

By-Laws for the Hoquiam Business Association

Dues, Membership, Officers, and Organizational Structure may be amended as needed to reflect changes in the Hoquiam Business Association. These By-Laws set the stage for growth and changes that will naturally occur in the coming years.

ARTICLE I General

Section 1: Name

The Hoquiam Business Association is incorporated under the laws of the State of Washington and shall be known as the Hoquiam Business Association, a Non-Profit Corporation.

Section 2: Purpose

The Hoquiam Business Association is organized for the following objectives and purposes: (1) to help local businesses develop sustainable and increasingly profitable enterprises; (2) to promote economic stability and a positive atmosphere for economic growth in Hoquiam, Washington; (3) to represent a partnership between local businesses, local government and the community; (4) to comment on zoning and regulatory activity affecting business in Hoquiam, Washington; and (5) to help local businesses based on their need for tools, technical assistance, advocacy, networking, and resources.

Section 3: Area

The area served is defined as the City of Hoquiam School District.

Section 4: Limitation of Methods

The Hoquiam Business Association shall observe all local, state and federal laws that apply to a non-profit organization as defined in Section 501(c)(3) of the Internal Revenue Code.

ARTICLE II Membership

Section 1: Eligibility

Any person, association, corporation, partnership, governmental entity or estate having an interest in the objectives of the organization shall be eligible to apply for membership when he/she or it has a retail, industrial, commercial or professional business interest within the City of Hoquiam and is an organized governmental entity, or possesses a valid State of Washington or City of Hoquiam business or professional license.

Section 2: Approval

Application for membership shall be in writing on a form provided for that purpose and signed by the applicant. Approval of members shall be by the Board of Directors at any meeting thereof and based upon a finding of eligibility under Section 1. Any applicant so approved shall become a member upon payment of the regularly scheduled investment as provided in Section 3 of Article II.

Section 3: Investments

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

Section 4: Termination

a) Any member may resign from the Hoquiam Business Association upon thirty (30) days written notice to the Board of Directors; b) Any member may be expelled by a two-thirds vote of the Board of Directors, at a regularly scheduled meeting thereof, for nonpayment of dues after ninety (90) days from the date due, unless otherwise extended for good cause; c) 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 Hoquiam Business Association, after notice and opportunity for a hearing are afforded the member complained against.

Section 5: Voting

In any proceeding in which voting by members is called for, the Board of Directors will give twenty (20) days notice of the nature and time of the vote and each member in good standing, and present at the meeting, shall be entitled to cast one (1) vote.

Section 6: Exercise of Privileges

Any firm, association, corporation, partnership, governmental entity or estate holding membership may nominate an individual to exercise the privileges of membership, and shall have the right to change its membership nomination only upon written notice to the President or Vice President.

Section 7: Orientation

At regular intervals, orientation on the purposes and activities of the Hoquiam Business Association shall be conducted for the following groups: new officers and directors, current officers and directors, committee chairpersons, committees and new members.

ARTICLE III Meetings

Section 1: Annual Meeting

The annual meeting of the Hoquiam Business Association, in compliance with Chapter 24.03 of the Revised Code of Washington, shall be held during November of each year or at some other time as the Board of Directors may direct. Having held the first annual meeting of the membership as directed by the steering committee on September 16, 2008 and on said date having no voting members who were not steering committee members, the next annual meeting of the membership shall be held in 2009. The time and place of each annual meeting of the membership shall be fixed by the Board of Directors and notice thereof mailed to each member at least twenty (20) days before said meeting.

Section 2: Additional Meetings

General meetings of the Hoquiam Business Association may be called by the President at any time, or upon petition in writing of fifty percent (50%) membership a) Notice of special meetings shall be emailed to each member at least five (5) days prior to such meetings; b) Board meetings may be called by the Vice President or by the Board of Directors upon written application of three (3) members of the Board. Notice (including the purpose of the meeting) shall be given to each director at least one (1) day prior to said meeting; c) Committee meetings may be called at any time by the President, Vice President or upon written petition of fifty percent (50%) of the member committee participants. Notice of all meetings shall be emailed to the Board of Directors and any notice of meetings may be given to members or the Board of Directors by email unless

otherwise directed by more specific provisions of these by-laws. Email addresses for members and the Board of Directors shall be maintained by the Hoquiam Business Association for the purpose of providing meeting notices, among other communications.

Section 3: Quorums

At any duly called general meeting of the Hoquiam Business Association, fifty percent (50%) of members shall constitute a quorum; at a Board meeting, a majority of directors present shall constitute a quorum; at committee meetings, a majority shall constitute a quorum.

Section 4: Notices, Agenda, and Minutes

Email notice of all Hoquiam Business Association meetings must be given at least ten (10) days in advance unless otherwise stated. An advance agenda and minutes must be prepared for all meetings.

ARTICLE IV Board of Directors

Section 1: Composition of the Board

The Board of Directors shall be composed of eleven (11) voting members, ten (10) ten of whom shall be elected to serve for three (3) year terms or until their successors are elected and have qualified. At the first such election, to be held in September, 2008, and annually thereafter, three (3) or four (4) Directors shall be elected to terms of three years. At the first such election the remaining board directors shall draw straws to determine the term of office to be two (2) or one (1) year(s). All aforesaid terms shall commence the first day of the month immediately following the meeting at which the election was held. The President and Association/Board Secretary shall serve as members of the Board. The Board shall allow the Mayor of the City of Hoquiam to annually appoint a city staff person or elected official to be a voting eleventh member of the board who may attend any duly called meeting of the board to foster the partnership between local business and local government.

The government and policy-making responsibilities of the Business Association shall be vested in the Board of Directors, which shall control its property, be responsible for its finances, and direct its affairs.

Section 2: Selection and Election of Directors

A. Nominating Committee. Beginning in 2009, at the regular August Board meeting, the President shall appoint, subject to approval by the Board of Directors, a Nominating Committee of five (5) members of the Hoquiam Business Association. The President shall designate the chairperson of the committee.

Prior to September, the Nominating Committee shall present to the Association/Board Secretary a slate of candidates to serve three-year terms 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. No Board member who has served two (2) consecutive three-year terms is eligible for election for a third term. A period of one (1) year must elapse before eligibility is restored.

B. Publicity of Nominations.

Upon receipt of the report of the Nominating Committee, the Association/Board Secretary shall immediately notify the membership by email 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 signature of at least one (1) qualified member of the Hoquiam Business Association. Such petition shall be filed with the Nominating Committee within ten (10) days after notice has been given of the names of those appointed to the committee. The determination of the Nominating Committee as to the legality of the petition(s) shall be final.

D. Determination. If no petition is filed within the designated period, the nominations shall be closed and the nominated slate of candidates for position vacancies shall be declared elected by the Board of Directors at their regular November Board meeting.

If a legal petition shall present additional candidates, the names of all candidates shall be arranged on a ballot in alphabetical order by last name. Instructions will be to vote for the vacancy candidates only. The Association/Board Secretary shall email this ballot to all active members at least fifteen (15) days before the regular November Board meeting.

The ballots shall be marked in accordance with instructions printed on the ballot and returned to the Hoquiam Business Association office within ten (10) days. The Board of Directors shall at its regular December Board meeting declare the candidates with the greatest number of votes elected.

E. Judges. The President shall appoint, subject to the approval of the Board of Directors, at least three (3), but not more than five (5), judges who are not members of the Board of Directors or candidates for election. One will be designated Chairperson. Such judges shall have complete supervision of the election, including the auditing of the ballots. They shall report the results of the election to the Board of Directors.

Section 3: Seating of New Directors

Beginning with those to be seated in January 2010, all newly elected and appointed Board members shall be seated at the regular January Board meeting and shall be participating members thereafter. Retiring directors shall continue to serve until the end of the program year.

Section 4: Vacancies

A member of the Board of Directors who shall be absent from three (3) consecutive regular meetings of the Board of Directors shall automatically be dropped from membership on the Board unless confined by illness or other absence approved by a majority vote of those voting at any meeting thereof.

Vacancies on the Board of Directors, or among the officers, shall be filled not later than two months after the vacancy by the Board of Directors by motion and a majority vote.

Section 5: Policy (Statements of position on issues.)

The Board of Directors is responsible for formulating policies and establishing procedures for the Hoquiam Business Association. These policies and procedures may be maintained in a policy and procedure manual, to be reviewed and revised as necessary.

Section 6: Management

The Board of Directors may employ an Executive Director (or appropriate title) and if electing to do so shall fix the salary and other considerations of employment. The Executive Director shall not have a position on the Board of Directors, but may be invited to attend those board meetings not relating to fixing the salary and other considerations of said employment.

Section 7: Indemnification

The Hoquiam Business Association may, by resolution of the Board of Directors, provide for indemnification by the Hoquiam Business Association of any and all current or former officers, directors and employees 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 officers, directors or employees of the Hoquiam Business Association, except in relation to matters as to which such individuals shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duty and to such matters as shall be settled by agreement predicated on the existence of such liability for negligence or misconduct.

ARTICLE V Officers

Section 1: Determination of Officers

Initially the Hoquiam Business Association will be governed by a Steering Committee. In planning for growth the more traditional structure of a Board of Directors with a President, Vice President, Treasurer and Secretaries has been included. This Steering Committee delegates the duties of the organization until such time as a formal change takes place. Upon motion and order of the Initial Board Members to elect officers, such election shall be held immediately, with said officer roles to be taken on the first day of the month immediately following the election; however such said election shall be held no later than September 2008. Each of the Initial Board Members shall be entitled to one nomination for each officer position and entitled to one vote for each said position at the first election of officers. A board member may nominate themselves to the initial ballot for consideration of an officer's position.

The Board of Directors (new and retiring) at its regular December meeting shall reorganize for the coming year. The Nominating Committee for Directors shall also nominate officers each year. At this meeting, the Board shall elect the President, Vice President, Treasurer, Association/Board Secretary and the Membership Secretary. Officers will be elected from members of the new Board. All officers shall take office on the first day of the new program year and serve for a term of one (1) year or until their successors assume the duties of office. They shall be voting members of the Board of Directors.

Section 2: Duties of Officers

A. President. The President shall serve as the chief elected and administrative officer of the Hoquiam Business Association and shall preside at all meetings of the membership, Board of Directors and Executive Committee. The President shall act as agent for service of legal process.

The President shall, with the advice and counsel of the Association/Board Secretary, assign Vice President to divisional or departmental responsibility, subject to Board of Directors approval.

The President shall, with advice and counsel of Vice President and the Association/Board Secretary, determine all committees, select all committee chairpersons, and assist in the selection of committee personnel, subject to approval of the Board of Directors.

The President shall be responsible for hiring, discharging, directing and supervising all employees and shall with formal approval of the Board of Directors sign all deeds, contract and other instruments affecting the operation of the Association or any of its assets.

B. Vice President. The Vice President shall exercise the powers and authority and perform the duties of the President in the absence or disability of the President. The Vice President will be responsible for determining the program activities of the Hoquiam Business Association are of such duration as is required, at all times being alert to assure that the activities of the Hoquiam Business Association are directed toward achieving business and community needs in the area served by the Hoquiam Business Association and inform the Board of Directors of said determinations. Other duties of the Vice President shall be such as titles by general usage would indicate, and such as required by law, as well as may be assigned by the President and Board of Directors.

C. Association/Board Secretary. The Association/Board Secretary shall keep the official records of the Association, shall conduct correspondence, preserve the records, documents and communications and maintain an accurate record of the proceedings of the Association and the Board of Directors meetings. The Association/Board Secretary shall serve as secretary to the Association and Board of Directors and cause to be prepared notices, agendas, and minutes of meetings of the Board.

The Association/Board Secretary shall serve as advisor to the President on program planning and shall assemble information and data and cause to be prepared special reports, as directed by the program of the Hoquiam Business Association.

The Association/Board Secretary shall be a member of the Board of Directors, the Executive Committee and all committees.

With assistance of the Vice President, the Association/Board Secretary shall be responsible for administration of the Hoquiam Business Association in accordance with the policies and regulations of the Board of Directors.

With the cooperation of the treasurer and a Budget Committee, the Association/Board Secretary shall be responsible for the preparation of an operating budget covering all activities of the Hoquiam Business Association, subject to approval of the Board of Directors. The Association/Board Secretary shall also be responsible for all expenditures with approved budget allocations.

D. Membership Secretary. The duties of the Membership Secretary shall be to prepare and maintain the official records of the membership roster and member information and provide such information to the President or Association/Board Secretary upon request. The Membership Secretary shall conduct correspondence assigned by the President or Association/Board Secretary and preserve the records, documents and communications with the membership not otherwise kept by the Association/Board Secretary. The Membership Secretary shall maintain an accurate record of the proceedings of the Association and the Board of Directors meetings in the absence of the Association/Board Secretary and cause to be prepared notices, agendas, and minutes of meetings of the Board as directed by the President or Association/Board Secretary.

E. Treasurer. The Treasurer shall be responsible for the safeguarding of all funds received by the Hoquiam Business Association 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. Checks are to be signed by no less than two (2) officers. The Treasurer shall cause a monthly financial report to be made to the Board and shall assist the Budget Committee and Association/Board Secretary in financial planning and analysis for presentations to the Board of Directors.

Section 3: Executive Committee

The Executive Committee 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. It shall be composed of the President, Past President, Vice President, Treasurer and the Association/Board Secretary. The President will serve as chairman of the Executive Committee.

Section 4: Indemnification

The Hoquiam Business Association may, by resolution of the Board of Directors, provide for indemnification by the Hoquiam Business Association of any and all of its officers or former officers as spelled out in Article IV, Section 7 of these By-Laws.

ARTICLE VI Committees and Divisions

Section 1: Appointment and Authority

The President, by and with the approval of the Board of Directors, shall appoint all committees and committee chairpersons. The President may appoint such ad hoc committees and their chairpersons as deemed necessary to carry out the program of the Hoquiam Business Association. Committee appointments shall be at the will and pleasure of the President advised as set forth herein and shall serve concurrent with the term of the appointing President, unless a different term is approved by the Board of Directors.

It shall be the function of committees to make investigations, conduct studies and hearings, make recommendations to the Board of Directors, and to carry on such activities as may be delegated to them by the Board.

Section 2: Limitation of Authority

No action by any member, committee, division, employee, director or officer shall be binding upon, or constitute an expression of, the policy of the Hoquiam Business Association until it shall have been approved or ratified by the Board of Directors.

Committees shall be discharged by the President when their work has been completed and their reports accepted, or when, in the opinion of the Board of Directors, it is deemed wise to discontinue the committees.

Section 3: Testimony

Once committee action has been approved by the Board of Directors, it shall be incumbent upon the committee chairperson or, in his or her absence, a member whom he or she designates as being familiar enough with the issue, to give testimony to, or make presentations before, civic and governmental agencies.

Section 4: Divisions

The Board of Directors may create such divisions, bureaus, departments, councils, or subsidiary corporations, as it deems advisable to handle the work of the Hoquiam Business Association.

The Board shall authorize and define the powers and duties of all divisions, bureaus, departments, councils, and subsidiary corporations. The Board shall annually review and approve all activities and proposed programs of such divisions, bureaus, departments, councils, or subsidiary corporations having bearing upon or expressive of the Hoquiam Business Association, unless approved by the Board of Directors.

ARTICLE VII Finances

Section 1: Funds

All money paid to the Hoquiam Business Association shall be placed in a general operating fund. Funds unused from the current year's budget will be placed in a reserve account.

Section 2: Disbursements

Upon approval of the budget, the President and Treasurer are authorized to make disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. Disbursement shall be by check.

Section 3: Fiscal Year

The fiscal year of the Hoquiam Business Association shall close on September 30.

Section 4: Budget

As soon as possible after election 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 Committee Accounts Synopsis

The accounts of the Hoquiam Business Association shall be discussed annually by a board committee, as of the close of business on December 31. The committee shall create a short synopsis with minutes of the annual discussion, which shall

at all times be available to members of the organization within the offices of the Hoquiam Business Association.

ARTICLE VIII Dissolution

The property, assets, profits and net income of the Hoquiam Business Association are irrevocably dedicated to charitable purposes and no part of the property, assets, profits or net income of this corporation shall ever inure to the benefit of any private shareholder or individual. Upon dissolution or upon abandonment, the assets of the Hoquiam Business Association, remaining after payment of or provisions for, all debts and liabilities of the Hoquiam Business Association, shall be disposed of exclusively for the purposes of the Hoquiam Business Association in such a manner, by being given to an organization organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law). Any such assets not so disposed of shall be disposed of by the Superior Court of the State of Washington in and for the county of Grays Harbor, exclusively for such purposes or to such organizations, as said Court shall determine are organized and operated exclusively for such purposes.

ARTICLE IX Parliamentary Authority

The current edition of Roberts Rules of Order shall be the final source of authority in all questions of parliamentary procedures when such rules are not inconsistent with the charter or By-Laws of the Hoquiam Business Association.

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ARTICLE X Amendments

These By-Laws may be amended or altered by a majority of the members at any regular or special meeting, providing the notice for the meeting includes the proposals for amendments by resolution. Any proposed amendments or alterations shall be submitted to the Board and the members in writing, at least ten (10) days in advance of the meeting at which they are to be acted upon.

Signature below acknowledges an affirmative vote for adoption of these by-laws as presented on attached pages one (1) through thirteen (13) a copy of which was provided to each at the time of adoption.

Adopted by the Board of Directors on this 16th day of September 2008.

Gloria Callaghan

Alexander Carlston

Erin Macan DenAdel

Jack Durney

Greg McHugh

Roger St. George

Carla Streifel

Jennifer Sutherland

Lorna White

Benjamin R. Winkelman