

PREAMBLE

These by-laws shall take the place of any and all previous by-laws, and all amendments thereto, which are hereby annulled and set aside.

The Calistoga Chamber of Commerce (Organization) is a non-profit business trade organization that promotes the community's economic vitality, quality of life, and provides a united base for the community to advance and prosper.

ARTICLE 1 NAME

1.1 This organization is incorporated under the laws of the State of California and shall be known as the Calistoga Chamber of Commerce, a California non-profit mutual benefit corporation.

1.2 Headquarters shall be in the city limits of Calistoga, California.

ARTICLE 2 PURPOSE

2.1 The purpose of the Calistoga Chamber of Commerce shall be to represent and assist the business community in the development and pursuit of goals, programs and objectives, which will beneficially improve the economic well-being and quality of life in Calistoga.

2.2 This corporation is organized and shall be administered and operated exclusively to receive, administer, and expand funds to promote and represent business interests of and improve business interests among, members of the business community.

2.3 Notwithstanding any other provision of these Articles, the Calistoga Chamber of Commerce shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501c (6) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

ARTICLE 3 REGISTERED OFFICE

3.1 The Calistoga Chamber of Commerce shall have, and continuously maintain, in the State of California a registered office and registered agent whose office is identical to such registered office. The Board of Directors (herein "Board") may change the address of the registered office from time to time.

ARTICLE 4 MEMBERSHIP

4.1 ELIGIBILITY. Any firm, association, corporation, partnership, limited liability Company, or estate, or other organization, which subscribes to, and agrees to support, the objectives of the organization shall be eligible to apply for membership.

- 4.2 ELECTION TO MEMBERSHIP. Applications for membership shall be in writing, on forms provided for that purpose, and signed by the applicant or the chief executive officer thereof. Any applicant shall become a member upon payment of the regularly scheduled investment.
- 4.3 INVESTMENTS. Membership investments shall be at such a rate or rates, schedule or formula, as may be from time to time prescribed by the Board of Directors, payable annually in advance, on the anniversary date of their membership.
- 4.4 TERMINATION. Any member may resign from the Calistoga Chamber of Commerce upon written request to the Board of Directors.
- 4.5 Any member shall be expelled for non-payment of dues with sufficient notice.
- 4.6 Any member may be expelled by a two-thirds vote of the Board of Directors, at a regularly scheduled meeting thereof, for conduct unbecoming a member or prejudicial to the aims or repute of the Calistoga Chamber of Commerce, after notice and opportunity for a hearing is afforded the member.

ARTICLE 5 MEETINGS

- 5.1 MEETINGS. The annual meeting of the Corporation, in compliance with State law shall be held during each calendar year, the time and place shall be fixed by the Board of Directors and notice thereof presented to each member at least ten (10) days before said meeting.
- 5.2 SPECIAL. Special meetings of the Calistoga Chamber of Commerce membership may be called by the Board Chairman, or upon written request of at least five (5%) percent of the voting members. Notice of any special meeting shall be mailed to the last recorded address of each member at least ten (10) days before the appointed time for the special meeting with a statement of the place, date, time and a description of the special matter for which the meeting is called. Committee meetings may be called at any time by the Chairman respective department or Vice-Chair, or by the committee's leader.
- 5.3 QUORUM. At any duly called general meeting of the Calistoga Chamber of Commerce, ten percent (10%) of the members shall constitute a quorum; a majority of Seated Directors shall constitute a quorum of the Board of Directors; at committee meetings a majority shall constitute a quorum.
- 5.4 PROCEDURES. The Board Chairperson or designee shall chair all general meetings of Calistoga Chamber of Commerce.
- 5.5 EXERCISE OF PRIVILEGES. Upon written notice, any firm, association, corporation, partnership, or estate holding membership may nominate individuals, to exercise the privileges of membership covered by its membership. Any transfer of membership, by reason of sale of a business, must be with the approval of the Board of Directors.

ARTICLE 6
BOARD OF DIRECTORS

- 6.1 COMPOSITION OF THE BOARD OF DIRECTORS. The Board of Directors shall be composed of nine (9) – twelve (12) members. No active business member may have more than one individual on the board.
- 6.2 QUALIFICATION FOR BOARD MEMBERSHIP. Voting members of the Board shall be members in good standing. No Director may be elected to a third consecutive term; provided however that an appointment to the Board to fill a vacancy, as herein provided, shall not constitute a term for purposes of this sentence.
- 6.3 TERM. Elected Directors shall serve three-year terms, such terms shall commence on July 1st following their election, and end on June 30th thereafter. Directors are eligible to serve two (2) terms unless the Director serves on the Executive Committee, in which case the Director will serve until Executive Duties are completed. One third of Board members shall be up for election each year. The term of persons appointed to fill a vacancy in the voting membership of the Board shall run to the date of expiration of the directorship they were appointed to fill.

ARTICLE 7
VOTING

- 7.1 NOMINATING COMMITTEE. At the regular March Board meeting each year the Chairperson shall present for approval a Nominating Committee, which shall consist of three to five members. The Chairperson shall be an advisory, non-voting member of the Nominating Committee. The membership shall be noticed of the available board positions. At the regular April meeting of the Board, the Nominating Committee shall present to the Board, for approval or modification by majority vote, a slate of qualified nominees for voting membership on the Board.
- 7.2 ELECTION OF DIRECTORS. Election of the Directors shall be by a vote from the membership. Nominees shall be placed on ballots that will be mailed to the last address of record for each member, ballots to be returned no later than five (5) days prior to the May Board meeting. The Chairperson shall appoint at least one (1) voting board member who is not running for his or her next term, and two (2) members not on the board of directors to validate the count of the ballots. All ballots timely returned shall be counted and the candidates receiving the greatest number of votes, up to the number of candidates needed to fill the open directorships, shall be announced, and shall be deemed elected. In case of a tie vote, the incumbent Board shall determine the issue.
- 7.4 SEATING OF NEW DIRECTORS. All newly elected Directors shall be seated at the following meeting of the Board and shall be participating members of the Board thereafter, with voting rights beginning on the next succeeding July 1st.
- 7.5 REMOVAL OF A DIRECTOR. An elected Director may be removed from a directorship, and the directorship declared vacant, if, by a two-thirds vote of the Directors present at a regular meeting of the Board, the Board determines that a Director has acted in a manner which is contrary to these Bylaws or materially detrimental to the purpose of the Organization, or such Director has demonstrated a lack of attendance on the Board by missing three non-excused consecutive

meetings or a total of five board meetings in one year.

7.6 VACANCIES. In the event of a vacancy created by the removal, resignation or inability to serve of any elected Director, the Chairperson may fill the vacated directorship with ratification from the executive committee, with a person who meets the qualifications for Directors set forth in the previous section continuing until the expiration of vacated term.

ARTICLE 8 BOARD MEETINGS

8.1 BOARD MEETINGS. The Board shall meet not less than eleven times per year, and the Chairperson may call additional meetings as needed. Board meeting may be called by the Chairperson or by members of the Board upon written application to the Chairperson of three (3) members of the Board.

8.2 NOTICE. Notice (including the purpose of the meeting) shall be given to each Director at least one (1) day prior to said meeting. Said meetings shall be regularly scheduled at a preannounced time and place, which so far as possible is standard throughout any given year. Further, said meetings shall be held in a public place, open alike to the general public and the membership.

8.3 QUORUM. Six voting members of the Board of 12 or a majority of the then current Board shall constitute a quorum for transacting business. A meeting at which a quorum was initially present may continue to transact business notwithstanding the withdrawal of Directors, provided that any action taken, other than adjournment of the meeting, shall require the vote of at least the majority specified in these Bylaws of the number required to constitute a quorum.

8.4 CLOSED SESSION MEETING. Meeting to discuss confidential matters, such as personnel, shall be closed to non-Board members. Proceeding shall be kept confidential.

ARTICLE 9 DIRECTORS

9.1 DUTIES AND AUTHORITIES OF THE BOARD. The Board shall govern the activities and programs of the Organization in all respects, shall have final authority over polices and budgets of the Calistoga Chamber of Commerce, and shall, as herein provided, employ an Executive to conduct the administration of the Organization's activities and programs. All actions, policies and budgets of the Board shall be recorded and maintained in minutes or other appropriate records.

9.2 ORIENTATION. At regular intervals, orientation on the purposes and activities of this organization shall be conducted for the following groups: new directors, officers and directors, committee leaders, committees and new members.

9.3 CONDUCT OF DIRECTORS. No Director shall speak for the Board or the Organization except in accordance with direction or policies approved by the Board. No Director shall act in any way which is contrary to the purpose of the Organization or which brings discredit to the Organization. No Director shall vote, or participate in the debate, on any issue wherein there is a conflict between the interests of the Organization and the interests of the individual Director.

ARTICLE 10
OFFICERS OF THE CORPORATION

- 10.1 OFFICERS QUALIFICATIONS AND TERMS OF OFFICE. The elected officers of the Organization shall be a Chairperson, a Vice-Chair, a Treasurer, immediate Past-Chairperson, and Secretary (this position will be filled by the Executive of the Organization). These officers shall serve terms of one year commencing on July 1st and ending on the next succeeding June 30th.
- 10.2 ELECTION OF OFFICERS. Within five days following the regular election of new Directors, the Chairperson shall appoint three Directors, one of whom shall be the Vice-Chair, to serve as a Nominating Committee for officers for the next calendar year. The Executive shall be an advisory, non-voting member of this Nominating Committee. This Nominating committee shall select and secure the acceptance of one or more nominees for each elected officer position. The Vice-Chair shall automatically be the nominee of the Nominating Committee for Chairperson unless the Vice-Chair is unwilling or unable to serve. These nominations shall be presented to the Board at its regular June meeting, whereupon the Board may nominate other qualified candidates before declaring the nominations closed and proceeding to the election of the new officers either at that time or, at the discretion of the Board, the following regularly scheduled meeting. A majority of the voting members present at said meeting should be required for election.

ARTICLE 11
DUTIES OF OFFICERS

- 11.1 CHAIRPERSON OF THE BOARD. The Chairperson shall preside at all meetings of the Organization's membership, the Board and the Executive Committee, and shall, with the approval of the Board and/or in accordance with these Bylaws, or policies, budgets and programs approved by the Board, and with the advice and assistance of the Executive assign and define the duties of the officers and committees of the Organization. The Chairperson, with the council of the Executive shall have the authority to fill board vacancies, with executive committee ratification, appoint directors for, and shall assist in the selection of members to serve on, the various standing and special committees of the Organization.
- 11.2 VICE-CHAIR. The Vice-Chair will act in absence of the Chairperson and be the Chairperson-Elect.
- 11.3 TREASURER. The Treasurer shall chair the Organization's Finance Committee and shall, with the advice and assistance of the Executive, oversee the performance of its responsibilities.
- 11.4 SECRETARY. The Secretary shall be responsible for the proper making and maintenance of all official records of the Organization, and for the preparation and submission or distribution of such reports as the law may require of the Organization. The Executive of the Organization will fill this position.
- 11.4 EXECUTIVE. The Executive shall be an employee of the Organization appointed by and serving at the pleasure of the Board. The Board may, as it deems appropriate, delegate its authority over to the Executive or to the Executive Committee. The Executive of the Organization has primary

responsibility for execution of the programs, policies, budgets, and activities of the Organization in accordance with directions of the Board and/or the Executive Committee. The Executive is spokesperson for, and representative of, the Organization to the public and to other bodies before which the Organization has business; the Executive shall also serve as the Secretary of the Organization.

ARTICLE 12 COMMITTEES

- 12.1 EXECUTIVE COMMITTEE. The Executive Committee shall be appointed by the Board and composed of elected officers of the Organization. The Executive Committee shall act for, and stand on behalf of the Board when the Board is not in session, but shall be accountable to the Board for all its actions. The Executive Committee shall meet monthly.
- 12.2 FINANCE COMMITTEE. The Finance Committee shall be responsible for the preparation of all budgets, which budgets shall require the approval of the Board, and for adherence to said budgets, and for all accounting and financial reporting pertaining thereto as required by law or these Bylaws or as directed by the Board. It shall consist of not less than three Directors, one of whom shall be the Treasurer. The Executive shall be an advisory, non-voting member of the Finance Committee.
- 12.3 OTHER COMMITTEES. The Board of Directors may, as it deems necessary and appropriate to the purpose of the Organization, and with the advice of the Executive Committee, establish any other committees or task forces of the Organization by defining the mission, responsibilities and authorities thereof.

ARTICLE 13 FINANCES

- 13.1 FUNDS. All funds belonging to the Organization shall be held in accounts in one or more banks, and accounted for in a manner, approved by the Board. Organization funds shall be expended only for the accomplishment of the purpose of the Organization as set forth in these Bylaws.
- 13.2 DISBURSEMENTS. All disbursement of funds belonging to the Organization shall be by check, except as may otherwise be authorized by the board with respect to petty cash. The Board, upon the recommendation of the Finance Committee, shall establish written policies controlling the signing of checks for this disbursement.
- 13.3 FINANCIAL REPORTS. Financial reports shall be rendered to the Board, and shall be made available to all Organization members at the office of the Organization at any time during regular business hours. All financial reports shall include disclosure of all transactions between the Organization and any of its officers and directors.
- 13.4 INSURANCE, INDEMNIFICATION. The Organization shall acquire and pay for such insurance coverage on its assets and the conduct of its business, and for the protection of such officers, directors and employees, as shall be from time to time determined by the Board to be prudent and consistent with good business practices. Notwithstanding any decisions the Board may make in

this regard, the Organization shall provide for the indemnification of any and all of its directors and former directors, and its officers and former officers, against expenses actually and necessarily incurred by them in connection with the defense of, or any judgment arising from, any action, suit or proceeding in which any of them are named as parties by reason of being or having been directors or officers of the Organization, except, however this indemnification shall not apply when such directors or officers are adjudged to be liable for gross negligence or intentional misconduct in the performance of duty or enter into a settlement predicated on the existence of liability of such gross negligence or intentional misconduct.

13.5 DISSOLUTION PROCEDURE. The Organization may be dissolved upon the vote of two-thirds of the voting members of the Board, or a majority vote of the members of the Organization, taken in either case at a regular or special meeting, or in a mail ballot, noticed and conducted in accordance with these Bylaws.

13.6 DISPOSITION OF ASSETS UPON DISSOLUTION. The Organization shall use its funds only to accomplish the objectives and purposes specified in these bylaws, and no part of said funds shall insure, or be distributed, to the members of the Organization. On dissolution of the Organization any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, philanthropic, non profit business league, Organization of Commerce or Board of Trade to be selected by the Board and defined in IRS Section 501(c) or Section 501(c) 6 and Section 23701 (e) or Section 23701 (d) of the California Revenue and Taxation Code.

ARTICLE 14

PARLIAMENTARY AUTHORITY

14.1 PARLIMENTARY AUTHORITY. The current edition of Roberts Rules of Order shall be the final authority in all questions for parliamentary procedure, when such rules are not inconsistent with these Bylaws, for all meetings of the Organization's membership, the Board, the Executive Committee or any committees of the Organization.

ARTICLE 15

AMMENDMENTS TO THE BYLAWS

15.1 AMENDMENT PROCEDURE. These Bylaws may be amended by a simple majority vote of the Board or by a majority vote of the members of the Organization, in either case acting at a regular or special meeting called, or a mail ballot distributed in accordance with these Bylaws, provided the proposed amendment is set forth fully in writing in the notice of the meeting or in the mail ballot.

ARTICLE 16

MISCELLANEOUS PROVISIONS

- 16.1 NOTICES. Any notice required in these Bylaws to be sent to any parties may be sent by US mail postage prepaid to the address currently listed in the records kept at the Organization office, by e-mail provided the recipient's e-mail address is on record with the Organization and the recipient has consented to the receipt of notices by e-mail, by facsimile provided the recipient's phone number for facsimile reception is on record with the Organization and the recipient has consented to the receipt of notices by facsimile, or by publication in a regular Organization publication mailed to all Organization members. In any of these methods, the date on which the notice for the publication containing the notices is actually sent shall be deemed the date of the notice.
- 16.2 ACTION DEADLINES. If the deadline for action pursuant to any notice required in these Bylaws shall fall on a Sunday or a holiday recognized by the federal government, said deadline shall be extended to be the next business day thereafter.
- 16.3 LIMITATION OF AUTHORITY. No action by any member, committee, employee, director or officer of the Organization shall be binding upon, or constitute an expression of a position or policy of, the Organization unless it has been approved by the Board.