BYLAWS OF
San Clemente Chamber of Commerce (5.18.26)

This organization is incorporated under the laws of the State of California as a nonprofit mutual benefit corporation and is organized as a business league within the meaning of Section 501(c)(6) of the Internal Revenue Code.

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ARTICLE I – GENERAL

Section 1. Name
This organization is incorporated under the laws of the State of California as a nonprofit mutual benefit corporation and shall be known as the San Clemente Chamber of Commerce (the "Chamber").

Section 2. Purpose
The Chamber is organized to promote the general welfare and prosperity of the business community within the San Clemente area. The Chamber shall foster economic growth, encourage ethical business practices, facilitate collaboration among businesses, residents, and government, and advance community involvement for the benefit of its members.

Section 3. Limitations and Compliance
The Chamber shall operate in compliance with all applicable local, county, state, and federal laws, including the California Nonprofit Mutual Benefit Corporation Law (California Corporations Code Section 7110 et seq.). The Chamber is organized and operated as a business league within the meaning of Section 501(c)(6) of the Internal Revenue Code. No part of the net earnings of the Chamber shall inure to the benefit of any private individual, except as reasonable compensation for services rendered.

ARTICLE II – MEMBERSHIP

Section 1. Eligibility
Any individual, association, corporation, partnership, or other legal entity having an interest in the objectives and purposes of the Chamber shall be eligible to apply for membership.

Section 2. Admission to Membership
Applications for membership shall be submitted in writing and/or by electronic submission on forms approved by the Chamber. Membership applications may be executed with original (wet) signatures or electronic signatures, each of which shall be deemed original and legally binding.

The Board of Directors shall have the authority to approve the admission of members by the affirmative vote of a majority of the Board present at a duly noticed meeting. An applicant so approved shall become a member upon payment of the applicable membership investment.

Section 3. Membership Investments and Resignation
Membership investments shall be approved by the Board of Directors and shall be payable in advance.

Any member may resign from the Chamber at any time by providing written notice to the Chamber. Resignation shall not relieve the member of any financial obligations incurred prior to the effective date of resignation.

Section 4. Member Representation
Each member that is an association, corporation, partnership, or other entity shall designate one primary and one billing individual to represent the member in all matters relating to the Chamber. The designated representative(s) may be changed upon written notice to the Chamber.

Section 5. Termination of Membership
(a) Voluntary Resignation.
Any member may resign from the Chamber at any time by providing written notice to the Chamber. Resignation shall not relieve the member of any financial obligations incurred prior to the effective date of resignation.

(b) Termination for Nonpayment.
Any member whose membership investment remains unpaid for one hundred twenty (120) days after the due date may be subject to termination. Prior to termination, the member shall be provided with written notice of delinquency and an opportunity to cure the nonpayment within the time specified in the notice. Termination for nonpayment shall require approval by a majority vote of the Board of Directors.

(c) Termination for Cause.
A member may be terminated for conduct determined by the Board of Directors to be detrimental to the purposes, reputation, or interests of the Chamber, including conduct unbecoming a member.

(d) Notice and Opportunity to Respond.
Before any termination under this Section, the Chamber shall provide the member with at least fifteen (15) days' written notice of the proposed termination (exit letter by electronic mail), stating the reasons for the proposed action and the member's right to submit a written statement in response. Any response must be received by the Chamber not fewer than five (5) days prior to the effective date of termination. The Board of Directors shall consider the members' response, if any, before making a final determination.

(e) Alleged Gross Misconduct by a Chamber Member
The San Clemente Chamber of Commerce is not a government agency and therefore, does not hold the authority to investigate how companies conduct business. Should an individual have a complaint against a member's business, they are directed to contact the Federal Trade Commission Bureau of Consumer Protection and the Better Business Bureau.

ARTICLE III – MEETINGS OF MEMBERS

Section 1. Place of Meetings
Meetings of the members shall be held at such place, within or outside the City of San Clemente, or by electronic means, as may be designated by the Board of Directors and permitted under California law. If no place or method is designated, meetings shall be held at the principal office of the Chamber.

Section 2. Annual Meeting
The annual meeting of the members shall be held during the fiscal year at a date, time, and place determined by the Board of Directors. The purposes of the annual meeting shall include receiving reports of the Chamber, the election or installation of directors if required, and the transaction of such other business as may properly come before the members.

Section 3. Special Meetings
Special meetings of the members may be called by the Board of Directors, the Chair of the Board, or by members holding not less than five percent (5%) of the voting power of the Chamber.

Requests by members to call a special meeting shall be made in writing and delivered to the Chair of the Board or the Chief Executive Officer at the Chamber's principal office. The request shall state the general nature of the business proposed to be transacted and the desired date for the meeting, which shall be not less than thirty-five (35) nor more than ninety (90) days after receipt of the request.

Upon receipt of a valid request, the Board of Directors shall fix the date, time, and place of the special meeting and cause notice to be given to all members entitled to vote in accordance with these Bylaws.

Section 4. Notice of Meetings
Written notice of each meeting of members shall be given not less than ten (10) nor more than ninety (90) days before the meeting date.
The notice shall state:

- The place, date, and time of the meeting; and
- In the case of a special meeting, the general nature of the business to be transacted; or
- In the case of the annual meeting, those matters that the Board of Directors intends to present for action by the members.

Notice may be given personally, by mail, or by electronic transmission, including email, in accordance with California law, to the address or electronic contact information shown in the Chamber's records.

Section 5. Quorum
Members holding five percent (5%) of the voting power entitled to vote, present in person, by proxy, or by authorized electronic participation, shall constitute a quorum for the transaction of business.

Once a quorum is established, the members present may continue to transact business until adjournment, notwithstanding the withdrawal of members, provided that any action taken (other than adjournment) is approved by the vote required for approval.

Section 6. Voting
Each member shall be entitled to one (1) vote on each matter submitted to a vote of the members.

If a quorum is present, the affirmative vote of a majority of the voting power represented and voting at the meeting shall be the act of the members, unless a greater vote is required by law or these Bylaws.

Section 7. Inspectors of Election
Prior to any meeting of members at which a vote is to be taken, the Chair of the Board, with approval of the Board of Directors, shall appoint one or more inspectors of election who are not nominees for office.
The inspectors shall:

1. Determine the existence of a quorum;
2. Determine the validity of proxies;
3. Receive and count votes or ballots;
4. Resolve challenges and questions concerning voting rights;
5. Tabulate and certify the results; and
6. Perform such other duties as are necessary to conduct the vote fairly and impartially.

Section 8. Action by Written or Electronic Ballot
Any action that may be taken at a meeting of members may be taken without a meeting by written or electronic ballot, in accordance with California law.

Ballots shall be distributed to all members entitled to vote and shall:

- Set forth the proposed action;
- Specify the deadline for receipt; and
- State the quorum and approval requirements.

Approval by ballot shall be valid if the number of ballots returned equals or exceeds the quorum required for a meeting and the number of affirmative votes meets the approval threshold required at a meeting.

Ballots may not be revoked once received. All ballots shall be filed with the Chief Executive Officer and retained as part of the Chamber's corporate records. The results shall be reported to the members.

Section 9. Proxy Voting
Members entitled to vote may vote in person, by written or electronic ballot, or by proxy. A proxy must be executed in writing or electronically by the member and filed with the Chief Executive Officer prior to the meeting or ballot deadline. Unless otherwise specified in the proxy, no proxy shall be valid after eleven (11) months from the date of execution. Proxy voting shall be permitted except where prohibited by law or where a specific type of vote is not valid without compliance with proxy requirements under California law.

Section 10. Member and Board Participation by Electronic Means
Meetings of members and meetings of the Board of Directors may be held in person or by electronic transmission, including teleconference or video conference, consistent with procedures established by the Board of Directors and as permitted under California law (California Corporations Code § 5510(a)). Participation by electronic means shall constitute presence in person at the meeting, provided that all participants are able to hear one another and communicate concurrently.

The Board of Directors may authorize meetings to be conducted entirely by electronic means when permitted by California law and when reasonable measures are implemented to ensure member participation and voting rights.

ARTICLE IV – BOARD OF DIRECTORS

Section 1. Authority and Powers
The affairs of the San Clemente Chamber of Commerce (the "Chamber"), including the control and direction of its activities, finances, property, and the employment, evaluation, and oversight of the Chief Executive Officer, shall be managed and exercised by or under the direction of a Board of Directors (the "Board"), except as otherwise provided by law,

the Articles of Incorporation, or these Bylaws.

The Board shall consist of not fewer than ten (10) nor more than seventeen (17) directors, the exact number to be fixed from time to time by resolution of the Board.

Section 2. Term of Office and Term Limits

Directors shall be elected for staggered terms of three (3) years. No director may serve more than two (2) consecutive full terms, or a total of six (6) consecutive years, without a break in service of at least one (1) year following the expiration of the second term.

Section 3. Nomination and Election of Directors

(a) **Nominating Committee.** At the June meeting of the Board, the Chair of the Board shall appoint, subject to Board approval, a Nominating Committee consisting of three (3) current directors and two (2) members of the Chamber. The Chair-Elect of the Board shall serve as Chair of the Nominating Committee with the Chief Executive Officer serving as the Corporate Secretary.

(b) **Slate of Nominees.** At the September meeting of the Board, the Nominating Committee shall present a proposed slate of candidates to fill expiring director terms and any known vacancies. All nominees must be members in good standing, eligible to serve, and willing to accept the responsibilities of a director.

(c) **Notice to Members and Right of Petition.** Upon receipt of the proposed slate, the Chair of the Board shall cause notice of the nominees to be provided to the membership, together with notice of the members' right to nominate additional candidates by petition.

(d) **Petition Process.** Additional candidates may be nominated by petition signed by not less than five percent (5%) of the members entitled to vote. Petitions must be submitted to the Chamber within ten (10) days after notice of the proposed slate is given. The Chief Executive Officer shall determine the validity of petitions submitted.

(e) **Final Slate and Election.** If a valid petition is received, the Board shall determine the final slate of nominees at its October meeting. If no petition is received, the proposed slate shall be deemed final. Directors shall be elected by the members in accordance with these Bylaws and installed at the annual meeting.

Section 4. Political Candidacy

Any director who files as a candidate for public political office shall resign from the Board prior to filing such candidacy papers. A director who resigns for this purpose may be eligible for reappointment if not elected, subject to Board approval and these Bylaws.

Section 5. Resignation and Removal of Directors
A director may resign at any time by providing written notice to the Chair of the Board, the Chief Executive Officer, or the Board. A director may be removed, with or without cause, by a majority vote of the Board of Directors, or by the members if required by law. Any removal shall be conducted in compliance with applicable provisions of the California Nonprofit Mutual Benefit Corporation Law.

Section 6. Attendance and Removal for Absences
A director who incurs three (3) absences from regularly scheduled Board meetings within a calendar year shall receive a verbal and/or written notice. Upon a fourth absence, the Board may review the director’s continued service and may remove the director by majority vote. A removed director may petition for reinstatement subject to approval by the Executive Committee and ratification by the full Board.

Section 7. Meetings; Electronic Participation
Meetings of the Board may be held at the principal office of the Chamber or at such other place as designated by the Board. Meetings may be held in person, by teleconference, or by video conference, provided that all directors participating are able to hear one another and communicate concurrently. Participation by electronic means shall constitute presence in person for quorum and voting purposes, consistent with California Corporations Code Section 7211.

Section 8. Regular and Special Meetings
Regular meetings of the Board shall be held at such times and places as determined by the Board. Special meetings may be called by the Chair of the Board, the Chair-Elect, or any three (3) directors or the Chief Executive Officer.

Notice of special meetings shall be given to each director not less than four (4) days in advance by mail or electronic transmission, or not less than forty-eight (48) hours in advance by personal delivery or telephone and shall state the time and place of the meeting.

Section 9. Quorum and Voting
A majority of the authorized number of directors shall constitute a quorum for the transaction of business. Every act or decision of a majority of the directors present at a meeting duly held at which a quorum is present shall be the act of the Board unless a greater vote is required by law or these Bylaws.
Directors may not vote by proxy or by written ballot. All votes shall be taken during meetings at which directors are able to deliberate collectively.

Section 10. Waiver of Notice
Notice of any Board meeting may be waived in writing or by electronic transmission before or after the meeting. Attendance at a meeting without objection shall constitute waiver of notice. All waivers shall be filed with or noted in the corporate records.

Section 11. Adjournment
A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If adjournment is for more than twenty-four (24) hours, notice shall be given to directors who were not present.

Section 12. Open and Closed Board Meetings
Regular meetings of the Board shall be open to members of the Chamber with Chief Executive Officer approval, except when the Board enters a closed session to discuss matters involving confidential, legal, personnel, or financial issues.

Section 13. Vacancies
Vacancies on the Board may be filled by a majority vote of the remaining directors, unless the vacancy was created by removal of a director by the members, in which case the vacancy shall be filled by the members. A director elected to fill a vacancy shall serve the remainder of the unexpired term.

Section 14. Compensation
Directors and committee members shall serve without compensation for their service as directors or committee members. No director shall receive compensation for services rendered in such individual's capacity as a director.

Nothing in this Section shall preclude a director from receiving reasonable compensation for services rendered to the Chamber in another capacity, provided that such compensation is determined to be reasonable, does not result in private inurement or impermissible private benefit, and is approved in advance by the Board of Directors or an authorized committee in accordance with the Chamber's conflict-of-interest policy and applicable California and federal law.

ARTICLE V

OFFICERS
Section 1. Officers of the Corporation
The officers of this Corporation shall be a Chair of the Board, a Chair-Elect, one or more Vice Chairs as determined by the Board of Directors, a Treasurer who shall serve as Chief Financial Officer, and such other officers as the Board may designate from time to time in accordance with the California Nonprofit Mutual Benefit Corporation Law.

Except for the Chief Executive Officer, all officers shall be members of the Board of Directors at the time of their election. Officers shall be elected annually by the Board of Directors and shall serve for a term of one year or until their successors are duly elected and qualified as determined by the Nominating Committee. Officers shall serve at the pleasure of the Board and may be removed, with or without cause, by the Board of Directors pursuant to California Corporations Code Section 7213.

The Immediate Past Chair may serve as an officer provided that such individual is otherwise serving as a duly elected Director in accordance with these Bylaws.

Section 2. Duties of Officers

(a) Chair of the Board
The Chair of the Board shall preside at all meetings of the Board of Directors and the Members, if there are any. The Chair shall provide leadership to the Board in carrying out its fiduciary responsibilities and shall ensure that the Board fulfills its duties of care and loyalty in accordance with California Corporations Code Section 7231. The Chair shall serve as the primary governance liaison to the Chief Executive Officer and shall perform such other duties as may be prescribed by the Board of Directors. The Chair shall not independently bind the Corporation unless specifically authorized by resolution of the Board.

(b) Chair-Elect
The Chair-Elect shall perform the duties of the Chair in the absence or inability of the Chair and shall assist in leadership continuity and strategic planning. The Chair-Elect shall perform such additional duties as may be assigned by the Board of Directors.

(c) Immediate Past Chair
If serving as a duly elected Director, the Immediate Past Chair shall provide continuity and institutional knowledge to the Board and shall perform such duties as may be assigned by the Board. This position shall not automatically confer Board membership unless otherwise provided in these Bylaws.

(d) Vice Chair(s)
The Vice Chair or Vice Chairs shall perform such duties as may be assigned by the Board of Directors. Vice Chairs may be designated to provide Board-level oversight of strategic focus areas established by the Board, including but not limited to membership, government affairs, programs, or finance. Vice Chairs shall not manage staff and shall act solely within the scope of authority delegated by the Board.

(e) Treasurer (Chief Financial Officer)
The Treasurer shall serve as the Chief Financial Officer of the Corporation in accordance with California Corporations Code Section 7213. The Treasurer shall oversee the financial integrity of the Corporation, review financial statements, assist in the preparation of the annual budget in collaboration with the Chief Executive Officer, and report regularly to the Board regarding the financial condition of the Corporation. The Treasurer's responsibilities are governance oversight in nature and **shall not** require the Treasurer to perform bookkeeping or staff functions unless otherwise authorized by the Board.

(f) Chief Executive Officer
The Board of Directors shall employ a Chief Executive Officer who shall serve as the chief executive employee of the Corporation. The Chief Executive Officer shall be responsible for the day-to-day management of the Corporation, implementation of policies adopted by the Board, hiring and supervision of staff, preparation of the annual operating budget, and maintenance of corporate records. Unless separately elected as a Director, the Chief Executive Officer shall not be a voting member of the Board of Directors but may participate in Board and committee meetings as directed by the Chair. The Chief Executive Officer shall serve at the pleasure of the Board and shall be subject to annual evaluation by the Board.

ARTICLE VI

EXECUTIVE COMMITTEE

The Board of Directors may establish an Executive Committee, consisting of the elected officers of the Chamber, pursuant to California Corporations Code Section 7212. The Executive Committee shall consist solely of Directors and shall exercise only such authority as is expressly delegated by resolution of the Board.

The Executive Committee **shall not** have authority to amend the Bylaws, fill vacancies on the Board, approve the sale of substantially all assets, approve mergers, remove Directors, or take any other action reserved by law to the full Board of Directors. All actions of the Executive Committee shall be reported to the Board at its next regular meeting.

ARTICLE VII

COMMITTEES

The Board of Directors may establish standing or ad hoc committees as it deems appropriate. Committees that exercise the authority of the Board shall consist solely of Directors and shall be created by formal resolution of the Board. Advisory committees may include members of the Chamber in good standing and shall not have authority to bind the Corporation.

Each committee shall operate within the scope of authority granted by the Board. No committee, officer, Director, or employee may act on behalf of the Corporation unless authorized by these Bylaws or by resolution of the Board of Directors.

In recognition of the Corporation’s status as a tax-exempt organization under Section 501(c)(6) of the Internal Revenue Code, the Board may establish committees to oversee advocacy or government affairs activities consistent with the Corporation’s exempt purpose. Any candidate endorsements, political expenditures, or activities requiring separate reporting must be conducted only in accordance with applicable federal and state law and pursuant to authority expressly granted by the Board. If the Corporation maintains a separate Political Action Committee, such entity shall operate under its own governing documents and financial controls.

ARTICLE VIII

FINANCES

All funds of the Corporation shall be deposited in financial institutions selected by the Board of Directors. The Board shall approve an annual budget prior to the commencement of each fiscal year. The Chief Executive Officer may expend funds within the limits of the approved budget. Expenditures outside the approved budget **shall require** Board approval or authorization consistent with written financial policies adopted by the Board.

The Board shall adopt financial control policies addressing check signing authority, electronic payment authorization, credit card usage, expense reimbursement, and reserve practices. Specific dollar thresholds shall be established by Board policy and may be amended without amendment to these Bylaws.

The fiscal year of the Corporation shall end on December 31 unless otherwise determined by resolution of the Board.

The Corporation shall maintain adequate and correct books and records of account and minutes of the proceedings of the Board and its committees. Inspection rights of Directors and Members shall be governed by California Corporations Code Sections 8330 through 8338.

The Board shall annually determine whether an independent audit, financial review, or compilation shall be conducted, based upon legal requirements, funding obligations, or prudent governance considerations.

ARTICLE IX

DISSOLUTION

Upon dissolution of the Chamber, all assets and funds shall be used exclusively to further the purposes set forth in these Bylaws, and no part of such assets shall inure to the benefit of, or be distributed to, any member, director, or officer of the Chamber.
After payment of all debts, liabilities, and obligations of the Chamber, any remaining assets shall be distributed to one or more nonprofit organizations that are organized and operated exclusively for charitable, educational, scientific, or philanthropic purposes and that qualify under Section 501(c)(3) of the Internal Revenue Code, as determined by the Board of Directors.

ARTICLE X

PARLIAMENTARY AUTHORITY
The most current edition of *Robert's Rules of Order Newly Revised* shall govern the proceedings of the Chamber in all matters of parliamentary procedure, to the extent such rules are not inconsistent with applicable law, the Articles of Incorporation, or these Bylaws.

ARTICLE XI

INDEMNIFICATION
To the fullest extent permitted under California law, including Corporations Code Section 7237, the Chamber shall indemnify its directors, officers, employees, and agents, including former individuals serving in such capacities, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with any proceeding arising by reason of their service to the Chamber.

DETERMINATION OF ELIGIBILITY
Upon written request by a person seeking indemnification, the Board of Directors shall promptly determine whether the applicable standard of conduct has been met and, if so, authorize indemnification. If a quorum of disinterested directors cannot be obtained, determination shall be made by the members.

ADVANCEMENT OF EXPENSES
The Chamber may advance expenses incurred in defending any proceeding prior to final disposition, provided the individual agrees to repay such amounts if it is ultimately determined that they are not entitled to indemnification.

REPORTING REQUIREMENTS
The Chamber shall, within 120 days after the close of each fiscal year, provide to its members and directors a statement of:

(a) Any transaction involving more than $50,000 in which a director, officer, or key stakeholder held a material financial interest, unless previously approved in accordance with applicable law; and
(b) Any indemnification, loan, guaranty, or advance exceeding $10,000 provided to any director or officer during the fiscal year.

Such statement shall include a brief description of the transaction, the individuals involved, the nature of their interest, and, where practicable, the financial impact.

ARTICLE XII

INSURANCE
The Chamber shall have the authority to purchase and maintain insurance on behalf of any director, officer, employee, or agent against any liability asserted against or incurred by such individual in their official capacity, whether or not the Chamber would have the authority to indemnify such individual under applicable law.

ARTICLE XIII

AMENDMENTS
These Bylaws may be amended or repealed by:

- A two-thirds (2/3) vote of the Board of Directors; or
- A majority vote of the members at any duly noticed regular or special meeting.

Written notice of any proposed amendment shall be provided to the Board of Directors or members, as applicable, at least ten (10) days prior to the meeting at which such action is to be considered. Such notice shall include the full text or a summary of the proposed changes.

Adopted by the Board of Directors on:
18th day of MAY, **20**26

I hereby certify that the foregoing Bylaws were duly adopted by the Board of Directors on the date set forth above and constitute the current Bylaws of the San Clemente Chamber of Commerce.

Certified by:

RICK DWEL

Vice Chairman of the Board of Directors Print Name
Date: 5/18/26

Acknowledged by:

TYLER BODEN

Chairman of the Board of Directors Print Name
Date: 5/18/26