

GREATER CHAMBERSBURG CHAMBER OF COMMERCE, INCORPORATED

BY-LAWS

ARTICLE I – Name

Section 1 – Name: This organization is incorporated under the laws of the Commonwealth of Pennsylvania and shall be known as the Greater Chambersburg Chamber of Commerce, Incorporated, hereinafter called the "Corporation" or "Chamber."

ARTICLE II – Purpose and Limitation

Section 1 – Object: The Chamber is organized to unite, guide, support and speak for those engaged in business, industry, agriculture, tourism, non-profits and through private sector enterprise to create a better quality of life for all the citizens of the area.

Section 2 – Limitation: The Chamber shall observe all local, state, and federal laws which apply to a non-profit organization, as defined in Section 501(c)6 of the Internal Revenue Code.

ARTICLE III – Membership

Section 1 – Qualifications and Categories:

A. General Membership: Any person, association, corporation, partnership or legally recognized entity having an interest in the objectives of the organization shall be eligible to apply for membership. General members enjoy all the rights of membership including the right to vote.

B. Honorary Membership: Distinction in public affairs shall confer eligibility to honorary membership. Honorary members shall have all the privileges of general members, except the right to vote and petition, and shall be exempt from payment of dues. The Board of Directors shall confer or revoke honorary membership by a majority vote.

C. Associate Membership: Any business outside of Franklin County may apply to be an associate member by paying the minimum amount in the applicable business category. Associate members shall have all the privileges of general members, except the right to vote and petition.

Section 2 – Election: Applications for membership shall be made on forms provided for that purpose, and signed by the applicant. The Membership Committee (or designated individual) shall review all applications and submit them to the Board of Directors with a recommendation. The Board of Directors, in acting upon an application for membership, may impose a waiting period of ninety (90) days so that an applicant can be further investigated. Election of members shall be made by a vote of two-thirds (2/3) of the Board of Directors at any meeting thereof. Any applicant so elected shall become a member upon payment of the regularly scheduled dues as provided in Section 3 of Article III. An applicant may be "pre-approved" for membership prior to a board meeting by the President. The member shall also be presented to and approved by the Chamber board of directors at the next regularly scheduled board meeting.

Section 3 – Dues: Membership dues for each membership class or for categories within membership classes shall be at such rate or rates, and payable at such times and in such manner, as prescribed by the Board of Directors.

Section 4 – Resignations and Terminations:

A. Any member may resign from the Chamber by written, electronic or verbal notification.

B. Any member may be terminated by the Board of Directors for non-payment of dues after giving the member reasonable notice of the intended action.

C. Any member may be terminated by a two-thirds (2/3) vote of the Board of Directors for conduct unbecoming a member or prejudicial to the aims or repute of the Chamber, after notice and opportunity for a hearing are afforded such member.

Section 5 – Voting: In any proceeding in which voting by members is required, each member shall be entitled to one vote, and each member firm, association or corporation shall be entitled to a number of votes determined by the amount of dues paid, not to exceed ten (10) votes. The number assigned to each member entity shall be set by two-thirds (2/3) vote of the Board of Directors. Only general members shall be entitled to vote.

Section 6 – Exercise of Privileges: The privileges of membership in the Chamber are not transferable except in the case of the successor in interest to the member, the definition of which shall include the transfer of a business entity from one or more individuals to another.

ARTICLE IV – Meetings

Section 1 – Annual Meeting: The annual meeting of the Corporation shall be held each year at a time and place which shall be fixed by the Board of Directors; written notice thereof shall be sent to each member at least ten (10) days prior to such meeting, by mail, electronic mail, facsimile or inclusion in any newsletter or other publication of the Corporation.

Section 2 – Additional Meetings:

A. Special Meetings: Special meetings of the Corporation may be called by the Chairperson of the Board of Directors at any time or by petition in writing of any fifteen (15) members in good standing.

I. Notices: Except as otherwise required by statute, notice of special meetings shall be mailed directly to each member, addressed to him or her at his or her residence or usual place of business, at least ten (10) days before the day on which the meeting is to be held, or shall be sent to him or her at such place by electronic mail or facsimile not later than ten (10) days before the day on which the meeting is to be held. A notice, or waiver of notice, shall include the purpose of the meeting.

B. Board of Directors Meetings: Regular meetings of the Board of Directors shall be held no less than four times per year, typically to take place in February, May, August and November, unless rescheduled by the President or Chairperson. Reminders thereof shall be by mail, telephone or email prior to such meetings. Special meetings of the Board may be called by the Chairperson thereof or by written petition to the Chairperson of any five (5) Directors in good standing. If called by the Chairperson, notice, including the purpose of the meeting, shall be given to each Director by mail, telephone or email at least one (1) day prior to the meeting. If called by petition, written notice, including the purpose of the meeting, shall be communicated to each Director at least five (5) days prior to the meeting. The chairperson shall preside at Board and Executive Committee meetings. In his/her absence, the Chair-Elect shall preside; if the Chair-Elect has not been named, the Immediate Past Chairperson shall preside. Special meetings of the Board may be attended via telephone.

C. Executive Committee Meetings: Meetings of the Executive Committee may be called by the Chairperson or President at any time. Executive Committee meetings may be held in whole or in part via telephone.

D. Committee Meetings: Meetings of any committee formed by the Corporation or the Chairperson of the Board of Directors may be called at any time by the said Chairperson or Chairperson of the committee to meet. Committee meetings may be held in whole or in part via telephone.

Section 3 – Quorums:

A. Corporation Meetings: Twenty-five (25) members of the Corporation shall constitute a quorum.

B. Board of Directors Meetings: A majority of the Board is required to be physically present at meetings to constitute a quorum. The act of a majority of the Directors present at a meeting at which quorum is present will be the act of the Board, unless a greater number is required by law or any provision of these by-laws.

C. Executive Committee Meetings: No more than 2 members of the executive committee may be absent from executive committee meetings to constitute a quorum.

D. Committee Meetings: A majority of each committee shall constitute a quorum; except when a committee consists of more than nine (9) persons, then five (5) members thereof shall be constitute a quorum.

Section 4 – Minutes: Minutes shall be taken of all Corporation, Board of Directors and committee meetings, and distributed to the respective members for each, as soon as conveniently possible, but in no event later than the next meeting.

Section 5 – Action by Written/Electronic Consent: Any action which may be taken at a meeting of the directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and shall be filed with the Board Secretary. Votes by email require full board participation. If an email vote does not achieve unanimous consent, a dissenting voter(s) may ask for a special, physical meeting for discussion and a new vote.

ARTICLE V – Board of Directors

Section 1 – Purpose: The Board of Directors fulfills its fiduciary responsibilities by working as a partner with the Chamber and the Chamber president to ensure that Chamber goals remain aligned with the mission and providing guidance on financial matters to safeguard the fiscal viability of the Chamber. To meet its purpose, and in accordance with by-laws, the Board will act only as a body.

Section 2 – Terms of Office: The Board shall be composed of eighteen (18) members, one-third (1/3) of whom shall be elected annually to serve for three (3) years, or until their successors are elected and have qualified. No Director shall be eligible to serve more than two (2) consecutive three (3) year terms. The two terms do not include an appointment to an unexpired term. A period of one (1) year must elapse after a Director's second consecutive three (3) year term has expired before eligibility for re-election of such former director to the Board is restored. Board members shall serve without compensation. Retiring directors shall continue to serve through the November planning meeting.

In addition, the President or a proxy of the Chambersburg Area Development Corporation, the President or proxy of the Greater Chambersburg Chamber Foundation, the Chair or proxy of Downtown Chambersburg Inc. and the President and the immediate past Chairperson of the Chamber shall be Ex-Officio members with the right to vote.

Section 3 – Selection and Election of Directors:

A. Nominating Committee:

1. Appointment of Committee: The Chairperson of the Board, at the July Board meeting, shall appoint a Nominating Committee to consist of five (5) members of the Corporation. The President of the Corporation shall designate the chairperson of such committee.

2. Selection of Candidates: The Nominating Committee shall present to the President six (6) candidates to each serve a three (3) year term as a director to replace the Directors whose regular terms are expiring. Each candidate must be an active member in good standing and must have agreed to accept the responsibility of a directorship.

B. Publicity of Nominations: Upon receipt of the report of the Nominating Committee, the President shall notify the membership in the Newsletter of the names of persons nominated as candidates for directors and the right of petition.

C. Nominations by Petition: Additional names of candidates for directors can be nominated by petition, bearing the genuine signatures of at least twenty (20) qualified members of the Corporation. Such petition shall be filed with the Nominating Committee within ten (10) days after notice has been given of the names of those nominated. The determination of the Nominating Committee as to the legality of each petition shall be final.

D. Determination: If no petition is filed within the designated period, the nominations shall be closed, and the nominated slate of six (6) candidates shall be declared elected by the Board at its regular Board meeting following membership notification.

If a legal petition shall present additional candidates, the names of all candidates shall be arranged on a ballot in alphabetical order. Instructions will be to vote for six (6) candidates only. The President shall mail this ballot to all voting members. The ballots shall be marked in accordance with instructions printed on the ballot and returned to the Corporation's office within ten (10) days. At its regular November meeting, the Board shall declare the six (6) candidates with the greatest number of votes elected.

E. Election Committee: In the event of an election by ballot, the Chairperson of the Board shall appoint an Election Committee composed of three (3) Directors, none of whom shall be named on the ballot, whose duty it shall be to see that the election of directors is carried out and to declare the true results of the election.

Section 4 – Seating of New Directors: All newly elected Board members shall be seated at the planning session meeting unless an election is required, in which case it shall be the following meeting and shall be participating members thereafter.

Section 5 – Duties of Directors: The Board members shall provide oversight of the operation of the Chamber, including but not limited to:

- A. Providing oversight and guidance of the management and affairs of the Chamber in fulfilling individual fiduciary responsibilities.
- B. Adopting policies and objectives for the Chamber
- C. Establishing necessary committees, whether permanent or ad hoc, to achieve the objectives of the Chamber
- D. Approving an annual budget for the operation of the Chamber
- E. Directing an annual audit of the Chamber
- F. Annually, at the November Board meeting, reaffirm each individual's commitment to the Board by signing both the Commitment Statement and Conflict of Interest disclosure.
- G. Attending Board meetings and complying with the attendance policy
- H. Performing such other duties and obligations as are otherwise set forth in these by-laws or as may be approved by a majority of the Board from time to time

Section 6 – Attendance Policy and Board Member/Officer Removal: A member of the Board who has been absent from 2 (two) regular meetings shall be dismissed unless the absence is excused by a vote of the majority of the other Board Members.

Section 7 – Vacancies: Vacancies occurring within the Board during the fiscal year shall be filled by the Chairperson with the approval of the Board.

Section 8 – Indemnification of Directors:

A. General Rule: A director of the Chamber shall not be personally liable for monetary damages for any action taken or any failure to take any action, except to the extent that exemption from liability for monetary damages is not permitted under the laws of the Commonwealth of Pennsylvania as now or hereafter in effect. The provisions of this Subsection (a) are intended to exempt the directors of the Chamber from liability for monetary damages to the maximum extent permitted under the Pennsylvania Non-Profit Corporations Act (15 Pa. C.S.A. § 5701 et seq.; 15 Pa. C.S.A. § 5713).

B. Specific Rule Regarding Directors' Liability: Without limitation of Subsection (a) above, a director of the Chamber shall not be personally liable for monetary damages for any action taken or any failure to take action, unless: (i) the director has breached or failed to perform the duties of his office under Section 5712 of the Pennsylvania Non-Profit Corporations Act and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The provisions of the preceding sentence shall not exempt a director from: (i) the responsibility or liability of a director pursuant to any criminal statute; or (ii) the liability of a director for the payment of taxes pursuant to local, state or federal law.

C. Modification or Repeal: The provisions of this Section may be modified or repealed in accordance with the procedures for amending these by-laws; provided, however, that any such modification or repeal shall not have any effect upon the liability of a director relating to any action taken, any failure to take any action or event which occurred prior to the effective date of such modification or repeal.

ARTICLE VI – Officers

Section 1 – Designation of Officers: The Board of Directors (new and retiring directors) at its regular November meeting, shall reorganize for the coming year. The Nominating Committee for Directors should also nominate officers each year and may nominate existing officers for another term. At this meeting, if necessary, the Board shall elect the Chairperson, Treasurer, Board Secretary and Vice Chair. All officers shall serve for a term of one (1) year. The term of the Chairperson, once elected, supersedes director term limits. The Chairperson cannot serve more than two consecutive one-year terms.

Section 2 – Duties of Officers:

A. Chairperson of the Board: The Chairperson of the Board shall serve as the chief elected officer of the Corporation and shall preside at all meetings of the Board of Directors and Executive Committee. The Chairperson of the Board, with the advice and counsel of the President, shall provide guidance in determining committee leadership, with the exception of the Nominating Committee.

B. Vice Chair: The Board will approve a Vice Chair to succeed the Chair upon completion of the Chair's term. The Vice Chair shall exercise the powers and authority and perform the duties of the Chairperson in the absence of the Chairperson of the Board.

C. Treasurer: The Treasurer shall be responsible for the safeguarding and oversight of all Corporation funds. Such funds shall be kept on deposit in financial institutions, or invested in a manner approved by the Board of Directors. The Treasurer shall cause a monthly financial report to be made to the Board.

D. Board Secretary: The Board Secretary shall exercise duties as assigned by the Chairperson.

Section 3 - Leadership Succession:

In the event that the chair leaves the board before the end of their term, the executive committee shall determine how the remainder of that chair's term will be fulfilled by the vice-chair and/or immediate past chair.

ARTICLE VII – Committees and Councils

Section 1 – Appointment and Authority: The Chairperson shall present all committees and committee chairperson recommendations to the Board for approval annually. No action by any committee other than the Executive Committee shall be binding upon or constitute an expression of the policy of the Corporation until it shall have been approved by the Board. The Executive Committee shall also act as the Personnel and Budget Committees.

Section 2 – Executive Committee: The Executive Committee shall be composed of the Officers of the Board and Immediate Past Chair, President or proxy of the Chambersburg Area Development Corporation, Chair of Downtown Chambersburg, Inc. (DCI), President or proxy of the Greater Chambersburg Chamber Foundation and such Ex-Officio members with non-voting rights as appointed from time to time at the discretion of the Chair. It shall act for and on behalf of the Board of Directors when the Board is not in session, but shall be accountable to the Board for its actions. In addition, the Executive Committee shall: a.) review and approve all recommended rates and/or ranges of compensation for all categories of Corporation employees, including the President, b.) review and approve all recommended types and amounts of fringe benefits that the Corporation's employees shall receive, and c) appoint an ad hoc committee for the hiring of a Chamber president when necessary. Notice of all Executive Committee meetings shall be given to each member thereof, by telephone, electronic media, mail or in person not less than 24 hours prior to any such meeting when possible.

Section 3 – Divisions: The Board of Directors may create such divisions, bureaus, departments, councils or subsidiary corporations as it deems necessary to handle the work of the Chamber. The Board shall authorize and define the powers and duties of all divisions, bureaus, departments, councils and subsidiary corporations. The Board shall review regularly, all activities and proposed programs of such divisions, bureaus, departments, councils or subsidiary corporations, including collection and disbursement of funds, unless otherwise specified in the by-laws of the organization in question. Divisions, bureaus, departments, councils or subsidiary corporations without their own boards, shall take no action or resolution which has a financial bearing on the Corporation unless such action or resolution has been approved by the Board.

ARTICLE VIII – Finances

Section 1 – Funds: All money paid to the Chamber shall be placed in the general operating fund, certificate(s) of deposit, federally-insured accounts, or other accounts as designated from time to time by the Board.

Section 2 – Disbursements: Upon approval of the budget, the President is authorized to make disbursements on accounts and expenses provided for in the budget by allocations, without additional approval of the Board of Directors. Disbursements shall be by check or electronic distribution.

Section 3 – Fiscal Year: The fiscal year of the Chamber shall be the calendar year.

Section 4 – Budget: As soon as possible after election each year of the new Board of Directors and Officers, the Executive Committee shall adopt the budget for the coming year and submit it to the Board of Directors for approval.

Section 5 – Annual Audit: The accounts of the Chamber shall be audited annually by a certified public accountant. The audit shall be completed by September 30 of the succeeding year and be available at all times within the offices of the Chamber, to the members of the Chamber.

Section 6 – Bonding: The President 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, which shall be paid for by the Chamber.

ARTICLE IX – Dissolution

Section 1 – Procedure: The chamber shall use its assets only to accomplish the objectives and purposes specified in these by-laws, and no part of those assets shall inure, or be distributed to the members of the Chamber. On dissolution of the Chamber, any assets remaining shall be distributed to one or more regularly

organized and qualified charitable, educational, scientific, or philanthropic organizations as defined in IRS Section 501 (c) (3) or any successor legislation to be selected by the Board of Directors. Any such assets not so disposed of by the Court of Common Pleas of Franklin County, exclusively for such purposes as said Court shall determine, to organizations which are organized and operated exclusively for such purposes.

ARTICLE X – Parliamentary Procedure

Section 1 - Rules of Order: The current edition of Roberts Rules of Order shall be the final source of authority in all questions of parliamentary procedure, when such rules are not inconsistent with the governing documents of the Chamber.

Section 2 – Authority of Chair. The Acting Chair of any meeting shall make rulings on how rules of parliamentary procedure are applied in that meeting subject to the right of the body to overrule the chair by a 2/3 majority vote after appropriate challenge to the ruling.

ARTICLE XI – Indemnification

Section 1 – General Rule: To the fullest extent permitted under the laws of the Commonwealth of Pennsylvania as now or hereafter in effect, the Chamber shall indemnify any person (and his/her heirs, executors and administrators) who was or is a party, witness or other participant or is threatened to be made a party, witness or participant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, actions by or in the right of the Chamber) by reason of the fact that he/she is or was a director or officer of the Chamber, or is or was serving at the request of the Chamber as a director or officer of the Chamber, or is or was serving at the request of the Chamber as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, against all expenses (including attorneys' fees, court costs, transcript costs, fees of experts and witnesses, travel expenses and all other similar expenses), judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding.

Section 2 – Advance Payment of Expenses: The Chamber may advance all reasonable expenses (including attorney's fees, court costs, transcript costs, fees of experts and witnesses, travel expenses and all other similar expenses) reasonably incurred in connection with the defense of or other response to any action, suit or proceeding referred to in Subsection 1 above upon receipt of an undertaking by or on behalf of the person seeking the advance to repay all amounts advanced if it shall be determined ultimately upon final disposition of such action, suit or proceeding that he/she is not entitled to be indemnified by the Chamber.

Section 3 – No Duplication of Payments: The Chamber shall not be liable under this Article to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that the person seeking indemnification has otherwise actually received payment therefore under any insurance policy, contract, agreement or otherwise. In the event that the Chamber makes an advance payment of expenses to a person, such person shall repay to the Chamber the amount so advanced, if and to the extent that he/she subsequently receives payment therefore under any insurance policy, contract, agreement or otherwise.

Section 4 – Insurance: The Chamber shall purchase and maintain at its own expense one or more policies of insurance to protect itself and to protect a Director, officer, employee or agent of the Chamber or of another corporation, partnership, joint venture, trust or other enterprises against any expense, liability, or loss incurred by such person in such capacity, whether or not the corporation would have the authority to indemnify such person against any such expense, liability or loss under this Article or under the laws of the Commonwealth of Pennsylvania.

Section 5 – Indemnification Agreement: The Chamber shall have authority by vote of a majority of the Board of Directors to enter into an Indemnification Agreement with any person who may be indemnified by the Chamber pursuant to the provisions of this Article or otherwise. Any such Indemnification Agreement may contain such terms and conditions as a majority of the Board of Directors shall determine in the exercise of their discretion to be necessary or appropriate. Such terms and conditions may include provisions for greater or lesser indemnification than provided for in this Article, provisions establishing procedures for the processing or approval of indemnification claims, and other provisions. The fact that the Chamber has not entered into an

Indemnification Agreement with any person shall not in any way limit the indemnification rights of such person under this Article or otherwise.

Section 6 – Non-Exclusivity: The right to indemnification and to the payment of expenses incurred in defending against or otherwise responding to any action, suit or proceeding in advance of its final disposition as set forth in this Article shall not be exclusive of any other rights which any person may now have or hereafter acquire under any agreement, vote of members, vote of disinterested Directors, or under any applicable law or under the Articles of Incorporation of the Chamber, or otherwise.

Section 7 – Survival of Rights: The indemnification rights provided to a person under the provisions of this Article shall continue after such person ceases to be a director or officer of the Chamber or of another entity, as to any action taken, any failure to take action, or any events which occurred while such person was a director of the Chamber or of another entity.

Section 8 – Employees: The Chamber may, but shall not be required to, indemnify employees of the Chamber. A decision on whether to indemnify an employee in an instance shall be made by the Board of Directors at its discretion.

Section 9 – Modification or Repeal: The provisions of this Article may be modified or repealed in accordance with the procedures for amending these by-laws; provided, however, that any such modification or repeal shall not have any effect upon the indemnification rights of any person as they relate to any action taken, any failure to take action, or events which occurred prior to the effective date of such modification or repeal.

ARTICLE XII – Amendments

Section 1 – Revisions: These by-laws may be amended or altered by a two-thirds (2/3) vote of the Board of Directors or by a majority of the members at any regular or special meeting of the Corporation, providing that notice for the meeting includes the proposals for amendment. Any proposed amendments shall be submitted to the Board or the members in writing, at least ten (10) days in advance of the meeting at which they are to be acted upon.

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