

South Metropolitan Business Association, Inc.

By-laws of South Metropolitan Business Association, Inc.

ARTICLE ONE: PURPOSE

1. **General Purpose.** The purpose of this Association is to promote and improve the quality of life and image in the City of Madison, Town of Madison, and the City of Fitchburg, Wisconsin by encouraging well planned, high quality and balanced commercial and residential development and economic growth.
2. **Statement of Goals.** At each annual meeting of the membership, the Board of Directors shall present a proposed statement of specific goals for the Association for the coming year. The proposed statement of specific goals shall be put to a vote of the membership, and may be amended or adopted by a majority vote of quorum of members. The Board of Directors and the members of the Association shall focus their efforts and resources on the accomplishment of the annual statement of goals adopted by the membership.
3. **Not-For-Profit.** The Association shall be conducted at all times as a not-for-profit organization. The Association shall not engage in any function, plan, design, campaign or other activity intended for the direct, pecuniary profit of any individual officer, director or member of the Association.

ARTICLE TWO: MEMBERSHIP

1. **Organization Membership.** Membership in the Association shall be open to all businesses, organizations, and individuals having an interest in furthering the purposes of the Association.
2. **Charter Membership.** The Board of Directors may, by resolution, create a third class of Membership to be called Charter Membership. The purpose of this membership class is to give a separate, distinctive and appreciative designation to those area or associate members who have become fully paid members of the Association on or before the November, 1988 general membership meeting. The designation of a Charter Member shall confer no additional rights, duties or privileges upon such member.
3. **Membership Application.** All applications for membership in the Association shall be accepted or rejected by the Board of Directors. If an application for membership is rejected, the rejected applicant may appeal such decision to the membership of the Association, which appeal shall be determined by majority vote.
4. **Voting.** Each Member shall have One (1) vote. In its application for membership, each Member shall designate the person authorized to cast the vote on behalf of the Member. The designation may be changed by filing with the Secretary of the Association a different designation in writing by the individual officer of such business organization. The person designated to vote for a business member may give, modify or revoke a proxy in the same manner as an individual member.
5. **Termination.** The resignation, withdrawal or expulsion of a member, or his failure to pay Association dues within ninety (90) days after the date such dues are payable (June 1), shall result in termination of membership.

ARTICLE THREE: GENERAL MEMBERSHIP MEETINGS

1. **Annual Meeting.** The Association shall hold an annual meeting of the membership in June of each year. Said annual meeting shall be for the purpose of electing directors for the following year, the adoption of the statement of goals under Article One (1), Section Two (2), and the transaction of such other business as may properly come before the membership. Any business of the Association may be transacted at any annual meeting without being specifically designated in the notice, except such business as may be specifically required by statute or by the by-laws so stated in the notice of meeting. Failure to hold an annual meeting shall not invalidate the Corporate existence of the Association or invalidate any corporate acts.
2. **Special Meetings.** At any time, a special meeting of the general membership of the Association may be called by the President, a majority of the Board of Directors, or upon the written request of one-third (1/3) of the Association.
3. **Notice.** Written notice stating the place, day and hour of any membership meeting and, in the case of a special meeting, the purpose or purposes for which the special meeting is called, shall be delivered either personally or by mail, by or at the direction of the President or the Secretary, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the U.S. Mail addressed to the member at his last known address as it appears on the books and records of the corporation, with postage prepaid. Any meeting of the general membership, annual or special, may adjourn from time to time to reconvene at the same or other place, and no notice need be given of such adjourned meeting other than by announcement to the general membership at the time of adjournment.
4. **Quorum.** A quorum shall consist of a least twenty percent (20%) of all the members entitled to vote.
5. **Proxy.** Any voting member may vote either in person or by general or by limited proxy or by other representative designated in writing by such member. All proxies shall be in writing and submitted to the Secretary of the Association in advance of the meeting of the general membership.

ARTICLE FOUR: BOARD OF DIRECTORS

1. **Powers.** The business and affairs of the Association shall be managed by its Board of Directors selected from the roster of Organization Members. All Directors shall be individuals (including "individual" members or authorized "individual" representatives of a Business Member) in good standing with the Association for the majority of one year. The Board of Directors may exercise all the powers of the Association, except such as are by statute or by these by-laws specifically reserved to the membership.
2. **Initial Directors.** Initially, the Board of Directors shall consist of nine (9) directors which have been elected by the general membership.
3. **Term.** Each elected director shall serve for a term of three (3) years, except however as to the initial Board of Directors, one-third (1/3) thereof shall serve for a one (1) year term, one-third (1/3) for a two (2) year term, and one-third (1/3) for a three (3) year term. The initial Board of Directors shall, by vote of the Board, establish the respective terms of the initial board members. The initial terms shall expire at the annual meeting in July the first, second or third year following completion of their respective terms commencing June, 1989.

4. **Election of Directors.** The general membership shall, at each annual meeting, elect three (3) members to the Board of Directors to replace the three (3) members whose terms expire.
5. **Nominating Committee.** Prior to each annual meeting, the President shall designate a nominating committee consisting of three (3) or more members of the Association. The nominating committee shall report to the general membership at the annual meeting a list of at least three (3) persons recommended for consideration to be directors. Upon such report, the list of nominees shall be deemed nominated and seconded. Nominations other than those recommended by the nominating committee may be made by any member of the Association.
6. **Record Date.** Voting members of record who have paid their dues and who have been accepted as voting members in advance of the membership meeting electing directors will be eligible to vote for the Board of Directors.
7. **Voting for Directors.** Each member shall be entitled to vote for three (3) of the persons nominated to be directors. Not more than one (1) vote may be cast for each nominee; cumulative voting is not allowed. The persons receiving the highest number of votes shall be declared elected. Elected directors shall take office at the conclusion of the membership meeting at which they were elected.
8. **Vacancy.** Any vacancy occurring on the Board of Directors for any cause may be filled by a majority vote of the remaining directors.
9. **Meeting.** Meetings of the Board of Directors may be called at any time by either the President or by a majority of the Directors. The Board of Directors shall keep brief minutes of its meetings. The Board may adopt such rules as may be necessary for the proper conduct of the business of the Association. All meetings of the Board of Directors shall be open to the membership.
10. **Notice.** Meetings of the Board of Directors shall be called upon at least five (5) days notice to each director.
11. **Quorum.** A majority of all the directors then holding office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. A majority vote of such a quorum at a duly called meeting shall be sufficient for the Board of Directors to take any action.
12. **Removal.** Any elected director of the Association may be removed for any reason by a two third (2/3) vote of the general voting membership, or three quarters (3/4) of the Board of Directors. Further, the term of any director who, for any reason, is no longer a qualified voting member of the Association, shall terminate at the next annual meeting of the Association immediately following such loss of voting status.
13. **Compensation.** In no event shall any director of the Association receive any compensation for his or her services to the Association. The Board of Directors may reimburse directors from Association funds for any direct expenditures made by a director in behalf of or at the request of the Association.

ARTICLE FIVE: OFFICERS

1. **Executive Officers.** The Board of Directors shall elect from among the members of the Board, a President, a Vice President, a Secretary and a Treasurer. The Board of Directors may, by resolution, create such other offices as shall be deemed necessary to carry out the affairs and business of the Association. Each officer shall hold office until the first meeting of the Board of Directors after the annual meeting of general members next succeeding the officer's election or until a successor shall have been duly chosen and qualified.

2. **The President.** The President shall preside at all meetings of the members of the Board of Directors at which the President is present. The President shall have general charge and supervision of the business of the association. The President shall perform all duties as, from time to time, may be assigned by the Board of Directors. The President shall be an ex officio member of all committees and Board of Directors without voting privileges.
3. **Vice President.** Should the President be unable to fulfill the duties and exercise the functions of the office, the Vice President shall, at the request of the President or in the absence of the President, have the powers and duties of the President. The Vice President shall have such other powers and perform such other duties as may be assigned by the Board of Directors or the President.
4. **Secretary.** The secretary shall keep the minutes of the meeting of the members and of the Board of Directors in books provided for the purpose, and shall distribute same to the membership as required. The Secretary shall in general see that all notices are duly given in accordance with the provisions of the by-laws or as required by law and shall be custodian of the records of the Association and in general shall perform all duties incident to the office of a Secretary of a corporation, and such other duties as from time to time, may be assigned by the Board of Directors or the President.
5. **Treasurer.** The Treasurer shall have charge of and be responsible for all funds, receipts, and disbursements of the Association, and shall deposit or cause to be deposited, in the name of the Association, all monies or other valuable effects in such banks or other depositories as shall, from time to time be selected by the Board of Directors and to the membership, whenever requested, an account of the financial condition of the Association, and in general, shall perform all duties incident to the office of a Treasurer of a corporation, and such other duties as may be assigned by the Board of Directors or the President.
6. **Executive Committee.** The officers of the Association, as herein provided, shall constitute the Executive Committee, which shall be empowered to act on behalf of the Board of Directors when the Board is not in session.
7. **Subordinate Officers.** The Board of Directors of the President may, from time to time appoint such subordinate offices or agents as it may deem desirable. Each such officer shall hold office for such period and perform such duties as the Board of Directors of the President or the President may prescribe.
8. **Removal.** Any officer of the Association may be removed by three-fourths (3/4) of the Board of Directors or by two-thirds (2/3) of the general membership whenever, in their judgement, the best interest of the Association will be served thereby.

ARTICLE SIX: DUES

1. **Amount.** The Board of Directors shall have the authority to establish and revise all dues for membership. All such dues may be established or modified by resolution of the Board of Directors, without formal amendment to these By-laws.
2. **Membership Term.** The initial term of a member shall extend from the date such member's application is accepted by the Board of Directors until May 31 next following. Dues for the initial term shall be prorated. Annual membership dues thereafter shall be payable on June 1 of each year.
3. **Delinquency.** Whenever a member shall be in arrears in payment of dues for a period of more than sixty (60) days, the member shall be notified in writing by an officer of the Association that if such dues are not paid within thirty (30) days, the member shall be deemed as delinquent.

4. **Suspension.** Upon certification by the Treasurer to the Board of Directors that a member is so delinquent, such member shall be suspended from membership in the Association. Any member so suspended shall not be entitled to vote, participate in Association affairs, be a member of the Board of Directors, and in the event such member is a director or an officer, the member shall be automatically removed from such office upon suspension. Upon certification by the Treasurer to the Board of Directors that a suspended member has cured delinquency, the member shall be automatically reinstated to membership in the Association on the date of such certification.

ARTICLE SEVEN: MISCELLANEOUS

1. **Contracts.** The Board of Directors may authorize any officer, agent, or employee of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. And such authority may be general or confined to specific instances.
2. **Borrowing.** The Association shall not make any loans to any member, officer or director, either individually or as a group.
3. **Deposit, Checks, Drafts, Etc.** All funds of the Association shall be deposited from time to time, to the credit of the Association into a special account to be designated by the Board of Directors; disbursements of said funds shall be made with approval of the Board of Directors. All disbursements shall be made by check, and all checks, drafts and orders for the payment of money, notes and other evidences of indebtedness, issued in the name of the Association shall, unless otherwise provided by resolution of the Board of Directors, be signed by the President or Vice President and countersigned by the Secretary or Treasurer.
4. **Bonds.** The Board of Directors may require any officer, agent or employee of the Association to give a bond to the Association conditioned upon the faithful discharge of duties, with one or more sureties and in such amount as may be satisfactory to the Board of Directors.
5. **Budget.** The Board of Directors shall prepare annually, with the commencement of each new fiscal year, an annual operational budget, which shall be presented to the general membership for their approval. Once approved, this budget shall govern the financial affairs of the Association for the fiscal year.
6. **Annual Financial Report.** There shall be prepared annually, under direction of the Treasurer, a full and correct statement of the financial affairs of the Association, including a Balance Sheet and Financial Statement of Operations for the preceding fiscal year, which shall be submitted to the general membership.
7. **Annual Corporate Report.** The Secretary of the Association shall cause to be prepared and filed annually any corporate reports required by the laws of the State of Wisconsin for not-for-profit corporations.
8. **Annual Tax Return.** The Treasurer of the Association shall cause to be prepared and filed annually any Federal, State or Municipal tax returns required for not-for-profit corporations.
9. **Fiscal Year.** The fiscal year of the Association shall be the calendar year, unless otherwise determined and fixed by the Board of Directors.
10. **Committees.** The Board of Directors shall authorize and define the powers and duties of all committees. All committees so authorized shall be appointed by the President, subject to confirmation by the Board of Directors.
11. **Rules of Procedure.** Meetings of the members of the Association, or the Board of Directors of the Association, shall be run under Roberts Rules of Order unless otherwise mandated by

the laws of the State of Wisconsin, the Articles of Incorporation, these By-laws or other action of the membership or Board of Directors of the Association.

ARTICLE EIGHT: AMENDMENTS

1. **By Board of Directors.** Except as specified in Section Two (2) of this Article, the Board of Directors shall have authority to amend any provision of the by-laws by two-thirds (2/3) vote of the Board.
2. **By Membership.** Any repeal, modification or amendment to any of the following provisions of these by-laws shall require a two-thirds (2/3) vote of the general membership at a meeting called for such purpose: (a) all of Article One (1) relating to the purpose of the Association but excluding Section Two (2) thereof relating to the definition of the Fish Hatchery Road area; (b) the Notice requirement for general and special meeting of general membership in Section Two (2) of Article Three (3); (c) the number and manner election of directors as specified in Sections Two (2) through Seven (7) of Article Four (4); and Section Twelve (12) of Article Four (4) together with Section Eight (8) of Article Five (5) which permits the general membership to remove any officer or director upon a two-thirds (2/3) votes.

Certificate of Secretary

The undersigned James Mankowski, Secretary of the South Metropolitan Business Association, Inc, does hereby certify that the forgoing is an accurate statement of the by-laws amended and adopted by a vote of the Board of Directors on the 3rd day of April, 2003.

James Mankowski
Secretary