

Amended – January 10, 2013

## BY-LAWS OF THE PADRE ISLAND BUSINESS ASSOCIATION

### ARTICLE I – Name of the Association

This association shall do business as “Padre Island Business Association” or “PIBA”.

### ARTICLE II – Mission

SECTION 1. The mission of PIBA is to advance and promote the economic environment for business, and to advocate responsive government and quality education, while preserving the unique community characteristics of Padre Island – Corpus Christi and Mustang Island – Corpus Christi, Texas. We will support the following guidelines to support our mission:

- A. Encourage business and community prosperity by promoting economic programs designed to strengthen and enhance the financial opportunities for all businesses within Padre Island – Corpus Christi and Mustang Island – Corpus Christi, Texas.
- B. Serve as an effective non-partisan, non-sectarian voice for business on legislative, business, social, government and community issues facing Padre Island – Corpus Christi and Mustang Island – Corpus Christi, Texas.
- C. Identify and overcome obstacles that are detrimental to the business climate and community growth.
- D. Support civic, social and cultural programs designed to increase the functional and aesthetic values of the community.
- E. Promote life long learning.

SECTION 2. To engage in all lawful activities and exercise all the powers conferred by the Texas Non-profit Corporation act on non-profit corporations, as that law is now in effect or may at any time hereafter be amended.

### ARTICLE III – Membership

SECTION 1. There shall be five (5) types of membership as follows:

- A. ISLAND BUSINESS MEMBER – (henceforth referred to as Active Member). Any business located on Padre Island – Corpus Christi or Mustang Island – Corpus Christi, Texas. Membership must be approved in accordance with Section 2 of this article. Has full voting rights (one vote per business).
- B. ASSOCIATE MEMBER – (non-voting) Any business not located on Padre Island – Corpus Christi or Mustang Island – Corpus Christi, Texas. Membership must be approved in accordance with Section 2 of this article.
- C. SUSTAINER MEMBERSHIP – (non-voting) Individuals interested in future prosperity on Padre Island – Corpus Christi and Mustang Island – Corpus Christi, Texas. Membership must be approved in accordance with Section 2 of this article.
- D. HONORARY MEMBERSHIP (non-voting) – Any organization, entity, or individual that has offered extensive support to PIBA. Membership must be approved in accordance with Section 2 of this article.
- E. NON PROFIT (non-voting) – Any organization operating within the local area. Membership must be approved in accordance with Section 2 of this article.

SECTION 2. Applicants for membership are required to submit a completed application for membership and payment of the appropriate annual dues. Membership is subject to approval by the Board of Directors.

SECTION 3. Any member may resign from PIBA upon written request to the Board of Directors; however, such resignation shall not relieve a member from any arrearage of membership dues or other indebtedness due PIBA. Members may be expelled by a two thirds vote of the Board of Directors for conduct prejudicial to the aims or reputation of PIBA.

#### ARTICLE IV – Board of Directors

SECTION 1. The business of PIBA shall be managed by a Board of Directors consisting of nine (9) Directors who shall be elected by the General Membership. Six (6) of the members shall be an Active Member and three (3) may be an Associate Member as defined by Article III Section 1. Each Director must be and remain in good standing and agree to support the unified efforts of PIBA.

SECTION 2. The Board of Directors shall annually appoint a nominating committee to nominate candidates for open seats on the Board of Directors. The nominating committee is to be chaired by a Director who is not eligible for nomination during the subject period.

SECTION 3. The Directors to be chosen for the ensuing year shall be chosen at the Annual Meeting of PIBA and they shall serve for a term of three (3) years. Three (3) Directors will be elected each year creating a staggered membership for the three-year term.

SECTION 4. No Director who has served two consecutive three-year terms, is eligible for election for a third term. A period of one year must lapse before eligibility is restored.

SECTION 5. The Board of Directors shall elect officers from its membership to serve on an annual basis.

SECTION 6. The Board of Directors shall have the control and management of the affairs and business of this organization. Such Board of Directors shall only act in the name of PIBA.

SECTION 7. The Board of Directors by majority vote shall have the authority to employ and contract and terminate personnel or contracts as deemed necessary.

SECTION 8. Five (5) members of the Board of Directors shall constitute a quorum and the meetings of the Board of Directors shall be held no less than quarterly.

SECTION 9. Each Director shall have one vote and such voting may be done by phone, email or in person but such voting may not be done by proxy.

SECTION 10. The Board of Directors may make such rules and regulations covering its meetings as it may in its discretion determine necessary. Any Director may present agenda items to be discussed at a meeting.

SECTION 11. Vacancies in the Board of Directors may be filled by a vote of the majority of the remaining members of the Board of Directors for the balance of the term.

SECTION 12. Any Officer elected or appointed may be removed by the persons authorized to elect or appoint such Officer whenever in their judgment the best interests of PIBA will be served thereby. The removal of an Officer shall be without prejudice to the contract rights, if any, of the Officer so removed. Election or appointment of an Officer shall not itself create contract rights.

Section 13. PIBA may, by resolution of the Board of Directors, provide for indemnification by PIBA of any and all of the Board of Directors or former Board of Directors against expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding, in which they or any of them are made parties, or a party, by reason of having been a Director of PIBA, except in relation to matters as to which the Director shall be judged in such action, suit, or proceeding to be liable for negligence or misconduct in performance of duty and to such matters as shall be settled by agreement predicted on this existence of much liability of negligence or misconduct.

## ARTICLE V – Officers

SECTION 1. Officers of PIBA shall be elected by the Board of Directors and shall be a President, Vice President, Treasurer, and Secretary and shall serve at the convenience of the Board of Directors. Offices of President and Vice-President shall be Active Members only.

SECTION 2. Regular terms shall be for one year with a maximum of three (3) consecutive terms in each office.

SECTION 3. The President shall preside over meetings of the general membership and the Board of Directors.

SECTION 4. The Vice President shall perform the duties of President in his/her absence.

SECTION 5. The Treasurer shall be responsible for the safe-guarding of all funds received by PIBA 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 shall provide a Financial Report to the Board of Directors at meetings required by Article IV, SECTION 7.

SECTION 6. The Secretary, with the assistance from other Directors, shall cause to be prepared notices, agendas, and minutes of the meetings of the Board of Directors and shall oversee the proper maintenance of those records. The Secretary shall also oversee incoming and outgoing correspondence on behalf of PIBA.

SECTION 7. No member or agent thereof shall concurrently hold more than one elective office of PIBA.

SECTION 8. No Officer shall for reason of his office be entitled to receive any salary or compensation.

SECTION 9. PIBA may, by resolution of the Board of Directors, provide for indemnification by PIBA of any and all of the Officers or former Officers against expenses actually and necessarily incurred by them in connection with the defense of any action, suit, or proceeding, in which they or any of them are made parties, or a party, by reason of having been a Director of PIBA, except in relation to matters as to which the Director shall be judged in such action, suit, or proceeding to be liable for negligence or misconduct in performance of duty and to such matters as shall be settled by agreement predicted on this existence of much liability of negligence or misconduct.

## ARTICLE VI – Meetings

SECTION 1. There shall be three types of meetings:

- A. Board of Directors - Meetings of the Board of Directors shall be held no less than quarterly on dates and at times and places designated by the Board of Directors.
- B. General Membership - No less than quarterly luncheon meetings shall be held on dates and at times and places designated by the Board of Directors.
- C. Annual. General Membership meetings shall be held at a date, time and place designated, usually in October, by the Board of Directors. If the date, time or place changes from a prior meeting, the new information will be disseminated within a reasonable length of time prior to the next usual meeting date by the Secretary. It shall be for the election of the Board of Directors, presentation of the financial report, and statement of the accomplishments of the year.

SECTION 2. A special meeting of the Board of Directors may be called by a majority vote of the Board of Directors.

SECTION 3. Special meetings of PIBA can be called by a majority vote of the Board of Directors or by written petition of fifteen percent (15%) of the Active Members. Notice of any special meeting duly called shall be disseminated to the General Membership by the Secretary.

#### ARTICLE VII – Voting

SECTION 1. Voting privileges will be extended to all Active Members in good standing.

SECTION 2. Active Members are entitled to one (1) regardless of outlets owned, i.e., one membership constitutes one vote regardless of outlets owned.

SECTION 3. Proxy voting is prohibited.

SECTION 4. All votes during elections shall be taken by secret ballot in writing. Voice votes, including votes for unanimous consent are prohibited and void unless there is only one candidate. Issue voting may be voice vote unless written ballots are deemed necessary by the Board of Directors.

#### ARTICLE VIII – Order of Business

Meetings of the Association shall generally be conducted in the following order:

1. Roll Call (or introduction of new members and special guests)
2. Reading of the minutes of the preceding meeting (unless waived)
3. Reports of committees (unless waived)
4. Reports of officers (unless waived)
5. Old and unfinished business
6. New business
7. Adjournment

#### ARTICLE IX – Committees

All committees of PIBA shall be appointed by the majority vote of the Board of Directors and their term of office shall be for a period of time deemed necessary by the Board of Directors.

## ARTICLE X – Dues

SECTION 1. The Membership and other dues of PIBA shall be, from time to time, determined and approved by the Board of Directors.

SECTION 2. Membership dues are to be paid on an annual basis and paid in advance.

SECTION 3. Membership may be terminated for non-payment or delinquent dues or other PIBA associated invoices as determined appropriate by the Board of Directors..

## ARTICLE XI – General

### SECTION 1. Finance

- A. Checks, drafts, or orders for the payment of money of PIBA shall require two signators as designated by the Board of Directors.
- B. All funds shall be deposited in a timely manner to the credit of PIBA in such banks, trust companies, or other depositories as the Board of Directors may select, with preference being given to members of PIBA.
- C. The Board of Directors may accept and manage any contribution or gifts, on behalf of PIBA.
- D. PIBA shall operate with a fiscal year-end of September 30th or other date as established by the Board of Directors.
- E. The Board of Directors shall adopt an annual budget within 30 days after the start of the fiscal year.
- C.F. The accounts, assets or financial records of PIBA may be audited when deemed necessary by a majority vote of the Board of Directors.

### SECTION 2. Amendments

A. The By-laws may be amended or altered by a majority vote of the Active Members present at any General Membership meeting, providing the notice of the General Membership meeting includes the proposals for amendment; or by a majority vote of the Active Members voting in response to a mailed ballot provided a quorum return is received. Any proposed amendments or alterations shall be submitted to the Board of Directors or the Active Members in writing, at least ten (10) days in advance of the General Membership meeting at which, or date of the ballot mailing on which, the amendments are to be decided.

A.

B. As deemed necessary, the By-laws may be reviewed by the direction of the Board of Directors.

#### ARTICLE XII – Dissolution

SECTION 1. On the dissolution of this corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this Association shall be distributed to a non-profit fund, foundation, or corporation that is organized and operated exclusively for business league, religious, or charitable purposes and that has established its tax exempt status under Section 501(c) of the Internal Revenue Code.

SECTION 2. Any such assets not so disposed of shall be disposed of by the County Court of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organizations, as said Court shall determine which were organized and operated exclusively for such purposes.