

BYLAWS OF
DESERT BUSINESS ASSOCIATION

A California Non-Profit Corporation

AMENDED ON: May 31, 2013

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ARTICLE I - NAME

The name of the California non-profit Corporation shall be **DESERT BUSINESS ASSOCIATION** referred to in these bylaws as the "**Corporation**" and/ or the "**DBA**". The Corporation shall conduct business at a site in the Coachella Valley of Southern California which may, from time to time, change at the discretion of the Board of Directors (hereinafter the "Board").

ARTICLE II – PURPOSES

Subject to the limitations set forth in the Articles of Incorporation, the purposes of this Corporation shall be to engage in any lawful activity, none of which is for profit, for which corporations may be organized under Section 501(c)(6) of the Internal Revenue Code.

The purpose of the Corporation is to promote and support gay, lesbian, bi-sexual and transgender (LGBT) and LGBT-allied businesses, professionals and individuals who have joined together for humanitarian, educational and business purposes.

ARTICLE III - MEMBERSHIP

SECTION 1 -- ELIGIBILITY: There shall be three classes of membership in the Corporation: one class open to any individual; one class open to any business (sole proprietorship, partnership, corporation or association); and one class open to non-profit organizations. The members of all three classes must be dedicated to the goals and the purpose of the Corporation..

SECTION 2 -- GOOD STANDING: The term "Good Standing" (as defined in the DBA's Policies & Procedures Guidelines (P&P Guidelines)) refers to members whose dues and obligations to the Corporation are current, or within 30 days of their due date.

SECTION 3 -- SINGULARITY: Individual membership is singular and not transferable. Business membership is transferable with ownership or operation of a business.

SECTION 4 – TERMINATION OF MEMBERSHIP: A membership shall terminate on occurrence of any of the following events:

1. Resignation of the member, on reasonable written notice (e-mail or hard copy is acceptable) to the Corporation;
2. Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;
3. Failure of the member to pay dues, fees, assessments as set by the Board within thirty (30) days after they become due and payable;
4. Occurrence of any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
5. Expulsion of the member under these bylaws shall be based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the corporation, or has engaged in conduct materially and seriously prejudicial to the purposes, as defined in Article II above, and the interest of the Corporation.

SECTION 5 – SUSPENSION OF MEMBERSHIP: A member may be suspended under any provision of these bylaws, based on the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously

prejudicial to the purposes and interest of the Corporation. A person whose membership is suspended shall not be a member during the suspension.

SECTION 6 – PROCEDURE FOR EXPULSION OR SUSPENSION OF A MEMBER: If grounds appear to exist for expulsion or suspension of a member under Article III, Sections 4 or 5 of these bylaws, the procedure set forth below shall be followed:

1. The member shall be given fifteen (15) days written notice, by any method, including e-mail, which is reasonably calculated to provide actual notice of the proposed expulsion or suspension and the reasons therefore. Any notice given by mail shall be sent by first-class, registered or certified mail, to the member's last known address as shown on the Corporation's records (including, but not limited to, the Corporation's website and directory).
2. The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed expulsion or suspension. The hearing shall be held, or the written statement considered by the Board or by a committee or person authorized by the Board to determine whether the expulsion or suspension should take place.
3. The Board, committee, or person shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board, committee or person shall be final and not subject to appeal.
4. Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within 60-90 days after the date of the final decision regarding expulsion, suspension, or termination.

ARTICLE IV - MEETINGS

SECTION 1 – BOARD OF DIRECTORS' MEETINGS:

(A) The Board shall meet monthly, with no less than nine (9) meetings each year. The Board may have more than twelve (12) meetings, when necessary at the discretion of the Board, at a time and place to be selected by the Board of Directors. Board meetings shall be held in a location or locations to be determined by the Board. All votes involving policy, membership, or financial commitments must take place at Board meetings. The time, date and location of the Board meetings will be furnished to each director by the Secretary of the Corporation or the President (or a designee by the President) by sending an e-mail notice to all directors prior to the next scheduled Board meeting, but not more than a month in advance of the next meeting. At each meeting, the date, time and location of the next meeting shall be announced prior to conclusion of the meeting.

(B) The directors may otherwise meet as often as necessary to conduct any business of the Corporation as long as all directors are notified 7 days in advance and a majority agrees that a meeting is necessary.

(C) A majority of directors may call an emergency meeting with less notice than indicated in provision (A) or (B) above, but no action may be taken at that meeting without the approval of a quorum of the Board.

(D) If the Board deems it necessary, voting by any electronic means available (including e-mail) for directors shall be allowed but such votes must be ratified at the next scheduled Board meeting.

SECTION 2 -- GENERAL MEMBERSHIP/ANNUAL MEETING:

(A) A general membership meeting must be held annually. The date will be determined by the Board, and the members will have 30 days advance notice of the meeting. If a quorum is present at the general membership meeting, the members may deal with any proposals involving policy, by-laws, membership or finance as long as the Corporation has emailed all members a copy of the proposal(s) at least 10 business days in advance of the meeting.

(B) Ten percent (10%) of the membership is a quorum for transacting business at a general membership meeting. Regardless of the quorum, affirmative vote of not fewer than 10 members will be required to pass proposals at a general membership meeting.

(C) Only members in good standing may vote on any proposal. No proxy or absentee votes will be taken.

ARTICLE V - BOARD OF DIRECTORS

SECTION 1-- GOVERNING BODY AND NUMBER: The Board of Directors will be the governing body of the Corporation. Any individual member in good standing with the qualifications required by the Corporation (see P&P Guidelines) is qualified to be a director of the Board. The Board shall have no less than five (5) and no more than fifteen (15) Board members at any one time, to be determined at the discretion of the Board.

SECTION 2—TERM: In order to insure that the Corporation has a Board of Directors' election each and every year, initial Board terms shall be for two (2) years, based on position number. Thereafter, Board terms shall be for two (2) years. Seats vacated prior to completion of a term will be filled by Board appointment, at the Board's discretion, and the replacement director will serve the remaining term of the position being replaced.

SECTION 3—POWER: The Board of Directors shall have the power to conduct and control all necessary affairs and business of the Corporation and to make rules and regulations, as well as set policy and procedure, not inconsistent with the laws of the State of California, the Articles of Corporation and the Bylaws of the Corporation for the management of any and all affairs of the Corporation.

SECTION 4—QUORUM: One more than half the members of the Board shall constitute a quorum. No absentee, cumulative, or proxy votes are allowed. Voting by any electronic means, including e-mail, shall be allowed.

SECTION 5--POWER TO INCUR DEBT: The Board, upon approval of no less than a majority of the Board, and voting at a regular meeting, shall have the power to incur debt, the terms and amount of which shall be entered in the minutes of the Board, and the note of obligation given for the same, signed by the President and the Secretary, shall be binding on the Corporation.

SECTION 6 -- DIRECTOR LIABILITY: A director is not protected from liability for unlawful distributions, loans, or guarantees by abstaining from voting.

SECTION 7--BUDGET AND PAYMENT OF BILLS AND ANNUAL AUDIT: The Finance Committee shall prepare a budget for the approval of the Board at least one month prior to the beginning of the new fiscal year. Bills which are within the limits of the approved budget may be paid at the discretion of the Treasurer. When expenditures are to be made which are in excess of the budgeted amount or in absence of an approved budget, the Board must vote to approve every item before the expense may be incurred. At the beginning of each fiscal year, the Board may arrange for an independent audit or certification of the Corporation's books.

SECTION 8--DIRECTOR ABSENCES: Any director who is absent from three (3) Board meetings in one calendar year, as described in Article IV, Section 1(A), or any combination of three (3) meetings, as described in Article IV, Section 1 (A) & (B), January through December, will be disqualified at the discretion of the Board and will be notified by the Secretary in writing of this disqualification. Any director so disqualified will be reviewed by the Executive Committee on a case by case basis for reinstatement to the Board. Any director so disqualified by the Board may not be reinstated to the Board for a period of one calendar year, unless otherwise determined by the Executive Committee.

All directors are required to notify the Board that they will miss the upcoming meeting by e-mailing the entire Board, or by contacting the President of the Board prior to that meeting. The Secretary shall keep attendance and notify any Director who has two (2) absences during any calendar year.

SECTION 9--DIRECTOR VACANCIES: Vacancies occurring on the Board of Directors may be filled by appointment by the remaining Directors, even if less than a quorum may remain. Any candidate who has been disqualified from serving due to excessive absence within the last year will not be eligible. Directors, so appointed, shall hold office until their predecessor's term has expired. Appointment by the Board shall be conducted as follows:

- (A) Nominations will be made by the Board at the next regularly scheduled meeting.
- (B) A nominee must receive a majority vote of the directors to be appointed.
- (C) A director so appointed, shall take office immediately.

SECTION 10--REGULAR ELECTION OF DIRECTORS: The regular election of the directors shall be conducted as follows:

(A) NOMINATIONS: At the regular December Board meeting the President shall appoint, subject to approval of the Board, a Nominating Committee of at least three (3) members. The President shall designate a director to head the Committee. The membership must be notified by email or some other means that nominations are open. The Nominating Committee shall collect and prepare a list of the candidates. No candidate may be a member of the Nominating Committee. At the regular January meeting, the head of the Nominating Committee shall present the candidate list and any additional nominations may also be made from the floor by a member in good standing. Nominations by any method are closed by motion and second by members of the Board and by vote of the Directors at the January Board meeting.

(B) ELECTION: At the regular January Board meeting the President will appoint, subject to veto by the Board, an Election Committee of three (3) members and designate a director to head the Committee. No candidate may be an Election Committee member. This Committee will have general charge of the voting procedures, shall act as judges, and shall count and tally the votes. The election shall be conducted with an official ballot on a form prescribed by the Committee, or by vote by the Board if the Board determines voting shall be sufficient to conduct elections. If official ballot procedure is utilized, official ballots will be distributed, under supervision of the Election Committee to each member and ballots must be submitted to the DBA no later than February 28 of that year. Each individual member shall have one vote, each business or non-profit member shall have one vote. Counting of the ballots shall be the responsibility of the Election Committee. The names of the newly-elected board members will be announced as soon as practicable after the votes are tallied. Results shall be posted online at the Corporation's website and released by press release. The newly elected Directors shall take office at the March Board meeting.

SECTION 11--OFFICERS OF THE BOARD: The officers shall be as follows: President, Vice President, Treasurer and Secretary. The Officers shall all be members of the Board of Directors and shall be elected by the Board at the April Board meeting. The Executive Committee shall consist of the officers of the Corporation. Directors serve without compensation but may be reimbursed for expenses related to Board service, upon the approval of the Board. The Board shall not elect domestic partners or spouses as officers unless in its discretion the Board believes that having partners or spouses as officers is in the best interests of the Corporation.

SECTION 12 -- PRESIDENT: The President shall preside over all meetings of the members of the Corporation and over the Board of Directors and the Executive Committee. The President shall vote on a matter subject to vote by the Board only in the event of a tie. The President shall appoint the chairs of each committee, with the exception of the Executive Committee of which the President presides as chair. The President shall have the authority to assign committee tasks. The President is automatically a member of all committees.

SECTION 13 -- VICE PRESIDENT: The Vice President shall act as President on request of the Board when the President is unwilling or unable to act, and when so acting, shall have full power of the office of President. The Vice President shall have other powers and perform other duties as may be prescribed by law, by the Articles of Corporation, or by these by-laws.

SECTION 14 -- TREASURER: The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters which are the custom and practice to included in financial statements. The Treasurer shall deposit or cause to be deposited all monies and other valuables in the name of, and to the credit of, the Corporation with such depositories as may be designated by the Board. The Treasurer shall disburse or cause to be disbursed the funds of the Corporation as may be ordered by the Board, and shall render to the President and the Board, whenever they request it, an account of all of the Treasurer's transactions as Treasurer of the Corporation and of the financial condition of the Corporation.

SECTION 15 -- SECRETARY: The Secretary shall keep or cause to be kept a full and complete record of the proceedings of the Board and all Board meetings of the Corporation. The Secretary shall prepare such written notices as may be necessary and proper as required by the Board, and shall discharge such other duties as pertain to the office or as required by the Board. The Secretary shall work with the Membership Committee in the keeping of a registry of members of the Corporation, and shall, if required by the Board, direct notification of delinquent members. The Secretary shall also keep attendance at all Board meetings and promptly notify any Director who has two (2) absences (see Article V, Section 8 above). The Secretary shall advise any Director who has three (3) absences in writing that they have been disqualified as a Director after the Board has made such determination (see Article V, Section 8 above). The Secretary shall be required to keep attendance of Directors at all meetings of the Board.

SECTION 16 -- TERMS OF OFFICERS: Terms of the offices of President, Vice President, Treasurer and Secretary shall be for one (1) year.

SECTION 17 -- EMPLOYMENT OF STAFF: The Board of Directors may employ staff to assist in the running of the Corporation, as necessary. Staff will serve at the direction of the Board and their compensation shall be determined by the Board. All employed staff shall be subject to periodic review by the Board. Hiring and terminating of all employed staff shall be at the discretion of the Board with any hiring or terminating of staff to be determined by a vote of the Board.

SECTION 18 -- OFFICER VACANCIES: A vacancy in any elected office of the Board shall be filled by appointment by the Board at the next scheduled Board meeting. Any officer so appointed shall serve until the next regular election or until the term the Board member they replaced as expires, whichever comes first.

SECTION 19 -- REMOVAL OF A DIRECTOR:

The Board may remove for cause and declare vacant the office of a Director on the occurrence of any of the following events:

- (1) The director has been declared of incapacitated by a final order of a court of proper jurisdiction;
- (2) The director has been convicted of a felony during his or her tenure as director;
- (3) The director is no longer a member in good standing;
- (4) The termination of the member organization of which the director is the authorized representative;
- (5) The Director has not performed his/her duties as assigned by the Board as determined by the Board.

SECTION 20 – CONFLICTS OF INTEREST: Any director, officer, employee or committee member with delegated authority, who has a financial interest in any matter, contract, issue or transaction contemplated by the Board, shall disclose the actual or potential conflict of interest to the Board.

When the Board is to discuss, or take action, regarding the actual or potential conflict of interest, the interested party shall be excused from the place of meeting, and shall not participate in any discussion or seek to influence, in any manner, the vote on the transaction. The Board may appoint a disinterested person or committee to investigate alternatives to the proposed transaction, to determine reasonable options, and to make recommendations to the Board for Board approval.

Any person who fails to disclose an actual or potential conflict of interest shall be afforded an opportunity within forty-five (45) days to explain that failure and may be subject to appropriate disciplinary or corrective action by the Board.

The minutes of the meeting of the Board shall contain a record of any and all such actions pertaining to any actual or potential conflict of interest. Each director, officer, employee and member of a committee with governing Board designated projects shall annually sign a statement that affirms his/her understanding and agreement to comply with this policy at the discretion of the Board.

ARTICLE VI - COMMITTEES

SECTION 1. STANDING COMMITTEES: The following is a list of standing committees and their descriptions. The President will appoint the Committee Chairs. Each Committee shall determine its sub-committee structure and the Chair of each Committee shall appoint members of the organization to chair the various sub-committees. The appointments by the President and the Committee Chairs are subject to veto by the Board. Each Committee shall set its own agenda and report to the Board. Each Committee Chair shall determine if minutes are necessary for the Committee meetings but at the very least the Committee Chair shall submit a summary of all meeting discussions to the Board at each meeting.

Every Director must serve on at least one (1) committee and every committee shall have at least one (1) Director serving on it.

With the exception of the Nominating Committee and the Election Committee, Committee Chairs are appointed annually by the President subject to the agreement of the Director named and approval by the Board.

Amended by Board – 5/31/13

EXECUTIVE COMMITTEE

Executive Committee consists of the President, Vice President, Secretary and Treasurer. The Executive Committee shall oversee the day-to-day operations of the Corporation, review and recommend policy to the Board.

FINANCE COMMITTEE

Finance Committee shall oversee and set policy, subject to approval by the Board, on budget, fundraising, and economic development. The Committee shall be responsible for producing the Corporation's annual budget by February of each fiscal year. The Treasurer shall serve as Chair of the Finance Committee.

EVENTS COMMITTEE

Events Committee shall plan and schedule social events and fundraising events, humanitarian projects and educational events. The Committee shall bring their ideas and suggestions to the Board for approval on an as-needed basis.

MARKETING COMMITTEE

Marketing Committee shall oversee advertising of the Corporation. The Committee shall bring their ideas, suggestions and proposals to the Board for approval on an as-needed basis. The Marketing Committee shall not take any action that reflects on the Corporation without the approval of the Board.

WEB SITE COMMITTEE

Web Site Committee shall oversee and maintain the web site and other social media sites. The Website Committee shall bring their ideas, suggestions and proposals to the Board for approval on an as-needed basis. The Website Committee shall not take any action that reflects on the Corporation without the approval of the Board.

DIRECTORY COMMITTEE

Directory Committee shall work to publish a directory for the benefit of the membership. Its duties shall be to (1) sell advertising and keep a detailed accounting of payments; (2) proofread directory copy; (3) work with printer to publish the directory; and (4) do any and all other activities that are required to publish the directory. This Committee shall report periodically to the Board on the progress it is making and the monies that it has collected.

MEMBERSHIP COMMITTEE

Membership Committee shall (1) maintain or cause to be maintained a registry of members, (2) direct the notification of delinquent members, and (3) direct the collection of fees, assessments, and dues and payment to the Treasurer for deposit into the Corporation's bank account. The Committee will focus on membership development and, if appropriate, work with the Events Committee, Website Committee and Marketing Committees to coordinate events to increase membership. The Committee shall bring their ideas and suggestions to the Board of Directors for approval on an as-needed basis.

SECTION 2. AD HOC COMMITTEES: In addition to the standing committees, the President may establish ad hoc committees as required and as necessary, with approval of the Board.

ARTICLE VII - DUES AND ASSESSMENTS

SECTION 1-- ANNUAL DUES: Annual dues are fixed by the Board. Dues are payable for one year and become due again on their anniversary date.

SECTION 2--ASSESSMENTS: Assessments upon the membership of the Corporation must be approved by no less than two-thirds of the Board, voting at a regularly scheduled meeting of the Board. No proxy votes will be accepted.

ARTICLE VIII - BYLAWS AMENDMENTS

These bylaws may be amended by two-thirds (2/3) vote of the Board, or by a simple majority of the general membership at any regular or special meeting, providing the notice for the meeting includes the proposals for amendments. Any proposed amendment shall be submitted to the Board or the members in writing at least ten (10) days in advance of the meeting at which they are voted upon.

ARTICLE IX - PARLIAMENTARY AUTHORITY

The current edition of Robert's Rules of Order shall be the final source of authority in all questions of parliamentary procedure as long as such rules are consistent with the Articles of Incorporation and the Bylaws of the Corporation.

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ARTICLE X - DECORUM

All speakers shall address each other with respect and at no time shall there be any remarks made that are personally derogatory or insulting to any Director or member at any Board meeting or meeting of the general members. Disorderly conduct shall not be permitted. A speaking member or Director shall not be interrupted and the President shall call upon those with raised hands to speak in an orderly fashion. If a member or a director persists in disorderly conduct after being warned, any Director may move to have that member or director removed from the meeting. A majority of the Directors must agree upon removal before such Director or member is asked to leave.

ARTICLE XI - DISSOLUTION

The Corporation shall use its funds only to accomplish the objectives and purposes specified in these bylaws, and no part of said funds shall benefit, or be distributed to the members of the Corporation. Any funds remaining shall be distributed to one or more regularly organized and non-profit organizations to be selected by the Board.

These Bylaws of DESERT BUSINESS ASSOCIATION were approved by the members of the Corporation and by the Board of Directors at a General Meeting held on _____, **2013** and the Secretary of the Board was directed to sign them on this date.

DESERT BUSINESS ASSOCIATON

BY: _____

MICHAEL HAYJA, SECRETARY