

**BYLAWS**  
**OF**  
**CHOOSE CHATTANOOGA, INC.**

(A Tennessee Nonprofit Corporation)  
(Adopted by Board Resolution Effective \_\_\_\_\_, 2008)

These bylaws shall regulate the affairs of Choose Chattanooga, Inc. (the "corporation"), subject to the provisions of the corporation's charter and any applicable provisions of the Tennessee Nonprofit Corporation Act, Tenn. Code Ann. §§ 48-51-101 *et seq.*

**ARTICLE 1**  
**NAME**

The name of the organization shall be Choose Chattanooga, Inc.

**ARTICLE 2**  
**OFFICES**

The corporation shall designate and continuously maintain a registered office in the State of Tennessee. The principal office of the corporation shall be that which is designated as such in its charter. The corporation may also have other offices within and without the State of Tennessee at such places as the Board of Directors may from time to time determine. The corporation shall designate and continuously maintain a registered agent in the State of Tennessee at its registered office.

**ARTICLE 3**  
**PURPOSES**

The purpose of this corporation shall be as provided in its charter. The corporation is irrevocably dedicated to and operated exclusively for nonprofit purposes, and no part of the income or assets of the corporation shall be distributed to, or inure to the benefit of, any individual.

**ARTICLE 4**  
**ACTIVITIES**

The activities of the organization shall be determined by the Board of Directors to further the purposes stated in its charter.

**ARTICLE 5**  
**NO MEMBERS**

The corporation will not have "members" as this term is defined in the Tennessee Non-Profit Corporation Act, in that no individual other than members of the Board of Directors shall have any voting rights as to election of Board members, amendments to this charter or the corporate bylaws, or as to any other matters as to which "members" are given voting rights under the Tennessee Non-Profit Corporation Act.

**ARTICLE 6**  
**BOARD OF DIRECTORS**

6.1 General. The Board of Directors shall have the overall responsibility for the management, administration of affairs, and determination of the policies and activities of the corporation. Whenever possible, Board members shall serve as committee chairs. Directors shall each be of legal age. Directors need not be residents of the State of Tennessee.

6.2 Composition. There shall be no fewer than 7 nor more than 30 Directors. All Directors shall have equal and full voting responsibilities as members of the Board of Directors.

6.3 Election; Approval by City and County Mayors. Directors shall be elected by a quorum of the Board in attendance at regular annual meetings of the Board. The Nominating Committee shall present all individuals proposed for nomination to a position which will be open on the Board to the Mayor of the City of Chattanooga, Tennessee and the Mayor of Hamilton County, Tennessee (the "Mayors") for approval or disapproval by the Mayors before the Board votes on the election of such individuals. If either of the Mayors disapproves of any such individual and informs the Nominating Committee in writing of such disapproval, such individual will be removed from consideration for a Board position for a period of six (6) months, but may be re-nominated after that time. In the event that the Mayors do not provide written disapproval of any nominee submitted for consideration, within 30 days of the days such nominees are submitted for approval by the Mayors, such nominees shall automatically be deemed approved by the Mayors, will be eligible for election and may be presented to the Board of Directors for election and approval.

6.4 Term. Terms for all Directors shall be for three (3) years, with one-third of the Board elected each year. Each Director shall hold office until the expiration of the term for which he or she is elected, and thereafter until his or her successor has been elected and qualified, or until removed. Directors may be elected for successive terms.

6.5 Vacancies. Vacancies occurring in the Board by death, resignation, refusal to serve, or otherwise, shall be filled by a quorum of the Board at any regular meeting upon ten (10) days advance notice. In such cases the notice shall provide that an election to fill Board vacancies shall take place, along with the names of any persons whom the Executive Committee has determined are to be placed in nomination.

6.6 Resignation. Any Director may resign at any time by giving written notice to the Executive Director or to the Board of Directors. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance thereof as determined by the Board.

6.7 Removal. All Directors shall serve at the pleasure of the Board of Directors, and any Director may be removed at any time with or without cause by a two-thirds (2/3) majority vote of all the Directors then serving or by either of the Mayors. Directors who are unable to regularly participate in the meetings and activities of the Board, without reasonable excuse, shall be removed from the Board.

## **ARTICLE 7** **MEETINGS OF THE BOARD**

7.1 Place of Meetings. The meetings of the Board shall be held at the principal office of the corporation or at any place within or without the United States that the Board may from time to time designate.

7.2 Annual Meeting. The annual meeting of the Board shall be held prior to July 1 of each year for the purpose of considering reports and transacting any and all other business that may properly come before the meeting. The day, hour, and place of the annual meeting shall be determined by the Board of Directors, and notice shall be given ten (10) days in advance of the meeting. At the annual meeting the Board may also, whenever appropriate, honor individuals for outstanding service to the corporation.

7.3 Regular and Special Meetings. The Board of Directors shall hold regular monthly meetings and such special meetings as it may determine or as may be called by the President. Due notice shall be given of all special meetings.

7.4 Notice Requirements. Notice of special meetings, setting forth the place and the day and hour of the meeting, shall be given to each Director, by any usual means of communication not less than two (2) days before the meeting. Neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or any waiver of notice of such meeting. However, written notice describing the purpose of the meeting shall be given to each Director not less than seven (7) days before any special or regular meeting called to amend the charter or the bylaws; remove a Director; adopt a plan of merger or dissolution; or consider the sale, lease, exchange or other disposition of all or substantially all of the corporation's assets. Such notice shall contain or be accompanied by a copy or summary of such amendment, plan or transaction.

7.5 Waiver of Notice. A Director's attendance at or participation in a meeting waives any required notice of the meeting unless the Director at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting. Whenever the Board is authorized to take any action after notice to any person or persons, or the lapse of a

prescribed period of time, the action may be taken without such requirements if at any time before or after the action is completed the person or persons entitled to such notice or entitled to participate in the action to be taken submit a signed waiver of notice or of such requirement.

7.6 Quorum. At all meetings of the Board four-tenths (4/10) of the total Directors then in office shall constitute a quorum for the transaction of business. When a quorum is once present to organize the meeting, it is not broken by the subsequent withdrawal of any of those present, and a meeting may be adjourned despite the absence of a quorum.

7.7 Voting of Directors. The vote of a majority of the Directors at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a vote of a greater number is required by law or by these bylaws.

7.8 Presumption of Assent. A Director who is present at a meeting of the Board shall be presumed to have concurred in action taken at the meeting unless he or she objects at the beginning of the meeting (or promptly upon his arrival) to holding it or transacting business at the meeting, and his or her dissent or abstention from the action taken is entered in the minutes, or he or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

7.9 Action by Consent. Action required or permitted under Tennessee law to be taken at a Board of Directors' meeting may be taken without a meeting. If all Directors consent to taking such action without a meeting, the affirmative vote of the number of Directors that would be necessary to authorize or take such action at a meeting is the act of the Board. The action must be evidenced by one (1) or more written consents describing the action taken, signed by each Director, and included in the minutes reflecting the action taken. Action taken is effective when the last Director signs the consent, unless the consent specifies a different effective date.

7.10 Participation in Meetings Through Differing Means of Communication Allowed. Participation by members of the Board or any committee designated by the Board in any meeting of the Board or committee by means of any communications equipment by which all persons participating in the meeting can hear each other shall be permitted. Participation in such a meeting pursuant to this Paragraph 6.10 shall constitute presence in person at such meeting. The Directors or committee members, as appropriate, shall be promptly furnished a copy of the minutes of any meeting held under this paragraph.

## ARTICLE 8 COMPENSATION

Directors shall not receive any compensation for their services as Directors but may be reimbursed for authorized expenses incurred in the performance of their duties. The Board of Directors is authorized to fix the salary of the Executive Director and determine the compensation of others employed by the corporation.

**ARTICLE 9**  
**OFFICERS**

9.1 Titles of Officers. The corporation shall have a President, a Vice-President, a Treasurer, a Secretary, and such other officers as are elected by the Board. One person may be elected to more than one office, except that the offices of Chairman and/or President and Secretary may not be held by the same person.

9.2 Election. All officers shall be elected or appointed at the annual meeting of the Board.

9.3 Term of Office. The officers of the corporation shall be elected for terms of one year, with the exception of the President, who shall serve for a term of two (2) years. Each officer shall hold office until the expiration of the term for which he or she is elected and thereafter until his or her successor has been elected or appointed and qualified, except where removed from office as hereinafter provided. There shall be no limitation on the number of terms an officer may serve.

9.4 Removal. Any officer may be removed by the vote of a majority of the entire Board whenever in its judgment the best interest of the corporation will be served thereby.

9.5 Vacancies. Any and all vacancies occurring among officers shall be filled by a majority vote of the Board at its next regular or special meeting.

9.6 Powers and Duties of Officers. The powers and duties of the officers of the corporation shall be as follows:

(a) President. The President shall preside at all meetings of the Board and appoint all committee chairs, except where otherwise provided by these bylaws. The President shall be an ex-officio member of all corporation committees. The President shall see that all orders and resolutions of the Board are carried into effect, shall have general supervision over the active management of the business and affairs of the corporation, and shall perform such other duties as the Board of Directors may from time to time prescribe.

(b) Vice President. The Vice President shall perform the duties of the President in the event of the President's absence, resignation, or inability to perform, as well as such other duties as the Board may require.

(c) Secretary. The Secretary shall attend all meetings of the Board and record or cause to be recorded all votes and the minutes of all proceedings in a book to be kept for that purpose. He or she shall give, or cause to be given, notice of all meetings of the Board and shall perform such other duties as may be prescribed by the Board or the executive officers of the corporation, under whose supervision he or she shall be.

(d) Treasurer. The Treasurer shall have the custody of the funds and securities of this corporation and shall supervise the full and accurate accounting of receipts and

disbursements in books belonging to the corporation and the depositing of monies and other valuable effects in the name and to the credit of this corporation in such depositories as may be designated by the Board. The Treasurer shall supervise the disbursement of the funds of this corporation as may be ordered by the Board, the President, or the Vice-President, and shall render to the executive officers of this corporation and the Board, at the regular meetings of the Board, or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the corporation, and shall perform such other duties as may be prescribed by the Board or the executive officers of this corporation, under whose supervision he or she shall be.

(e) Other Officers. The Board may appoint such other officers and agents as it shall deem necessary or advisable, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

#### **ARTICLE 10** **EXECUTIVE DIRECTOR**

An Executive Director may be selected by the Board to serve at a salary and on such terms as the Board may determine. The corporation is not required to employ and Executive Director. If employed, the duties of the Executive Director shall include, but are not limited to, the following:

- (a) Serve as the general administrative officer of the corporation;
- (b) Work with committee chairs in the preparation of their programs and in the execution of details related thereto;
- (d) Assist in recruiting personnel for committees;
- (e) Employ and discharge members of the corporation's staff;
- (e) Prepare the annual budget in accordance with Article 11 of these bylaws and supervise with the Treasurer expenditures of the corporation authorized in the annual budget;
- (f) Represent the corporation or see that the corporation is properly represented at meetings, hearings, and in other public efforts related to the purposes of the corporation;
- (g) Make annual reports of progress to the Board of Directors, and through it to the corporation;
- (h) Engage in research with properly qualified consultants looking toward new and improved activities, and undertake periodic

evaluations of the programs of the corporation with the help of expert consultants.

## ARTICLE 11 COMMITTEES

11.1 Executive Committee. The officers of the corporation and two (2) members-at-large shall constitute the Executive Committee, which shall have such powers as the Board shall authorize. The two (2) members-at-large shall be selected as follows: the Nominating Committee shall present recommendations to the Board, which will then select the members-at-large through majority vote. The immediate past President shall be an ex officio member of the Executive Committee.

11.2 Nominating Committee. The Nominating Committee shall report to the Board at the annual meeting each year the names of individuals proposed for nomination to open positions on the Board of Directors, nominate proposed officers and members-at-large, and shall have such other powers and duties as the Board shall authorize. The President of the corporation shall appoint a member of the Board of Directors as chair of the Nominating Committee. Members of the Nominating Committee shall then be selected by the committee chair, subject to approval by a majority vote of the Board.

11.3 Other Committees. By a majority of all Directors present at any meeting of the Board, the Board may designate committees, consisting of two (2) or more persons who may or may not be Directors, and may delegate to such committees all such authority of the Board that the Directors may legally delegate. The designation of any such committee and the delegation thereto of authority shall not relieve any Director of any responsibility imposed by law.

(a) Limitations on Committees' Authority. No committee shall: (i) authorize distributions; (ii) approve or recommend the dissolution, merger or sale of the corporation; (iii) approve or recommend the sale, pledge or transfer of all or substantially all of the corporation's assets; (iv) elect, appoint or remove Directors or fill vacancies on the Board or any of its committees; (v) adopt, amend or repeal the charter or bylaws; or (vi) approve or recommend any action that is required to be approved by the Board.

(b) Committee Meetings. So far as applicable, the provisions of law relating to the conduct of meetings of the Board shall govern meetings of the executive and other committees. Each committee shall keep minutes and report any action taken to the meeting of the Board next following the taking of such action, unless the Board otherwise requires.

(c) Removal of Committee Members. Each committee, and each member of any committee, shall serve at the pleasure of the Board.

(d) Alternate Committee Members. The Board may designate one or more Directors as alternate members of any such committee, who may replace any absent member or members at any meeting of the committee.

11.4 Committee Chairs. Absent objection of a majority of the entire Board, the President shall appoint committee chairs, who are then authorized to select individuals to serve as committee members. Committee chairs may be removed by the President at any time. Chairs of committees who are not members of the Board of Directors shall be ex officio members of the Board for the tenure of their chairship. Such ex officio members of the Board shall possess no Board vote.

## ARTICLE 12 ANNUAL BUDGET

The annual budget of the corporation shall be prepared by the Executive Director and approved by the Board and shall be presented to the Mayor of the City of Chattanooga, Tennessee and the Mayor of Hamilton County, Tennessee after approval.

## ARTICLE 13 AMENDMENTS

These bylaws may only be amended, revised, or repealed by a vote of two-thirds (2/3) of the Board of Directors. Any proposed amendment or revision to Article 3, Section 6.3 or Section 6.7 of these bylaws requires written approval by each of the Mayors. The resulting bylaws may contain any provision for the regulation and management of business of the corporation not inconsistent with law and the charter. Any amendment of the charter inconsistent with these bylaws or parts of bylaws which merely summarizes or restates the provisions of the charter or the provisions of the Tennessee Nonprofit Corporation Act or other law applicable to the corporations shall be operative with respect to the corporation only so far as they are descriptive of existing law and of the charter as amended. Notice of any regular or special meeting at which the amendment, revision, or repeal of these bylaws is to be voted upon shall be given in writing at least ten (10) days in advance of such meeting.

## ARTICLE 14 CONTRACTS, CHECKS, DEPOSITS AND FUNDS

14.1 Authorization. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

14.2 Funds. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select, or as may be designated by any officer or officers or agent or agents of the corporation to whom such power may be delegated by the Board of Directors.

14.3 Acceptance of Gifts. The Board of Directors or any officer or officers or agent or agents of the corporation to whom such authority may be delegated by the Board, may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

14.4 Bond. At the direction of the Directors, any officer or employee of the corporation shall be bonded. The expense of furnishing any such bond shall be paid by the corporation.

**ARTICLE 15**  
**SEAL**

The Corporation shall not have a seal.

**ARTICLE 16**  
**LIMITED LIABILITY OF DIRECTORS**

The liability of the Directors and officers of this corporation shall be limited to the maximum extent permissible in accordance with the provisions of the charter of the corporation and the Tennessee Nonprofit Corporation Act, as now or hereafter in effect.

**ARTICLE 17**  
**INDEMNIFICATION**

Any Director or officer, or his/her executor or administrator, shall be entitled to indemnification to the fullest extent allowed in accordance with the charter of the corporation and the Tennessee Nonprofit Corporation Act, as now or hereafter in effect.

**ARTICLE 18**  
**EXEMPT ACTIVITIES**

Notwithstanding any other provision of these bylaws, no Director, officer, employee or representative of this corporation shall take any action or carry on any activity by or on behalf of the corporation not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and regulations as they now exist or as they may hereafter be amended.

**ARTICLE 19**  
**DISSOLUTION**

In the event of liquidation, dissolution or winding down of the corporation, whether voluntary, involuntary, or by operation of law, the residual assets of the corporation shall be distributed in accordance with a plan of distribution adopted by the Board of Directors

pursuant to the corporation's charter and approved by affirmative vote of all votes entitled to be cast. The residual assets of the corporation shall not, in any event, be distributed for purposes other than charitable, scientific, literary or educational purposes within the meaning of Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code.

**ARTICLE 20**  
**MISCELLANEOUS**

20.1. Notices. Whenever notice is required to be given to Directors or officers, unless otherwise provided by law, the charter or these bylaws, such notice may be given in person, or by telephone, telegraph, teletype or other form of wire or wireless communication, or by mail or private carrier. If such notice is given by mail, it shall be sent postage prepaid by first class United States mail or by registered or certified United States mail, return receipt requested, and addressed to the respective address that appears for each such person on the books of the corporation. Written notice shall be deemed to have been given at the earliest of the following:

- (a) When received;
- (b) Five (5) days after its deposit in the United States mail if sent first class, postage prepaid; or
- (c) On the date on the return receipt, if sent by registered or certified United States mail, return receipt requested, postage prepaid and the receipt is signed by or on behalf of the addressee.

20.2. Waiver of Notice. Whenever any notice is required to be given under the provisions of any statute, or of the charter or these bylaws, a waiver thereof in writing signed by the person entitled to such notice, whether before or after the date stated thereon, and delivered to the Secretary of the corporation and included in the minutes or corporate records, shall be deemed equivalent thereto.