

BYLAWS
OF
ECONOMIC DEVELOPMENT ASSOCIATION OF ALABAMA, INC.

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**BYLAWS OF
ECONOMIC DEVELOPMENT ASSOCIATION OF ALABAMA, INC.**

Article I - Name, Offices, and Purposes

Section 1.1. Name. The name of the corporation is Economic Development Association of Alabama, Inc. (the “Association”).

Section 1.2. Offices. The Association shall maintain a principal office within Montgomery County in the State of Alabama at such location as shall be determined from time to time by the Board of Directors (the “Board”). The Association may maintain additional offices at such other places within or without the State of Alabama as the Board may designate.

Section 1.3. Purposes. The purposes for which the Association is organized are: (i) to educate, network and positively impact economic development in Alabama; (ii) to disseminate and provide ideas, principles, practices, and ethics in the field of economic and industrial development in and for the state of Alabama; (iii) to provide forums, workshops, and seminars to enhance the professional capabilities of and the encouragement of activities which further the professional development of individual Members; (iv) to support, counsel, and cooperate with other organizations in the State to improve the industrial, business, economic, and physical environments; (v) to affect state and federal legislation and regulatory issues which have an impact on the economic development community; and (vi) to do all other things necessary and incidental related to the general work and common business interests of the Association and its Members that are consistent with its qualification under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “Code”), except for express limitations, if any, contained in the Articles of Incorporation (the “Articles”). The Association is organized, and shall at all times be operated, as a nonprofit business league, within the meaning of Code Section 501(c)(6).

Section 1.4. Compliance with Law. The Association and its Board Members shall at all times act in conformity with applicable laws and regulations in their participation in the Association.

Article II - Membership

Section 2.1. Election. Any reputable individual who has a reasonable and sustainable interest in the economic development of the State of Alabama, or any subdivision thereof, and who desires to further the mission and purpose of the Association may apply for membership as provided herein. Applications for membership shall be made on a standard form prepared by the Association.

Section 2.2. Regular Membership. Regular Membership may be granted only to individuals who are:

(a) employed by the following:

(1) a local economic development organization in Alabama;

- (2) a local chamber of commerce in Alabama;
- (3) The Alabama Department of Commerce;
- (4) a utility, railroad, financial institution, or construction company which operates in Alabama; or
- (5) any other institution, organization, association or firm deemed eligible by majority vote of the Board;

(b) charged with the responsibility of developing and handling of industrial prospects for new industries, the expansion of existing industries, and/or the implementation of improvements of their area(s) of the state and responsible for industrial and/or economic development;

(c) devoting at least fifty percent (50%) of their time to responsibilities described in (b) above; and

(d) residing in the State of Alabama.

Section 2.3. Associate Membership. Associate Membership may be granted to anyone who qualifies under Section 2.1, but not under Section 2.2.

Section 2.4. Non-Resident Membership. Non-resident Membership may be granted to anyone who qualifies under Section 2.1 but not under Section 2.2(d) above. Individuals with organizations which have an interest in economic development in Alabama as specified in Section 2.1 and Section 2.2 above, but who do not reside in Alabama, shall qualify for Non-resident Membership.

Section 2.5. Transfer of Membership. Membership in the Association is not transferable and shall reside with the individual or employer paying the annual dues:

1. When a Member changes employers, a new membership application must be submitted from the new employer and annual dues remitted.
2. When a Member changes positions with an employer, or has a significant change of job responsibilities, information must be submitted to determine if the new position qualifies the individual for Regular or Associate Membership. The individual may be reinstated without loss of tenure at the pleasure of the President and Executive Director.
3. When an employer hires an individual to fill such a vacated Member position, that individual may assume the privileges of Membership for the duration of the annual term.

Section 2.6. Privileges of Membership. An Associate Member and a Non-resident Member shall be eligible to attend all meetings and conferences of the Association but shall not be eligible to vote on any official business of the Association, or to hold office in the Association.

Section 2.7. Annual Dues. The annual dues of the Association shall be reviewed and established by the Board each year. Annual Dues shall be payable to the Association immediately upon membership approval. Official membership status shall be granted as of the date membership dues are received by the Association. Annual dues shall be non-refundable.

Section 2.8. Resignation. A Member may resign membership by written communication to the Association.

Section 2.9. Termination. A Member not paying dues within sixty (60) days after the due date shall be dropped from membership provided that an initial and one follow-up billing have been sent to the Member during the sixty (60) day period.

Section 2.10. Suspension or Expulsion. Any Member may be suspended or expelled from membership in the Association for conduct unbecoming a Member. A Member's suspension or expulsion shall require a majority vote of the Board present and voting at a regular or special meeting of the Board. The Board shall provide written notice to the Member of such action and the Member shall have the right to appear at such meeting in his or her own behalf has been given at least seven (7) days prior to such meeting. Reinstatement of membership of a suspended or expelled Member shall be at the discretion of the Board and shall be approved by majority vote.

Article III – Board of Directors

Section 3.1. Power of Board. Except as otherwise provided by law, the Articles or in any Bylaws of the Association, the business and affairs of the Association shall be managed by or under the direction of the Board. A Board Member must be an individual.

Section 3.2. Composition and Number. The Board shall consist of the Executive Board Members and one Regular Member-at-large General Board Member for each seventy-five Members of the Association, provided that the Board shall at all times consist of at least five (5) Board Members and shall not exceed fifteen (15) Board Members. Executive Board Members and General Board Members shall be known collectively as "Board Members".

Section 3.3. Qualifications. To qualify for election to the Board, a Board Member must have completed two full years as a Regular Member in good standing (calculated as of the election date). In addition to the Board Members, the following shall serve as Ex-Officio members of the Board but shall not have voting privileges on the Board of Directors.

1. The Secretary of the Alabama Department of Commerce
2. The Secretary of the Alabama Department of Workforce
3. The President of the Economic Development Partnership of Alabama
4. The Director of the Alabama Department of Economic & Community Affairs

Section 3.4. Advisors to the Association. The Board may elect or appoint any person or persons to act in any advisory capacity to the Association, including in any honorary capacity with respect to the Association.

Section 3.5. Terms for Board Members. Elected General Board Members shall serve staggered terms so that $\frac{1}{3}$ of the General Board Members (excluding replacement General Board Members) shall be elected each year. No General Board Member shall serve more than three (3) consecutive years on the Board. However, the 3-year maximum consecutive service limitation may be extended by the amount of time a General Board Member serves as an Executive Board Member. If the

Executive Board Member serves as President, the term will then be extended through the following year of service as Immediate Past President.

Section 3.6. Nomination. The President, First Vice President and Executive Director shall comprise the Nominating Committee. In the fourth quarter of each year, the Nominating Committee shall present to the Board recommendations for incoming General Board Member and Executive Board Member nominations. The Board shall endeavor to nominate a representative cross-section of the Association. Board nominations shall be confirmed by a majority vote of the Board. The President, or his or her proxy, shall present the slate of new General Board Member and Executive Board Member nominations to the membership at the winter conference.

Section 3.7. Election. Election of Board Members shall be at the winter conference by a simple majority voice vote of those Regular Members attending.

Section 3.8 Changes in Employment. When a Board Member changes employers or positions within the same employer, or has a significant change of job responsibilities, information must be submitted to determine if the new position qualifies the individual for Board membership. The individual may remain on the Board by a majority vote of the Board.

Section 3.9. Vacancies. Vacancies on the Board shall be filled by a majority vote of the Regular Members at the next called membership meeting. In the event the Immediate Past President is unable to serve as a Board Member, the most recent Past President available for service shall fill this position on the Board.

Article IV – Executive Board Members

Section 4.1. Executive Board. The Association's Executive Board shall be comprised of a President, First Vice President, Second Vice President, a Secretary-Treasurer, and Immediate Past-President (all shall serve as Board Members). The Chairman of the Executive Board shall be the President.

Section 4.2. President. It shall be the duty of the President to preside at meetings of the membership and Board, to perform specific duties designated by the Board and other such duties as may automatically pertain to the office.

Section 4.3. First Vice President. It shall be the duty of the First Vice President to act in the absence of the President, and to perform such other duties as automatically pertain to such office or as may be designated by the President of the Board.

Section 4.4. Second Vice President. It shall be the duty of the Second Vice President to act in the absence of the President and the First Vice President, and to perform such other duties as automatically pertain to such office or as may be designated by the President of the Board.

Section 4.5. Secretary-Treasurer. It shall be the duty of the Secretary-Treasurer to maintain the records of all meetings of the Board and to have charge and custody of all funds. The Secretary-Treasurer shall make quarterly financial reports to the board and an annual financial report to the

membership. The Secretary-Treasurer shall arrange for Association records to be audited by two Members so appointed.

Section 4.6. Executive Director. Executive Board Members shall have the authority to hire and dismiss an Executive Director. Executive Board Members shall direct the activities of the Executive Director. In the fourth quarter of each year, the Executive Board Members shall review the performance of the Executive Director and make any necessary recommendation related to performance and compensation to the Board. In the fourth quarter of each year, the Executive Director shall review the performance of other Association staff and make recommendation to the Executive Board Members as to performance and compensation. The Executive Director shall work at the pleasure of the Board.

Article V – Meetings of Members and Board

Section 5.1. Called Membership Meetings. Membership meetings other than the summer conference and the winter conference shall be called at the option of the Board.

Section 5.2. Called Board Meetings. The Board shall meet on call of the President.

Section 5.3. Location. The location of all board meetings and membership meetings of the Association shall be determined by the President.

Section 5.4. Notices of Meetings. The Association shall send out notices to relevant parties of all board meetings and membership meetings. Such notices shall be dispatched reasonably in advance of the date set for said meetings.

Section 5.5. Quorum. At any duly called membership meeting, 10% of those regular members present who are in good standing shall constitute as a quorum. At any duly called board meeting, a minimum of 50% of the Board Members must be present.

Section 5.6. Absenteeism. Any General Board Member failing to attend 50% of called board meetings during the calendar year may be replaced during election of the Board at the next winter conference.

Section 5.7. Board Report. The Board shall, at the summer and winter conference, report the Association's activities for the prior period.

Section 5.8. Action by Written Consent. Unless otherwise restricted by law, the Articles, or these Bylaws, any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if all of the Board Members consent thereto in writing or by electronic transmission and the writing (or writings) or electronic transmission (or electronic transmissions) describing the action to be taken are filed with the minutes of proceedings of the Board. Further, unless otherwise restricted by the law, the Articles, or these Bylaws, any one (1) or more Board Member may participate in a meeting of the Board or a committee of the Board by means of conference telephone or by any means of communication by which all persons participating in the meeting are able to hear one another, and such participation shall constitute presence in person at

the meeting. Participation in a meeting by such means shall constitute presence in person at the meeting.

Article VI - Conferences

Section 6.1 Annual Conferences. The Association shall have, annually, a summer conference and a winter conference. The location of such conferences shall be determined by the Executive Board and Association staff.

Section 6.2 Additional Conferences. By majority vote of the Board, the Association shall offer any additional conferences to further its mission and the benefit of the membership. The location of such conferences shall be determined by the Executive Board and Association staff.

Section 6.3. Conference Chairmen. All Conference Chairmen shall be Members of the Association. The Nominating Committee shall oversee and recommend a Conference Chairman and, if desired, conference Vice-Chairman for the summer conference, the winter conference, and any additional conferences as approved by majority vote of the Board. Conference Chairmen and Vice-Chairmen shall be approved by majority vote of Board Members.

Section 6.4. Conference Committees. Committees are open to all Members and at the discretion of the Conference Chairman and Executive Director. The Committee Chairman shall select committee members, giving consideration to a cross-sectional representation of the Association. A Conference Committee shall be responsible for raising sponsorships, providing professional development content and facilitating professional networking opportunities for such conference. The Conference Committee shall also provide support to Association staff before, during and after such conference.

Article VII - Committees

Section 7.1. Committees; Authority. The Board, by majority vote of Board Members, may designate and appoint one or more committees, each of which shall have a Board Member liaison, which committees, except as otherwise provided by law, the Articles, or these Bylaws, shall have, to the extent provided in the resolution, all powers of the Board granted to such committees by the Board. Other committees not having and exercising the authority of the Board in the management of the Association may be designated and appointed by a majority vote of the Board Members present at a meeting at which a quorum is present. Members of committees not authorized to act on behalf of the Board need not be Board Members. The designation and appointment of any committee and the delegation thereto of authority shall not operate to relieve the Board, or any individual Board Member, of any responsibility imposed upon him by law.

Section 7.2 Committee Types. The Association shall have regular standing committees and, as needed, ad-hoc committees. Standing committees shall represent the Association's strategic plan goals and undertake its objectives as laid out in the then-current strategic plan. Ad-hoc committees shall be formed to achieve a specific goal and then be disbanded upon completion.

Section 7.3 Committee Chairmen. All Committee Chairmen shall be Members of the Association. The Nominating Committee and the immediate past Committee Chairman of a committee shall appoint the incoming Committee Chairman for that same committee.

Section 7.4 Committee Membership. Committees are open to all Members and at the discretion of the Committee Chairman and Executive Director. The Committee Chairman shall select committee members, giving consideration to a cross-sectional representation of the Association. No committee shall have more than fifteen (15) members unless approved by majority vote of the Board. All committees shall have a Board liaison.

Section 7.5 Committee Actions. Any committee or advisory board may take action without a meeting and one or more members of any committee or advisory board may participate in any meeting of the committee or advisory board in the same manner provided for Board action in these Bylaws. No committee shall have the power or authority to amend the Articles; adopt an agreement of merger or consolidation; authorize the sale, lease or exchange of all or substantially all of the Association's property and assets; dissolve the Association or revoke a resolution dissolving the Association; fill vacancies on the Board or any committee; or amend or repeal these Bylaws.

Article VIII - Finances

Section 8.1. Payment & Collection of Dues. Membership dues shall be due and payable by January 1 of each year. Dues paid for membership during October, November, and December of any year shall be applied through the next calendar year. The Association shall be responsible for the proper collection of dues and other monies due to the Association. Operating funds of the Association shall be deposited in any bank convenient to the Executive Director. Withdrawals shall require two signatures as designated by the Board. Any check issued over the amount of \$20,000 (USD) is subject to two signatures, one being a Board Member.

Section 8.2. Budget & Financial Reports. Association staff, with the assistance of the incoming President and incoming Secretary-Treasurer, shall be charged with the preparation of a budget to be submitted to the Board for approval at its winter conference quarterly board meeting.

Section 8.3. Real Estate. The Association shall not engage in the purchase, lease, rental, sale, or mortgage of real estate other than for a location approved by the Board for the principal and any secondary offices of the Association. The Association shall not borrow money nor incur debts over and above the purchase routine office supplies and services without the expressed approval of the Board.

Section 8.4. Checks, Notes, Contracts; Deposits. The Board shall determine by resolution who shall be authorized from time to time on the Association's behalf to: (a) sign checks, drafts, or other orders for payment of money; (b) sign acceptances, notes, or other evidences of indebtedness; (c) enter into contracts; or (d) execute and deliver other documents and instruments.

Section 8.5. Fiscal Year. The fiscal year of the Association shall commence on the first day of January and shall end on the last day of December or such other period as may be determined by resolution of the Board.

Section 8.6 Books and Records. The Association shall keep at its office correct and complete books and records of account; minutes of the proceedings of the Board, any committee or other designated body of the Association, and meeting of the Members; and a current list of the Members, Directors and Officers of the Association and their business or residence addresses and phone numbers. Any of the books, minutes, and records of the Association may be in written form or in any other form capable of being converted into written form within a reasonable time. The Directors and Officers of the Association, or their delegates, shall be entitled to inspect and copy the books and records of the Association. The Members shall also be entitled to inspect and copy, during regular business hours at a reasonable location specified by the Association, any of the books and records of the Association if the Member delivers to the corporation a signed notice in the form of a record at least ten (10) business days before the date on which the Member wishes to inspect and copy; provided, however, that a Member may inspect and copy such books and records only if: (i) the Member's demand is made in good faith and for a proper purpose; (ii) the Member describes with reasonable particularity the purpose and the records the member desires to inspect; and (iv) the records are directly connected with this purpose.

Article IX - Dissolution

Section 9.1. Dissolution. In the event of dissolution of the Association, all real and personal property then owned by the Association shall be conveyed, transferred, and paid over to such tax-exempt organization(s) as provided by the Articles. In no event shall shares, amounts, and proportions of Association assets accrue to the individual benefit of any Board Member or Association Member except that the Board may at its direction authorize the payment of salaries for work actually performed and shall reimburse approved out-of-pocket expenses.

Article X - Exculpation

Section 10.1. Immunity from Suit. All non-compensated Board Members shall be immune from suit and not subject to civil liability arising from the conduct of the affairs of the Association to the extent provided by Alabama law.

Article XI - Indemnification

Section 11.1. Special Indemnification. The Association shall indemnify any Board Member who is or was a party to any proceeding (by reason of the fact that he or she is or was such an officer or agent of another serving at the request of the Association as a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other profit or nonprofit enterprise) against all liabilities and expenses incurred in the proceeding except such liabilities and expenses as are incurred because of willful misconduct or knowing violation of the criminal law. Unless a determination has been made that indemnification is not permissible, the Association shall make advances and reimbursements of expenses incurred by a Board Member of the Association in a proceeding upon receipt of an undertaking from him to repay the same if it is ultimately determined that he is not entitled to indemnification. Such undertaking shall be an unlimited, unsecured general obligation of the Board Member and shall be accepted without

reference to ability of repayment. The Board is hereby empowered to contract in advance to indemnify and advance the expense of any Board Member.

Section 11.2. Indemnification of Others. The Board is hereby empowered to cause the Association to indemnify or contract in advance to indemnify any person not specified in Section 10.1 who was or is a party to any proceeding to the same extent as if such person was specified as one whom indemnification is granted in Section 11.1.

Section 11.3. Insurance. The Association shall purchase and maintain insurance to indemnify it against the whole or any portion of the liability assumed by it in accordance with this Article XI and shall also procure insurance, in such amounts as the Board may determine, on behalf of any person who is or was a director, trustee, officer, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other profit or nonprofit enterprise., against any liability asserted against or incurred by such person in any such capacity or arising from status as such, whether or not the Association would have power to indemnify him or her against such liability under the provisions of this Article XI.

Section 11.4. Legal Counsel. In the event of a change in the composition of a majority of the Board after the date of the alleged act or omission with respect to which indemnification is claimed, any determination as to indemnification and advancement of expenses with respect to any claim to any claim for indemnification made pursuant to Section 10.1 shall be made by special legal counsel agreed upon by the Board and the proposed indemnity. If the Board and the proposed indemnity are unable to agree upon such special legal counsel, the Board and the proposed indemnity each shall select a nominee, and the nominees shall select special legal counsel.

Section 11.5. Scope. The provisions of this Article XI shall be applicable to all actions, claims, suits, or proceedings commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment modification or repeal of this Article XI shall diminish the rights provided herein or diminish the right to indemnification with respect to any claim, issue, or matter in any then pending or subsequent that is based in any material respect on any alleged action or failure to act prior to such amendment, modification, or repeal.

Section 11.6. Federal Tax Limitations. The Association shall not indemnify, reimburse, or insure any person in any instance where such indemnification, reimbursement, or insurance is inconsistent with any relevant provision of law applicable to organizations described in Code Section 501(c)(6).

Section 11.7. Definition. For purposes of Article IX and this Article X, the term “officer” shall include the Association’s Board Members, as well as the members of any other governing body of the Association; and any reference herein to directors, trustees, officers, employees, or agents shall include former directors, trustees, officers, employees, and agents and their respective heirs, executors, and administrators.

Article XII - Miscellaneous

Section 12.1. Parliamentary Authority. Roberts Rules of Order, Revised Edition, shall be the final authority of all questions of procedure and parliamentary law not covered by the Articles or Bylaws.

Section 12.2. Amendment. These Bylaws may be amended or repealed wholly or in part by a majority of the vote cast by electronic transmission or at a scheduled conference or called Association meeting if notice of the proposed action has been presented in written form seven (7) days prior to voting.

Section 12.3. Modification & Severability. If any part of these Bylaws shall be found in any action, suit, or proceeding to be invalid, illegal, unenforceable or ineffective, only that provision shall be modified in a manner designed to uphold the intent and purpose of such provision as written to the maximum extent permitted by law. The validity and the effectiveness of the remaining parts shall not be affected.

Section 12.4. Gender and Number. In these Bylaws, where the context admits, words in one gender include the other genders, words in the singular include the plural and the plural includes the singular.