

AMENDED AND RESTATED

BYLAWS OF THE CAREFREE CAVE CREEK
CHAMBER OF COMMERCE

Approved by the Chamber Board

ARTICLE I - Name

This organization is incorporated under the laws of the State of Arizona and is known as the Carefree Cave Creek Chamber of Commerce, Inc. The known place of business will be in Carefree or Cave Creek Arizona.

ARTICLE II - Purpose

The purpose of the Carefree Cave Creek Chamber of Commerce is a non-profit corporation that is dedicated to promoting, educating, supporting, advocating, and enhancing local businesses' prosperity, civic vitality, and quality of life.

To do and to perform all things usual and customary to Chambers of Commerce, including affiliation and cooperation with state and national Chambers of Commerce and other organizations of like character and purpose.

ARTICLE III - Limitation of Methods

The Carefree Cave Creek Chamber of Commerce is an Arizona non-profit corporation formed under Internal Revenue Code §501(c) (6) and shall observe all applicable local, state, and federal laws regarding such status. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Directors, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above.

ARTICLE IV - Membership

Section 1: Eligibility. Any person, business, education institution, government entity, association, corporation, proprietors, partnership, or charitable organization, with an interest in the industrial, commercial, civic, and cultural progress in the Desert Foothills Communities, is eligible for membership in the Carefree Cave Creek Chamber of Commerce, in accordance with the geographical boundaries.

A. Geographical Boundaries. North to Anthem, West to I-17, South to 101, East to Pima Road. Membership will be considered and approved outside of these boundaries based on receiving an application from the prospective member.

Section 2: Active Members. Active members shall be individuals, cultural associations, corporations, partnerships, clubs, or societies who are actively engaged in conducting a business enterprise of any nature in the Desert Foothills Communities and who are in sympathy with the purposes of the Carefree Cave Creek Chamber of Commerce and who will agree to abide by these Bylaws; and, who have paid all current dues for the year in which they desire to be listed as members. These shall be deemed Active Members with full rights and privileges, including the right to serve as a Board Director if so elected. A corporation, partnership, or other business entity shall designate one individual to exercise the duties and responsibilities of the Active Member as its representative.

Section 3: Booster Members. Other member categories may be created by the Board as deemed necessary. They may include individuals of other associations, clubs, or societies who are not directly engaged in a business enterprise of any nature in the Desert Foothills area, but who, individually or collectively, are interested in working for the betterment of the area within the organization. Unless approved to the contrary by the Board, these members cannot be eligible to be a member of the Board of Directors, but they shall be entitled to serve as ambassadors. Further, the Board may create additional categories of businesses or individuals as deemed appropriate.

Section 4: Affiliate Members. Active members that have a primary business, as well as a secondary business (Affiliate), shall be individuals, cultural associations, corporations, partnerships, clubs, or societies who are actively engaged in conducting a secondary business enterprise of any nature in the Desert Foothills Communities and who are in sympathy with the purposes of the Carefree Cave Creek Chamber of Commerce and who will agree to abide by these Bylaws; and, who have paid all current dues for the year in which they desire to be listed as members. These shall be deemed Active Members with full rights and privileges.

Section 5: Investments/Dues. Membership investment dues shall be at such a rate or rates schedule or formula as may from time to time be prescribed by the Chamber and approved by the Board of Directors and shall be due annually upon the member's anniversary date except when there is a "State of Emergency," has been declared, as it pertains to the towns of Carefree and Cave Creek, then membership dues can be deferred for a period of time to be determined by a vote from the Board.

1) "State of Emergency" is defined as any emergency situation in which the Arizona State Governor, Mayor of Carefree, or the Mayor of Cave Creek derives a declaration made in response to an extraordinary situation posing a fundamental threat to the state or region. The declaration may arise from situations as diverse as an armed action against the state by internal or external elements, a natural disaster, civil unrest, an epidemic, a financial or economic crisis, or a general strike.

Section 6: Removal of Active Member. If any member fails to pay dues within ninety (90) days after the date of the membership term, a notice of delinquency shall be given by the Board of Directors. If at the end of ten (10) additional working days, dues remain unpaid, the President/Chief Executive Officer, the Secretary, or the Chief Financial Officer is directed to remove delinquent members from the membership roll. A report listing dropped members shall be distributed to the Directors at the next regularly scheduled meeting of the Board of Directors.

Members reported thirty (30) days delinquent in the payment of dues shall not be entitled to vote at any meeting of the Chamber until such delinquency has been removed by payment in full of dues to date. Any member may also be removed by a vote of two-thirds (2/3) of a quorum of the Board present at any duly called special or regular meetings of the Board for reasons deemed sufficient by the Board by reason of conduct unbecoming a member or which is prejudicial to the objectives or reputation of the Chamber after notice and opportunity for a hearing are afforded, the member complained against.

Any member can be removed if convicted of a felony upon discovery. If the Board of Directors determines termination is warranted, the member to be terminated shall be given fifteen (15) days' notice of the intended date of removal. The notice shall be made by first class mail, postage prepaid, addressed to the member at his/her last address shown on the records of the Chamber. The notice shall state the reason for removal and state that the member has an opportunity to submit a written statement about why the removal should not take place, which statement must be received in the Chamber office not less than five (5) days before the effective date of removal. The Board of Directors shall consider the member's statement, if any, and may order that the removal shall not take place, or that it shall take place as stated in the notice to the member.

Section 7: Meetings. A meeting of members (as defined below) shall be held at any place designated by the Board of Directors.

1. Regular Membership Meetings. The Board of Directors shall determine whether to hold general membership meetings as the Board deems necessary or advisable. Notice of such meetings shall be made in the press or by any other means at hand (email or mail, and social media), at least thirty (30) days prior to the meeting.
 - A. Notice shall be given by delivery in person, by mail, or by e-mail addressed to the member at the address or e-mail address of the member appearing in the books of the Chamber or given by the member to the Chamber for the purpose of notice. If there is no such address, the notice shall be held for the member in the Chamber office.
2. Annual Meeting-Optional. Should the Board determine an Annual Meeting of the members should be held, then the Annual Meeting of the Corporation shall be held within thirty (30) days prior to the end of the fiscal year, at a general meeting of the full membership of the Chamber. Upon this occasion, the Annual Report shall be made available by request, together with any regular or special reports or recommendations.
3. Special Meetings. Special meetings of members may be called by the Board of Directors, the Chairman of the Board, or by five (5) percent or more of the members, by written request (except when called by the Board) delivered in person or mailed by first class mail, addressed to the Chairman or Chairman-Elect of the Chamber Board of Directors at the Chamber office. The request shall specify the time desired for the meeting, not less than thirty-five (35) days before, or more than ninety (90) days after receipt of the request and shall also state the general nature of the business proposed to be transacted at the meeting.
 1. A special meeting called by request shall be arranged by the Board of Directors on a date not less than thirty-five (35) days before or more than ninety (90) days after receipt of the request. Within twenty (20) days after the receipt of the request, the officer who receives it shall call notice to be given to all members entitled to vote at the meeting of the place, date, time, and the general nature of the business to be transacted at the meeting.
4. Notice of Meetings. All notices of meetings of members shall be mailed or e-mailed not less than twenty (20) days or more than ninety (90) days before the date of the meeting. The notice shall specify the place, date,

and time of the meeting, and (a) in case of a special meeting, the general nature of the business to be transacted, or (b) in the case of the regular meeting, those matters that the Board of Directors, at time of giving notice, intends to present for action by the members.

1. Notice shall be given by delivery in person, by mail, or by e-mail addressed to the member at the address or e-mail address of the member appearing on the books of the Chamber or given by the member to the Chamber for the purpose of notice. If there is no such address, the notice shall be held for the member in the Chamber office.
5. Record the Date for Notice. Members at the close of business on the business date proceeding the days on which notice is given, and who are entitled to vote at the meeting, are entitled to notice of a meeting of members, subject to the power of the Board of Directors to fix a different record date.
6. Quorum. The presence of fifty-one (51) percent of the voting power entitled to a meeting of members constitutes a quorum for the transaction of business at the meeting. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than an adjournment) is approved by at least a majority of the members required to constitute a quorum. Members may attend via phone and video conference if out of the state, region, or if a "State of Emergency" has been declared.
7. Voting. Each qualified member (see member classification) shall have one vote on each matter submitted to a vote of the members except for Community Partners, Trade membership, and Booster members, who will not be eligible to vote. If a quorum is present, the affirmative vote of most of the voting power represented at the meeting, entitled to vote, and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by law. All voting shall be closed ballots with members' selection not available for anyone to view. This can be done through electronic balloting and in-person paper ballots.
8. Action by Written Ballot. Any action that may be taken at any annual regular meeting or special meetings of members may be taken without a meeting, and without notice if a written ballot is distributed to every member entitled to vote on the matter. The written ballot shall (i) set forth the proposed action, (ii) provide an opportunity to specify approval

or disapproval of any proposal. Any written ballot received by the Chamber may not be revoked. All written ballots shall be filed and maintained in the records of the Chamber. The results of the written ballot shall be stated in the Chamber's next mailing to members as well as the next meeting of Chamber members. Electronic balloting will be accepted if approved in advance by the Board of Directors.

9. All Board meetings shall be closed meetings. Board meetings shall only be attended by active Board of Director members and any specially invited guests with the approval of the Executive Council. Board meetings shall not be open to the Chambers members.

ARTICLE V - Board of Directors

Section 1: Purpose, Duties. The governance of the Carefree Cave Creek Chamber of Commerce, the direction of its work, and control of its assets shall be vested in the Board of Directors. The Board of Directors shall enact policies that carry out the stated values in the Mission Statement, shall hire and supervise the President/Chief Executive Officer, shall have oversight responsibility over all aspects of the corporation's activities, and take care to always ensure the success and viability of the corporation. Board members shall always demonstrate the highest ethical duties of loyalty and confidentiality to the Chamber.

Section 2: Number of Directors, Qualifications. The Board of Directors shall consist of not more than eleven (11). Those who seek to be Directors of the Corporation must personally affirm the Corporation's Statement of Purpose, must abide in all respects with the corporate policies set forth in these bylaws, and must affirmatively communicate their personal commitment to the values of the Corporation. Each Director must be an active Chamber member in good standing. All Directors shall have full speaking and voting privileges at Board Meetings. Up to three additional Directors may be appointed by the Board. These appointees will represent the School District, government, and Chamber President/CEO. These additional Directors will be designated as "ex-officio" member(s) of the Board and may speak when requested to do so by the Board chair but shall have no vote(s).

1. "Ex-Officio" is denoting or relating to an approved Board member as per these bylaws and is entitled to the same duties and privileges as all other Board members but does not have any voting privileges.

Section 3: Nomination of Directors, Nominating Committee. There shall be an annual vote for the Chamber membership for open seats on the Board of Directors in March each year. At least ninety (90) days prior to the annual elections, with the concurrence of the Executive Committee, the Board chair shall appoint a Nominating Committee. The committee shall consist of three (3) members: A chairperson who shall be a current Director that is ineligible for re-election; the other two (2) members shall be active Chamber members in good standing that are currently not serving as an Officer or Director. All nominees for Director shall be active members in good standing, shall have stated they will serve if elected, and shall have been an active member of the Chamber for a minimum of one (1) year. All qualified nominees shall have their names placed in the nomination for election.

Only one individual from a member business may be elected or appointed to serve on the Board of Directors. This limitation shall include people working in a company or organization this is managed by or is a subsidiary of another member's business.

The Nominating Committee shall always strive to ensure that the Board reflects the diversity of interests in the Chamber, the business community of Carefree / Cave Creek, and the member-business composition of the Chamber. Upon completing a list of all eligible candidates, the Nominating Committee shall deliver that list to the Board Chair and the President/Chief Executive Officer.

Should a suitable candidate submit a nomination form in which they do not meet the minimum one (1) year membership requirement due to being an active Board member on another Non-Profit related Board, then that application shall be submitted to the Nominating Committee. This is to ensure the board reviews all potential candidates that would serve in the best interest of the Board and community.

Section 4: Conduct of Elections and Appointments. The annual election of the Board of Directors shall take place not later than sixty (60) days prior to June 30, except when a "State of Emergency" has been declared, as it pertains to the Carefree / Cave Creek area, the election may be deferred for a period of time to be determined by the Board. Upon receipt of the list of names of eligible candidates from the Nominating Committee, the Board chair shall immediately direct the President/Chief Executive Officer to prepare an official ballot setting forth all names on the list. Adequate spaces shall be provided to allow the names of other candidates to be written in by Board members.

The ballot shall be sent via electronic mail utilizing an online balloting system to all active Board members or cast their vote in person via a secret balloting

system. Chamber members in good standing are not allowed to vote for Board members but only nominate Board member candidates.

The Chair of the Board shall not cast a ballot in any Board votes. In case of a tie for any voting procedure within the Board, the Chair of the Board shall then be the tiebreaker and allowed to cast their ballot in order to determine an outcome of the ballot.

The counting of all returned ballots shall be supervised by the Chair of the Board and the Executive Committee. The candidates receiving the highest number of votes up to the number of open Board seats shall be declared elected. The newly elected Board members shall be announced to the Chamber membership as soon as possible after the results are known, in a manner reasonably designed to ensure notice to all members.

Section 5: Terms of Office. In each annual election, at least three (3) of the elected Directors shall serve three (3) year terms. Directors shall serve no more than two (2) consecutive three (3) year terms. Directors that have served two (2) consecutive terms may be considered for the Board of Directors after one (1) three (3) year term of not being a director has expired.

The term for a Board Chair in that role is one (1) year within their term as set forth above.

Section 6: Vacancies. In the event of an unscheduled vacancy (death, resignation, removal, disqualifications, or otherwise) on the Board during an administrative year, the Board chair shall nominate an individual that meets the eligibility requirements as set forth in Section 2 of this Article. The nominee shall be confirmed by a majority vote of the Board of Directors. Upon such election that Director shall complete the balance of the prior Director's term. In order to maintain the continuity and balance of the Board of Directors the chairman may set a length of term for the balance of any vacated member's term of a maximum of two (2) years.

Section 7: Resignation. Any Director may resign at any time by giving written notice (including electronic email and documents) to the Board Chair. Such resignation, which need not be made contingent on formal acceptance, shall take effect on the date of receipt or at any later time specified therein. The Chair shall announce the resignation as soon as possible to the Board. Thereafter, that vacant Board position shall be filled in accordance with Section 6 of this Article. If the resignation is effective at a future time, a

successor may be selected in advance to fill the vacancy when the resignation becomes effective.

Section 8: Absences. Any Director with three (3) unexcused absences from Board meetings during the administrative year shall automatically be deemed to have resigned from the Board. No further notice needs to be given to that Director by the Board. An unexcused absence shall be defined as an absence with no prior notification to the Board Chair and/or CEO. Thereafter, that vacant Board position shall be filled in accordance with Section 6 of this Article.

1. Unexcused absences are defined as absences that are out of the member's immediate control. This could include them or their immediate family members in a critical medical situation in which medical assistance is needed in a hospital or ambulance.
2. Unexcused absences can be defined as a member of their family that has a cold. Need to work on their auto or home. Any non-life-threatening situations such as other meetings or appointments that can be moved, rebooked, changed, and so forth. The Board member understands their obligations and the Board meeting dates and times well in advance and should have those priorities on their own calendars.
3. In order for any member not to be counted at the scheduled Board meeting they must be seated at the meeting before the Chair calls the meeting to order. Any member that arrives after the Chair calls the meeting to order shall be noted as absent.
4. Members must attend at least ninety (90%) percent of the scheduled meeting time in order to be counted as present. Should any Board meeting continue past its scheduled end time, overtime shall not be taken into consideration for the time attended.

Section 9: Removal. A Director may be removed by a majority vote of the Board after a determination is made by the full Board that the Director engaged in conduct that is unethical or otherwise damaging to the Chamber's reputation. If the Board of Directors determines removal is warranted, the Director to be removed shall be given fifteen (15) days' notice of the intended date of removal. The notice shall be made by first class mail, postage prepaid, addressed to the member at his/her last address shown on the records of the Chamber. The notice shall state the reason for removal and state that the Director has an opportunity to submit a written statement about why the removal should not take place, which statement must be received in the Chamber office not less than five (5) days before the effective

date of removal. The Board of Directors shall consider the Director's statement, if any, and may order that the removal shall not take place, or that it shall take place as stated in the notice to the Director.

The Board's majority decision shall be final. Thereafter, that vacant Board position shall be filled in accordance with Section 6 of this Article.

Section 10: No Compensation or Remuneration. All Board member positions, including Officers and Directors, shall be voluntary positions. No Board member shall receive any compensation, either in monetary payment or in-kind benefits, for their service to the Chamber. This limitation shall not preclude any Director from simultaneously serving the Chamber in any other capacity for which compensation is normally given and receiving compensation for that service.

Section 11: Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Chamber, shall be signed by such Officer or Officers, agent, or agents of the Chamber and in such manner as shall from time to time be determined by resolution of the Board. The Board shall employ restrictions or limitations on such authority as appropriate, for example, to provide authority to incur indebtedness up to a certain dollar amount without a Board vote or Resolution approving such indebtedness. Signatures of two Officers of the Board shall be required on all transactions or documents by which the Chamber incurs debt. Checks issued for payment of debt and daily cash requirements, transfer of funds for operations and payroll, and contracts for purposes of acquiring goods, services, and equipment for operations, shall require signatures of two Officers of the Board or one Officer of the Board and the President/Chief Executive Officer. Directors and Officers shall not hold themselves out as having signing power unless the authority has been granted by a majority vote of the Board.

ARTICLE VI - Board of Directors Meetings

Section 1: Meeting Place and Procedure. Meetings of the Board of Directors shall be held in the Chamber office or at any other place that is designated from time to time by the Board. Any meeting, regular or special, (up to two (2) in an administrative year) may be held without the physical presence of some or all Directors, by conference telephone or similar communications equipment, if all Directors participating in the meeting can hear one another.

Section 2: Regular Meetings. Regular meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chair of the Board, Chair-Elect of the Board, the Secretary, or any two (2) Directors. Regular meetings of the Board may be held with a minimum of fourteen (14) days advance notice to the Directors. Any such notice shall be addressed or delivered to each Director at their address appearing in the books of the Chamber, or at such other address as may be supplied by each Director for the purpose of notice. The notice shall state the time and place of the meeting and the business to be transacted at the meeting.

Section 3: Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the Chair of the Board, Chair-Elect of the Board, the Secretary, or any three (3) Directors. Notice of the time and place of any special meetings of the Board of Directors shall be given to each Director by forty-eight (48) hours' notice and be delivered in person, by telephone, or by electronic mail at the Director's address shown on the records of the Chamber. However, the Notice of any Special Meeting of the Board of Directors may be waived in writing and signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting for the expressed purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any regular or special meetings of the Board of Directors need be specified in the notice or waiver of such meeting unless specifically required by law or by these bylaws.

Section 4: Quorum. A majority of the authorized number of Directors is a quorum for the transaction of business. 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, except as a greater or lesser number required by law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors if any action taken is approved by at least the majority of the required quorum for the meeting.

Section 5: Telephone/Virtual Meeting. Any meeting of the Directors may be conducted in simultaneous multiple locations if the various locations are effectively connected by telephonic conference call lines, video conferencing, or other virtual meeting methods approved by the Board. Members of the Board of Directors or non-Director committee members may participate in

and act at any meeting of the Board or a Board committee through the use of a conference telephone or other alternative communications equipment by any means that ensure that all persons participating in the meeting can communicate with each other, regardless of their access to the technology for the meeting. Participation in such a meeting shall constitute attendance and presence in person at the meeting of the person or persons participating.

Section 6: Adjournment. A majority of the Directors present, whether a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of the adjournment shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 7: Consent to Action Without Meeting/Proxy. 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 individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consent shall be filed with the minutes of the Board.

Section 8: Meeting Minutes. Minutes shall be taken by the Secretary at every scheduled and Special Board meeting and provided to the President/CEO within seven (7) business days after the meeting. All Board meeting minutes shall be closed and not available to any Chamber member or any other individual or organization. Board members shall not share the meeting minutes with anyone outside the Board at any time.

ARTICLE VII - Informal Action by Directors

Any action required by the Arizona Nonprofit Corporation Act, (<https://www.azleg.gov/arsDetail/?title=10>) to be taken at a meeting of the Board of Directors, or any other activities which may be taken at a meeting of the Board or a committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors and all of any non-Director committee members entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more Directors or committee members. All the approvals evidencing the consent shall be delivered to the secretary to be

filed in the corporate records. The action taken shall be effective when all the Directors or the committee members, as the case may be, have approved the consent unless the consent specifies a different effective date. Any such consent signed by all the Directors or all the committee members as the case may be, shall have the same effect as a unanimous vote and may be stated as such in any document filed with the Secretary of State.

ARTICLE VIII - CONFLICT OF INTEREST/SELF-DEALING TRANSACTIONS

Policy Statement. Each Officer and Director of the Chamber shall, in the course of their duties on behalf of the Chamber, act with strict loyalty and fidelity to the best interests of the Chamber, exercise the utmost good faith in all matters and transactions involving the Chamber, and adhere to the highest ethical standards of fiduciary duty to the Chamber.

Each Officer and Director of the Chamber shall endeavor to avoid, to the best of their ability, any situation which may compromise their duty to the Chamber personally because of duality or conflict of interest with any other entity or person with which the Officer or Director may be involved; and each Officer and Director shall endeavor to avoid even the appearance of a conflict of interest which may have an adverse effect on the Chamber.

The Board shall consider and evaluate each potential conflict of interest and/or self-dealing transaction disclosed in light of the Internal Revenue Code ("IRC") standards for, and prohibitions of, self-dealing and private inurement, and the requirements of Sections 10-1801 thru 10-1879 of the Arizona Corporations Code governing transactions in which Directors have material financial interests, and the approval of transactions involving interlocking, or mutual, Directorships, respectively. The Board shall approve or authorize such transactions, if at all, only in good faith and without unjustified favoritism, provided that the primary beneficiary of the transaction is the Chamber.

Conflict of Interest – Disclosure and Record-Keeping Procedures. The Board shall administer and monitor these procedures to carry out the statement of policy of the Chamber with respect to potential conflicts of interest and/or self-dealing transactions involving Directors or Officers of the Chamber.

To ensure compliance with State and Federal law, to avoid inadvertent violations, to live up to the public trust, to avoid the appearance of impropriety, and to fulfill fiduciary duties, Directors shall be required to:

- Disclose fully any relationships and any financial or other interests likely to influence any Director's decision-making.

- Follow the procedures for abstention and recusal by a director as described in this Article; and
- Ensure that Board decisions are made after careful consideration of the effect of the relationship or transaction on the Chamber; and
- Cooperate fully in the recording of documents related to conflict of interest or self-dealing transactions.

Except as provided in this Article or as prohibited under applicable laws, a director with an actual or potential conflict of interest (financial or otherwise) in a matter presented to the Board or a Committee may be counted for the quorum, provide information, and answer questions.

1. Duty of Full Disclosure. Disclosure of relationships and interests that may present a conflict of interest or a self-dealing transaction shall be made by each Director in writing immediately upon the formation of the subject relationship or upon the Director's discovery of the potentially conflicting interests. Disclosure shall also be made annually thereafter on a form approved by the Board, for reporting purposes. Disclosure shall be made at any time when the personal interests of the Director or Officer (or member of his or her family) could affect the activities, property, employees, or services of the Chamber or involve any matter potentially requiring action by the Board, a Committee or an Officer exercising power delegated by the Board, including but not limited to, actions on grant proposals.

Disclosure shall be made to the President/Chief Executive Officer and the Chair, or if the President/CEO or Chair is the one with whom the conflict exists, then to the next highest-ranking Officer of the Board). The persons notified shall investigate the facts surrounding the conflict or transaction, seek advice from the Chamber's legal counsel or other counsel for the Chamber on legal issues as necessary, and report to the Board.

All disclosed information shall be maintained in confidence by the Board. The Board shall provide access to financial information, if any, related to the disclosed relationships or transactions only to those people who have a reasonable need to know the contents thereof.

1. Recusal. When a Director has a certain type of financial interest in a proposed transaction, the Director shall be recused (leave the room) and shall not participate in the deliberations on the merits of the proposal or vote. Recusal is required in the following situations:
2. Direct Payment to Director. If the proposed transaction involves direct payment of compensation (including payment or reimbursement of expenses) by the Chamber to a Director, for services other than as an

Officer or Director, the full Board shall consider the proposal in the absence of the interested Director. A disinterested majority of all Directors then in office is required to approve such compensation for a director.

3. Indirect Payment to Director. If the proposed transaction involves the Chamber's indirect payment to a Director through any payment, the full Board shall consider the proposal in the absence of the interested Director. A disinterested majority of all Directors then in office is required to approve the transaction in which the Director has a financial interest.
4. Abstention. When a Director has no financial interest in the proposed transaction, but has another personal interest in the transaction, the Director shall abstain (shall not vote) but may remain in the room during the discussion, during deliberation on the merits of the proposal, and during the vote on the transaction.
5. Records/Minutes. The minutes of the meeting of the Board or Committee at which any conflict of interest or self-dealing transaction is discussed shall reflect the existence and nature of the relationships or the conflict of interest disclosed, the interested Director's recusal or abstention, if any, and the vote of the disinterested Directors.

ARTICLE IX - Officers

Section 1: Officer Nominating Committee. May of every year, the Current Chair shall appoint an Officer Nominating Committee consisting of two (2) continuing board members and one (1) new board member, who shall present nominees for ALL Officer positions to the Current Chair within five (5) days of the formation of the Nominating Committee.

1. Nominees for Chair-Elect must have served a minimum of one (1) full year on the Executive Board or two (2) full years on the Board.
2. The Nominating Committee shall present Nominees to the Board for voting at the March Board meeting or such other Board meeting scheduled for such voting prior to the Annual Installation Dinner.

Section 2: Duties of Executive Officers. The duties of the Officers shall be such as their titles, by general usage, would indicate, and such as are required by law, and such as may be assigned to them respectively by the Board of Directors from time to time. Officers are limited to three (3) years in the same Officer Position. An Officer term is limited to two (2) consecutive terms.

Section 3: Executive Committee/Board Officers. The Executive Committee shall manage all business of the Chamber of Commerce during the interim between Board of Directors meetings. It shall consist of the Chair of the Board, the Chair-Elect, the Immediate Past-Chair, the Secretary, and the Treasurer. The President/Chief Executive Officer shall be a non-voting member of this Committee. The Executive Committee shall be vested with such power and authority as may be delegated to it by the Board of Directors. The Executive Committee members may meet as necessary without the President/Chief Executive Officer to discuss any Executive Committee matter between or among only elected Officers. When the duties do not conflict, one person may hold more than one of these offices, except the same person may not hold the offices of the Chairman and Secretary at the same time.

1. Chair of the Board. The Chair of the Board 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 for a one (1) year term. The Chair of the Board shall, with the advice and counsel of the Chair-Elect and President/Chief Executive Officer, determine all committees (per the Board) and select all committee chairpersons, subject to the approval of the Board of Directors. The Chair of the Board shall be an ex-officio member of such committees.
2. Immediate Past Chair. The Immediate Past Chair shall perform such duties as may be assigned to him/her by the Chair of the Board or the Board of Directors.
3. Chair-Elect. The Chair-Elect shall exercise the powers and authority and perform the duties of the Chair of the Board in the absence or disability of the Chair of the Board and shall perform such other duties as may be assigned to him/her by the Chair of the Board or the Board of Directors.
4. Secretary. The Secretary shall serve as the corporate Secretary of the organization, the Board of Directors, and the Executive Committee and shall create and keep a full and complete record of the proceedings of the meetings and provide their entirety to the President/CEO for distribution to the Board and to be filed in the Chamber offices, as well as such other duties that pertain to the office or as prescribed by the Board of Directors. Meeting minutes shall be completed within seven (7) business days preceding the Board meeting date.
5. Treasurer. The Treasurer shall oversee financial matters of the Chamber as well as such other duties that pertain to the office or as prescribed by the Board of Directors. The Treasurer with the President/CEO shall prepare the annual fiscal budget draft annually by May 30th and submit the budget draft for Executive Committee review at the May Executive Committee meeting each year, or at another meeting before the Board's vote on the budget, as requested by the Chair. If the President/CEO is unavailable to assist in the preparation of the draft

budget, the Treasurer shall proceed to prepare the draft and present it to the Board.

6. Director. Directors are Board members with full Board responsibilities and voting privileges that are not on the Executive Committee.

Section 4: President/Chief Executive Officer. The Board of Directors shall employ a President/Chief Executive Officer who shall be the Chief Administrative and Executive Officer of the Chamber.

1. The President/Chief Executive Officer shall serve as an advisor to the Chair of the Board and shall assemble information and data and cause to be prepared special reports as required by the programs of the Chamber.
2. The President/Chief Executive Officer shall be a non-voting member of the Board of Directors, the Executive Committee, and all committees.
3. The President/Chief Executive Officer shall be responsible for hiring, discharging, directing, and supervising all employment activities, as the only employee of the Board of Directors and the only supervisor of the Chamber employees.
4. The President/Chief Executive Officer may be removed by fifty percent plus one (50% + 1) vote of the full Board at a regular or special meeting.
5. The President/CEO shall assist the Treasurer with the preparation of the annual fiscal budget by assigned deadlines set forth in the bylaws.
6. The President/CEO shall be prepared and/or distribute agendas, meeting minutes, monthly financial statements, and any other required documents prescribed by the board in preparation for monthly Board meetings.
7. The President/CEO shall be the public voice of the Chamber as advised by the Board of Directors.
8. The President/CEO shall be responsible for all expenditures with approved budget allocation and have the ability to sign contracts as approved in the approved budget. All other contracts must be approved by the Board of Directors.
9. In the event of a vacancy in the position of President/CEO, the Executive Committee shall, within ten (10) days of the vacancy, appoint an Interim President/CEO to serve until a new President/CEO shall be hired for the position.

ARTICLE X - Committees and Advisory Councils

Section 1: Committees-Appointment and Authority. The Chair of the Board, by and with the approval of the Board of Directors, shall appoint all committees and committee chairpersons. The Chair of the Board may appoint such ad-hoc committees and their chairpersons as are deemed necessary to carry out the programs of the Chamber. Committee appointments shall be at the will and pleasure of the term of the appointing Chair of the Board and shall serve concurrently with the term of the appointing Chair of the Board unless a different term is approved by the Board of Directors. It shall be the function of committees to conduct investigations and studies, hold hearings, make recommendations to the Board of Directors, and carry on such activities as may be delegated to them by the Board.

All Directors must serve on an appointed committee throughout their term as a Board member.

Section 2: Advisory Councils: The Chair of the Board, by and with the approval of the Board of Directors, may appoint and form advisory councils for specific purposes that do not require action by the Board. The members of such advisory groups may include people with professional skills or special experience necessary to advise and inform the Board of Directors. Such advisory groups shall not have the authority to commit the Chamber to any legal contracts or agreements, whether or not related to the business of the Chamber. The Board of Directors shall not lend “apparent authority” to these advisory groups, and all related corporate resolutions shall expressly limit the group’s authority in this respect.

Section 3: Financial and Fundraising Committee: The Chair of the Board, by and with the approval of the Board of Directors, can appoint and form a Financial and Fundraising Committee for specific purposes to assist the President/CEO in the creation of the Chambers budget as well as create a sub-committee that is dedicated to fundraising activities. The members of such committee may include people with professional skills or special experience necessary to advise and inform the Board of Directors in the area of financials and fundraising for the Chamber.

Section 4: Limitation of Authority. No action by any member, committee, council, Director, or Officer shall be binding upon, or constitute an expression of the policy of, the Chamber until it shall have been approved or ratified by the Board of Directors. Committees and Councils shall be discharged by the Chair of the Board 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 5: Audit Committee. The Audit Committee shall be chaired by the current Treasurer, and be comprised of the Chair of the Board, the Immediate Past-Chair, Chair-Elect, and a CPA Active Member in good standing. The Audit Committee shall take an active role in the prevention and deterrence of fraud, as well as an effective ethics and compliance program. The Audit Committee shall constantly challenge management and the auditors to ensure that the entity has appropriate antifraud programs and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected. The Audit Committee shall take an interest in ensuring that appropriate action is taken against known perpetrators of fraud. The Audit Committee is responsible for hiring an independent auditor to perform the annual audit pursuant to reviewing draft audited financial statements and management letter comments, as well as the implementation of such comments as deemed necessary. The Audit Committee shall meet with the auditor at least twice per fiscal year, or more often as deemed necessary. The Audit Committee shall review the annual audit report prepared with the auditor, after which the annual audit report shall be submitted with the Audit Committee's comments and recommendations to the Board for final approval at a regularly scheduled Board meeting.

Section 6: Public Policy Committee: The Chair of the Board, by and with the approval of the Board of Directors, may appoint and form a public policy committee to assist with the Chambers' advocacy and local public policy outreach. The members of such advisory groups may include people with professional skills or special experience necessary to advise and inform the Board of Directors and the President/CEO. The Chambers President/CEO shall be noted as a member of this committee.

ARTICLE XI - Finances

Section 1: Fiscal Year. The fiscal year of the Chamber shall be July 1 to June 30.

Section 2: Budget. The Executive Committee shall review an annual budget and submit it to the Board of Directors for approval before the new fiscal year starts.

Section 3: Disbursements. Upon approval of the budget, the President/Chief Executive Officer is authorized to make disbursements on accounts and expenses provided for in the budget without additional approval. Disbursements outside the budget shall be submitted to the board of Directors for approval.

Section 4: Audit. An annual audit report shall be prepared by a recognized accounting firm as deemed and approved by the Board. The annual audit report shall be reviewed by the Audit Committee pursuant to Article 10, Section 4. The annual audit report shall thereafter be reviewed and approved by the Board members at a regular Board meeting.

ARTICLE XII - Indemnification and Insurance

Section 1: Indemnification in Third Party Actions: The Chamber shall indemnify its existing and former Officers, Directors, agents, servants, and employees, who were or are parties to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, in which they were or are parties by reason of being or having been Directors, Officers, agents, servants or employees of the Chamber, against all expenses (including attorney's fees), judgments, fines, settlements and amounts actually and reasonably incurred by them in connection with such actions, suits, or proceedings, including any appeal, if they acted in good faith and in a manner reasonably believed to be in the best interest of the Chamber. However, no indemnification shall be made with respect to any claim, issues, or action if a judgment or final adjudication establishes that their actions, or omissions to act, were material to the cause of action and constitute:

2. A violation of the criminal law, unless the Officer, Director, agent, servant, or employee had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe that his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in the best interests of the Chamber, or that the person had reasonable cause to believe his or her action was unlawful;
3. A transaction from which the Officer, Director, agent, servant, or employee derived an improper personal benefit.
4. Willful misconduct or a conscious disregard for the best interests of the Chamber in a proceeding by or in the right of the Chamber to procure a judgment in its favor or in a proceeding by or in the right of a member.

Section 2: Indemnification in Actions by or in the Right of the Chamber: The Chamber shall indemnify, defend, and hold harmless its Officers, Directors,

agents, servants, and employees, collectively and individually, from any and all claims, costs, attorney fees, expenses and liabilities arising from or in any way related to:

1. Any property owned in whole or in part, controlled, or managed by the Chamber, or in which the Chamber is involved in any way; and
2. Any acts, omissions, or conduct of any of the Chamber's agents, employees, or representatives which acts, omissions, or conduct are reasonably believed to be for or on behalf of the Chamber.
3. Any breach or default in the performance of any obligation, or from any negligence, by other agents, representatives, employees, or contractors of the Chamber, acting for or on behalf of the Chamber; except that the Chamber shall not indemnify the individuals in relation to matters in which the persons, collectively and/or individually, are adjudged to have acted in bad faith; or with fraud; gross negligence; intentional, wanton, or reckless acts; with oppression or malice; or in willful breach of authority, duties, and responsibilities; or upon determination or proceedings brought by the Attorney General, involving situations of unlawful self-dealing or conflict of interest transactions.

Section 3: Indemnification against Expenses: Notwithstanding the above, Officers, Directors, agents, representatives, or employees, who are successful on the merits or otherwise in defense of any proceeding or in defense of any claim, issue, or matter referred to in Sections 1 or 2 of this Article shall be indemnified against expenses and reasonably incurred by him or her in connection therewith. This section shall be in addition to the rights that the Chamber's Officers have under its Articles of Incorporation or the Arizona Nonprofit Corporations Law, and nothing herein shall be deemed to diminish or otherwise restrict such person's right to indemnification under any such other provision.

Section 4: Required Determinations: Except as provided in Section 3 of this Article, the Chamber shall provide the individual with indemnification under this Article only when and if authorized by the Board's determination that the Officer, Director, agent, representative or employee has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article, by: (1) a majority vote of a quorum of Directors not parties to the legal or agency proceeding; or (2) a decision of the court in which the proceeding is or was pending, following the application to the court of the entity or persons who rendered the defense.

Section 5: Hold Harmless, and Errors and Omissions Insurance.

To the extent allowed under Arizona law, Directors and Officers, in exercising good faith and diligent discharge of duties, shall be held harmless by the Chamber and the Board in connection with their discharge of duties, their failure to discharge duties and their acts of omission and errors on the Chamber's behalf. The Chamber may purchase insurance to ensure that the Board of Directors members are covered for their acts of omission, errors, and general liability for acts performed as Directors. Such insurance, if purchased, shall provide coverage for claims made under the terms and conditions of the policy, but for an amount of at least one million dollars (\$1,000,000) per occurrence.

ARTICLE XIII - Referenda

Upon the request in writing of ten (10) percent of the members in good standing, the Board of Directors shall, or upon its own initiative may, submit a question by mail to the membership for a referendum vote. The ballot for that vote shall be accompanied by briefs or summaries, prepared and stating both sides of the question. Action taken by the membership shall be final and bind the Board of Directors. Each member may indicate his/her vote on the referenda and return his/her ballot to the office of the Chamber of Commerce not later than 4:30 p.m., on the tenth (10th) business day after the ballots have been mailed, either in person or by mail. A fifty percent (50%) vote of the membership shall constitute a referendum and a majority of the votes cast shall control.

ARTICLE XIV - Parliamentary Procedure

Section 1: The proceedings of the Chamber of Commerce meetings shall be governed by and conducted according to the latest edition of Robert's Rules of Order.

Section 2: Introducing a Repeated Motion. Once a vote has been conducted on a motion, whether it passed or was defeated, the action of the board will be supported by all Board members. If any member of the Board, at a subsequent meeting, wishes to re-introduce the same motion, or a motion with the same intent, a two-thirds (2/3rds) affirmative vote of Board members present at such meeting will be required to bring the motion on the floor.

ARTICLE XV - Amendments

These Bylaws may be amended by a two-thirds (2/3rds) vote of the Board of Directors, at a regular or special meeting. Seven (7) days' notice must be given to the Directors concerning any proposed changes. Following the adoption of Bylaw revisions, the Board shall notify the Chamber members of the revisions.

ARTICLE XVI - Dissolution

The Chamber shall use its funds only to accomplish the objectives and purposes specified in these Bylaws, and no part of said funds shall ever inure to the benefit of any Director, Officer, or member of the Chamber, or be distributed, to any Director, Officer, or member of the Chamber. On dissolution or winding up of the Chamber, any funds remaining after payment, or provision for payment, of all debts and liabilities of the Chamber shall be distributed to one or more regularly organized or qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board of Directors as defined in Section 501(c)(6) of the Internal Revenue Code. Any such assets shall be disposed of exclusively for such purposes or to such organizations or organizations, which are organized and operated exclusively for exempt purposes.

ARTICLE XVII – Maintenance and Inspection of Articles, Bylaws, and Other Chamber Records.

A copy of the Chamber's Articles of Incorporation and Bylaws, as amended to date, shall be maintained in the office of the Chamber and shall be open to inspection by any Chamber member at all reasonable times during office hours.

CERTIFICATION OF SECRETARY:

I, Dr Colleen Krahl the undersigned, do hereby certify that I am duly elected and acting Secretary of the Carefree/Cave Creek Chamber of Commerce Board of Directors, an Arizona non-profit corporation, and the foregoing Amended and Restated Bylaws were duly adopted by the Board of Directors of the Chamber at the meeting duly held on June 15, 2023.

IN WITNESS WHEREOF, I have subscribed to my name this 15th day of June 2023.

Secretary