

# **CHICAGO CUSTOMS BROKERS & FORWARDERS ASSOCIATION BY-LAWS**

## **ARTICLE I - PURPOSES**

**Section (1)** The objectives of this not-for-profit association are: to promote the common business interests of Customs Brokers and International Freight Forwarders and International Air Cargo Agents in the Chicago area, to encourage the maintenance of professionalism within the industry; to maintain a standard of integrity and efficiency in the fair, reasonable, and equitable administration of the import and export laws and regulations; and to develop acquaintance and good fellowship among members.

## **ARTICLE II - MEMBERSHIP**

**Section (1)** There shall be three classes of membership: Regular, Associate, and Honorary. All new membership applications shall be reviewed by the Board of Directors.

**Section (2) Regular Membership** - Any person (a) holding a Customs brokerage license and permit issued by Chicago Customs and actively engaged in such business at a physical location in the District of Chicago, (39) or (b) holding an independent ocean transportation intermediary's license as either a freight forwarder or an Non-Vessel Owning Common Carrier ("NVOCC") and actively engaged in such business at a physical location in the District of Chicago, (39); or (c) an International Air Cargo Agent endorsed by the Cargo Network Services, and an IATA company in the District of Chicago, (39) is eligible for Regular membership, upon compliance with such requirements as the Board of Directors may prescribe.

**Section (3) Associate Membership** - Any person who is not eligible for Regular membership but who is engaged in a business related to transportation or international trade services is eligible for non-voting Associate membership, upon compliance with such requirements as the Board of Directors may prescribe.

**Section (4) Honorary Membership** - Any person who has rendered an outstanding contribution to the Association is eligible for a non-voting honorary membership.

**Section (5) Termination of Membership** - Membership in the Association shall automatically terminate upon: (a) resignation, death or dissolution, or (b) failure to meet the qualifications for membership prescribed by the Board of Directors. Upon termination, all rights and interests of the Member in the Association and its property shall cease. Any sum due and owing to the Association is not discharged by reason of such termination.

**Section (6) Reinstatement** - Any person whose membership is involuntarily terminated may contest such termination by submitting a written statement to the Board fully explaining why such termination should be rescinded. The written statement must be served upon the Secretary not less than ten (10) days prior to the meeting of the Board. Upon the affirmative vote of a majority of the Directors present at a meeting, and upon such terms and conditions as the Board prescribed, a Member may be reinstated.

### **ARTICLE III - MEETING OF MEMBERS**

**Section (1) Annual Meeting** - An annual meeting of the Members shall be held each year at such time and place as the President may designate to transact such business as may come before the meeting. Notification of the meeting will be provided to the members.

**Section (2) Special Business Meetings** - Special business meetings of the Members shall be called at such time and place and for the transaction of such business as the President, the Board of Directors, or not less than one-fourth of the members may designate.

**Section (3) Notice of Meetings** - Written notice stating the time and place of all meetings of the Members shall be given to each Member entitled to vote at such meetings, at the address shown in the records of the Association, not less than seven (7) days before such meetings. Notice may be given electronically. The purpose of a special meeting shall also be stated in the notice.

**Section (4) Quorum** – Ten percent of the eligible voting Members constitutes a quorum for the transaction of business at any meeting of the Members.

**Section (5) Voting** - Except as otherwise provided by the By-Laws, each Regular Member in good standing is entitled to one vote, which may not be cumulated, for each Director to be elected, and on each matter submitted to a vote of the members. Votes may be cast by proxy.

**Section (6) Informal Action** - The Members may act informally upon any matter requiring action by the membership.

### **ARTICLE IV - BOARD OF DIRECTORS**

**Section (1) Composition of the Board** - The Board of Directors shall consist of the Chairman of the Board, 7 elected Directors and the President, each of the forgoing which shall be a Regular Member or an employee of a Regular Member firm, and in addition, the Vice President, the Treasurer and the Secretary. Further, the voting Members of the Board may choose a minimum of three Members in good standing to serve on the Board in a non-voting capacity.

**Section (1a) Senior Advisor** – Upon nomination and appointment by the voting directors, the title of Senior Advisor may be bestowed upon any past officer of the association, any past regular member of the association, or any person who would otherwise qualify as a regular, associate or honorary member of the association who by virtue of their extensive experience of conducting business within the Customs District of Chicago may be considered for the appointment.

The Senior Advisor is not a regular member of the board and as such cannot introduce any new business nor enter or vote upon any motion before the board. The Senior Advisor serves at the invitation of the board to provide a historical perspective on matters before the board.

As the position of Senior Advisor is recognized by the Association By-Laws, and the appointment is given in recognition of the experience and contributions of the individual to the trade, the duration of the appointment shall be 2 years from the date of the appointment. Accordingly, there is no requirement that the role of Senior Advisor be filled each year

**Section (2) Function of the Board** - The Board shall have general charge and control of the affairs of the Association. It shall be empowered to approve all major expenses and to employ counsel whenever necessary in the best interest of the Association.

**Section (3) Election and Terms of Board Members**

(a) Election process – (4) Board positions will become available on even numbered years and (3) Board positions will become available on odd numbered years.

(1) By October 15th of each year, the Board shall provide notice to the Members regarding the annual election of open Board positions.

(2) The Board will accept nominations and qualify the candidates to ensure that they are Regular Members and interested in serving.

(3) The candidates will be allowed to provide a biography to the Membership.

(4) The Board will hold elections by December 1<sup>st</sup> of each year.

(b) Directors shall be elected for a term of two years, and may be re-elected to a maximum of three consecutive two-year terms.

(c) No two individuals employed by the same Member firm shall be elected or serve concurrently as officers or as voting members of the Board of Directors.

(d) Each year an election shall be held; (4) positions will be filled on even numbered years and (3) positions will be filled on odd numbered years.

**Section (4) Annual Meeting** - An annual meeting of the Board of Directors shall be each January. The Directors may provide for the holding of regular meetings of the Board. Meetings may be held by conference telephone call.

**Section (5) Other Meetings** - A meeting of the Board of Directors may be called by the President or upon the written request of three voting (3) Directors, to be held at such time and place as may be designated by the person or persons calling the meeting.

**Section (6) Quorum** - Four (4) Directors present at the meeting constitute a quorum for the transaction of business at any meeting of the Board. Participation in the meeting by conference call shall be considered to be presence at the meeting for the purposes of establishing a quorum.

**Section (7) Voting** - Each elected Director shall be entitled to one vote for each matter requiring action by the Board. If a Director will be absent at a board meeting where a vote is required, that Director may designate either a voting or non-voting Board Member to cast his/her vote by proxy. Except as otherwise provided by law, or by these By-Laws, the act of a majority, of the Directors present at a meeting, is the act of the Board. Directors may act informally on any matter requiring action of the Board. When it is determined to be convenient and appropriate by the President, the Board may conduct votes via electronic mail.

**Section (8) Vacancy** - A vacancy on the Board of Directors shall be filled by a majority vote of the Directors present at a meeting of the Board. If the Chairman position becomes vacant, the Board may fill that position by the same process for the duration until such time as the position vests in the next immediate past President.

**Section (9) Compensation** - No Director shall receive compensation for serving as such, but the Board may provide for reimbursing Association Directors Officers or Committee Members for expenses incurred in attending meetings of the Board and for other activities undertaken on behalf of the Association and at the request of the Board. Provided, however a Director may receive compensation for services rendered to the Association in any other capacity.

**Section (10) Removal** - A Director may be removed by a two-thirds vote of the Board for good cause shown.

**Section (11) Change in Membership Status** - Any Director whose membership status changes during his or her term may fulfill the remainder of his or her term at the status he or she was originally elected or chosen as a Director upon a majority vote of the Board of Directors.

## **ARTICLE V - OFFICERS**

**Section (1) Designation** - The Directors shall elect a President, a Vice-President, a Secretary and a Treasurer, and if they so decide, a Senior Advisor, by majority vote. The Chairman of the Board shall be the immediate past president unless the immediate past president cannot or does not wish to serve as the Chairman, in which case the vacancy will be filled in accordance with the procedures set forth in Article IV, Section 8. The Chairman will have the right to vote only in those instances in which such a vote is necessary to break a stalemate.

**Section (2) Election and Term** - The officers shall be elected at the annual meeting of the Board Meeting taking place in January of even numbered calendar years. Each officer shall hold office for two consecutive years and may be re-elected to a maximum of three consecutive two-year terms. In light of the responsibilities empowered to the President of the Association, only a person with a minimum of two-year's experience as either a Board member or an officer of this Association may be elected as President.

**Section (3) President** - The President is the chief executive officer of the Association and shall possess the requisite authority and power incident thereto. The President shall supervise and manage the business and affairs of the Association and perform the duties of the office of President. The President is the official representative of the Association. The President shall preside at all meetings of the Members and of the Board of Directors, and is a member ex-officio, with the right to vote, of all committees of the Association, except as otherwise provided by the By-Laws or by law. The President may enter into, on behalf of the Association, any contract, or execute any instrument, except where such undertaking is expressly reserved by the Board of Directors, these By-Laws or by law, or delegated by the Board to some other officer or an agent of the Association.

**Section (4) Vice-President** - In the absence, disability, or refusal to act of the President, the Vice-President shall assume the powers and perform the duties of the President.

**Section (5) Secretary** - The Secretary is the custodian of the Association's records and seal. The Secretary shall keep minutes of the meetings of the Members and of the Board of Directors and shall perform the duties incident to the office of Secretary and such other duties as may be prescribed by the President. The Secretary shall keep register of the address of each Member, Director and officer, and shall see that all notices are given in accordance with these By-Laws or as required by law.

**Section (6) Treasurer** - The Treasurer has custody of, and is responsible for, all funds and securities of the Association. The Treasurer shall perform the duties incident to the office of Treasurer and such other duties as from time to time may be prescribed by the President. The Treasurer shall keep an account of all monies received and expended for the use of the Association and shall make disbursements authorized by the President of the Board. The Treasurer shall deposit all Association monies in the name of the Association, in such depositories as are authorized by the Board.

**Section (7) Removal** - An officer may be removed by a two-thirds vote of the Directors, for good cause shown. An officer may not vote on a motion to remove himself from office. The President shall not preside over a motion to remove himself from office.

**Section (8) Vacancies** - A vacancy in any office may be filled by a majority vote of the Board of Directors.

**Section (9) Change in Membership Status** - Any officer whose membership status changes during his or her term may fulfill the remainder of his or her term at the status he or she was originally elected or chosen as an officer upon a majority vote of the Board of Directors.

## **ARTICLE VI - FUNDS, CONTRACTS, BOOKS AND RECORDS**

**Section (1) Funds** - All funds of the Association shall be deposited to the credit of the Association in such banks, trust companies or other depositories as the Board of Directors may designate. Checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness shall be signed by the President and one other authorized officer of the Board of Directors on items of \$1000.00 and over. On checks, drafts or other orders for the payment of money under \$1000.00 shall be signed by the President, or by such other authorized officer or agent, and in such manner as the Board may direct.

**Section (2) Books and Records** - The Association shall keep correct and complete books and records of account, minutes of proceedings of the Members and of the Board of Directors, a roster of the of the names and addresses of the Members, Directors, and officers and such other records as may be prescribed by the Board. All books and records of the Association may be examined by any member, his agent or attorney, for any proper purpose at any reasonable time. The books and records of the Association shall be audited semi-annually at a time and in a manner designated by the President.

**Section (3) Application of Funds** - The Association shall use its funds only to accomplish its objectives and purposes, and no part of said funds shall be subject to a formal distribution to the Members or any part of them. On dissolution of the Association, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific or philanthropic organizations selected by the Board.

#### **ARTICLE VII - COMMITTEES**

The Board of Directors may authorize the appointment of such permanent, temporary and ad hoc committees as it deems appropriate. The Board shall appoint the chair of each committee. Committee chair(s) shall hold office until the next annual meeting of the Board or until removed by the Board for good cause shown.

#### **ARTICLE VIII - FISCAL YEAR**

The fiscal year of the Association shall begin on the first day of October of each year and end on the last day of September of each year.

#### **ARTICLE IX - DUES AND ASSESSMENTS**

**Section (1) Initiation Fees** - The Board of Directors may prescribe and assess an initiation fee as a condition of membership in the Association.

**Section (2) Dues** - The Board of Directors may prescribe and assess the annual dues of the Members.

**Section (3) Assessments** - The Board of Directors may prescribe and make special or other assessments of the Members.

**Section (4) Arrearages** - Statements rendered for fees, dues and/or assessments shall be due and payable upon issuance. The Board of Directors shall provide for the suspension or termination of voting rights or membership for non-payment of dues and/or assessments.

#### **ARTICLE X - WAIVER OF NOTICE**

Any notice required to be given by law, the Articles of Incorporation, or the By-Laws of the Association may be waived before or after the time of the notice.

#### **ARTICLE XI - AMENDMENTS TO THE BY-LAWS**

The By-Laws may be amended by a two-thirds vote of the Board of Directors.

#### **ARTICLE XII - PROCEDURE**

When not inconsistent with these By-Laws, Roberts Rules of Order shall govern all meetings of the Association and Board of Directors.

By-Laws Current with changes approved by Board of Directors on August 4, 2011.

Change Log:

As of August 4, 2011:

*Article II, Section 1 – addition of “All new membership applications shall be reviewed by the Board of Directors.”*

*Article IV, Section 1 “7 elected Directors” corrected from “6 elected Directors” in the previous version.*

*Article V, Section 2 - addition of “taking place in January of even numbered calendar years.”*

As of May 10, 2012:

*Article VI, Section 1- addition of “one other authorized officer” to line 4 and “authorized” to line 6.*

As of February 7, 2013:

*Article VIII – Substitute “October” for “January” and “September” for “December”.*

As of September 3, 2015:

*Article II – addition of “at a physical location” to line 2 and line 5 after ...actively engaged in such business.*