigned by the Board of Directors. Vice Chairmen also have under their immediate jurisdiction, the coordination of all committees in their assigned division of the Chamber's program.
- C. Secretary. The Secretary shall prepare minutes of the meetings of the Board and the Executive Committee.
- D. Treasurer. The Treasurer shall be responsible for the safeguarding of all funds received by the Chamber and for their proper disbursement. Such funds shall be kept on deposit in financial institutions, or invested in a manner approved by the Board of Directors. The Treasurer is responsible for assisting in preparing the budget for the year with the President/CEO and the Executive Committee.
- E. President/CEO. The Board of Directors shall employ a President/CEO who shall be the corporate secretary and the chief administrative and executive officer of the Chamber.

The President/CEO shall serve as advisor to the Chairman of the Board, and shall assemble information and data and cause to be prepared special reports as required by the program of the Chamber.

The President/CEO shall be a non-voting member of the Board of Directors, the Executive Committee and all committees.

The President/CEO shall be responsible for the business plan in accordance with the policies and direction of the Board of Directors.

The President/CEO shall be responsible for hiring, discharging, directing and supervising all employment activities.

The President/CEO shall be responsible for the preparation of an operating budget, in conjunction with the Treasurer covering all activities of the Chamber. He/she shall submit it to the Executive Committee for its adoption, which in turn shall forward it to the Board of Directors for approval. The President/CEO shall also be responsible for all expenditures with approved budget allocation.

## **ARTICLE VI – COMMITTEES**

### **Section 1: Finance Committee**

At the regular August Board Meeting, the Chairman of the Board shall appoint, subject to approval by the Board of Directors, a Finance Committee comprised of five (5) Members of the Chamber and the Treasurer.

- A. This committee shall meet at least once per quarter or as needed.
- B. This committee shall contain, or seek the regular advice of, a board certified CPA or a board certified enrolled agent.
- C. This committee shall review the financial statement and shall perform an annual internal audit of the books and accounts of the Chamber, at the close of business for the fiscal year and shall report its findings to the Board of Directors at the August Board meeting

## **Section 2: Nominating Committee**

For description, see Article IV, Section 3A.

## **Section 3: Other Committees**

The Chamber shall have such other committees as may from time to time be designated by resolution of the Board of Directors (e.g. Bylaws, Marketing, Membership, Business Assistance, Education, Community Affairs, and Events). Such other committees may consist of persons who are not also members of the Board. These additional committees shall act in an advisory capacity only to the Board and shall be clearly titled as “advisory” committees.

## **Section 4: Meetings and Action of Committees**

- A. The Board may adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.
- B. No action by any committee, employee, director or officer shall be binding on, or constitute an expression of the policy or position of the Chamber until it has been approved by the Board of Directors. Chamber sponsored functions require Board approval.

# **ARTICLE VII – EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

## **Section 1: Execution of Instruments**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Chamber to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Chamber, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Chamber by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

## **Section 2: Checks and Notes**

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of

money and other evidence of indebtedness of the Chamber shall be signed by (2) two members of The Executive Board.

### **Section 3: Deposits**

All funds of the Chamber shall be deposited in a timely fashion to the credit of the Chamber in such banks, trust companies, or other depositories as the Board of Directors may select.

### **Section 4: Gifts**

The Board of Directors may accept on behalf of the Chamber any contribution, gift, bequest or devise for the purposes of this corporation.

## **ARTICLE VIII – CORPORATE RECORDS, REPORTS AND SEAL**

### **Section 1: Maintenance of Corporate Records**

The Chamber shall keep at its principal office in the City of Newark, in the State of California:

- A. Minutes of all meetings of the Board of Directors, Executive Board and the annual meeting of the members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- B. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- C. A record of its Members, if any, indicating their names and addresses and if applicable, the class of Membership held by each Member and the termination date of any Membership;
- D. A copy of the Chamber's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by Members at all reasonable times during office hours.

### **Section 2: Corporate Seal**

The Board of Directors may adopt and use a corporate seal. Such seal shall be kept at the principal office of the Chamber. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **Section 3: Directors' Inspection Rights**

Whereas not otherwise specified by law, every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical property and premises of the Chamber. This shall be done on the Chamber premises and by and at the expense of the requesting Director.

#### **Section 4: Members' Inspection Rights**

Each and every Member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a Member:

- A. To inspect, personally copy, or pay a reasonable fee to have copied, the record of all Members' names, addresses and voting rights, at reasonable times, upon five (5) business days' prior written demand on the Chamber, which shall state the purpose for which the inspection rights are requested.
- B. To obtain from the Secretary of the Chamber, upon written demand and payment of a reasonable charge, an alphabetized list of the names, addresses and voting rights of those Members entitled to vote for the election of Directors as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The Membership list shall be made available within ten (10) business days after the demand is received or after the date specified therein as of which the list is to be compiled.
- C. To inspect at any reasonable time the books, records, or minutes of proceedings of the Members or of the Board, upon written demand on the Chamber by the Member, for a purpose reasonably related to such person's interests as a Member.

#### **Section 5: Availability of Agents**

Any inspection under the provisions of this Article may be made in person or by agent or by attorney.

#### **Section 6: Annual Report**

The Board shall cause an annual report to be furnished at the same time as the non-profit return to all Directors of the Chamber and to any Member who requests it in writing, which report shall contain the following information in appropriate detail:

- A. The assets and liabilities, including the trust funds, of the Chamber as of the end of the fiscal year;
- B. The principal changes in assets and liabilities, including trust funds during the fiscal year;
- C. The revenue or receipts of the Chamber, both unrestricted and restricted purposes, during the fiscal year;
- D. The expenses or disbursements of the Chamber, for both general and restricted purposes, during the fiscal year;
- E. Any information required by Section 7 of this Article.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such report, the certificate of an authorized officer of the Chamber that such statements were prepared without audit from the books and records of the Chamber.

### **Section 7: Annual Statement of Specific Transactions to Members**

This corporation shall mail or deliver to all Directors, and any and all Members, a statement within one hundred and twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

- A. Any transaction in which the Chamber, or an affiliated organization, was a party, and in which either of the following had a direct or indirect material financial interest:
  - 1. Any Director or officer of the Chamber, or its affiliate (a mere common directorship shall not be considered a material financial interest); or
  - 2. Any holder of more than ten percent (10%) of the voting power of the Chamber.

The above statement need only be provided with respect to a transaction during the previous fiscal years involving more than FIVE THOUSAND DOLLARS (\$5,000) or which was one of a number of transactions with the same persons involving, in the aggregate, more than FIVE THOUSAND DOLLARS (\$5,000).

Similarly, the statement need only be provided with respect to indemnification or advances aggregating more than TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) paid during the previous fiscal year to any Director or officer, except that no such statement need be made if such indemnification was approved by the Members pursuant to Section 7237 of the California Nonprofit Mutual Benefit Corporation Law.

Any statement required by this Section shall briefly describe the names of the interested persons involved in such transactions, stating each person's relationship to the Chamber, the nature of such person's interest in the transaction and, where practical, the amount of such interest, provided that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

If the Chamber provides all Members with an annual report according to the provisions of Section 6 of this Article, then such annual report shall include the information required by this Section.

## **ARTICLE IX – MISCELLANEOUS STIPULATIONS**

### **Section 1: Fiscal Year**

The fiscal year will begin on July 1<sup>st</sup> and end on June 30<sup>th</sup>.

## **Section 2: Budget**

Prior to the Annual Meeting of the Board, the Finance Committee shall submit a budget for the upcoming year to the Board of Directors.

## **Section 3: Annual Financial Review**

A review as defined by Generally Accepted Accounting Principals (GAAP) shall be performed annually. Selection criteria for the reviewer shall follow the Policies and Procedures of the organization.

## **ARTICLE X – DISSOLUTION**

Upon dissolution of the Chamber of Commerce, after complying with the provision of Section 8713 of the California Corporations Code regarding the provision for debts and liabilities of the Chamber, all remaining assets of the Chamber shall be distributed to the members of the Chamber in accordance with their respective rights therein and in proportion to their respective membership interests.

## **ARTICLE XI – PARLIAMENTARY AUTHORITY**

The current edition of Robert’s Rules of Order shall be the final source of authority in all questions of parliamentary procedure when such rules are not inconsistent with the Charter or Bylaws of the Chamber.

## **ARTICLE XII –AMENDMENT OF BYLAWS**

Subject to any provision of law applicable to the amendment of Bylaws of nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

- A. Subject to the power of Members to change or repeal these Bylaws under Section 7150 of the Corporation Code, by approval of the Board of Directors unless the Bylaw amendment would materially and adversely affect the rights of Members as to voting, dissolution, redemption or transfer, providing, however, a Bylaw specifying or changing the fixed number of Directors of the Chamber, the maximum or minimum number of Directors, or changing from a fixed to variable Board or vice versa, may not be adopted, amended, or repealed except as provided in subparagraph (B) of this section; or
- B. By approval of the Members, if any, of the Chamber.

## **ARTICLE XIII - AMENDMENT OF ARTICLES**

**Section 1: Amendment of Articles**

Amendment of the Articles of Incorporation may be adopted by the approval of the Board of Directors and by the approval of the Members of the Chamber.

**Section 2: Certain Amendments**

Notwithstanding the above Sections of this Article, the Chamber shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation of the names and addresses of the first Directors of this corporation, nor the name and addresses of its initial agent, except to correct any error in such statement or to delete such statement after the Chamber has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 8210 of the California Nonprofit Corporation Law.

**CERTIFICATE OF ADOPTION**

The undersigned Secretary of the Board of Directors of The Newark Chamber of Commerce certifies that the foregoing Bylaws are an accurate and complete set of the Bylaws of the organization and were duly adopted by the Board of Directors of said corporation.

Date: \_\_\_\_\_

\_\_\_\_\_  
Secretary