



**TEXAS RETAILERS**  
ASSOCIATION

## **BY-LAWS OF THE TEXAS RETAILERS ASSOCIATION**

(Revised September 18, 1985) (Revised September 17, 1991)  
(Amended March 23, 1994) (Revised March 27, 2002)  
(Amended March 25, 2003; March 23, 2004; and, March 22, 2005)  
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(Amended September 25, 2009)  
(Amended September 14, 2012)  
(Amended September 13, 2013)  
(Amended September 26, 2014)

### **ARTICLE 1 ~ PURPOSE**

1.1 PURPOSE. The Texas Retailers Association (the Association) is a non-profit corporation established to promote retailing as set out in its Articles of Incorporation.

### **ARTICLE 2 ~ ORGANIZATION**

2.1 MANAGEMENT, MINUTES AND FISCAL YEAR. The Board of Directors (Board) shall be responsible for the operation and management of the Association. It shall provide for keeping minutes of the activities of the Association and determine the period of its fiscal year.

### **ARTICLE 3 ~ MEMBERSHIP**

3.1 MEMBERSHIP. A sole-proprietorship, firm, corporation or other legal entity regularly or formerly engaged in providing goods or services at retail or directly or indirectly to retail businesses or affiliated with retail businesses and who shall be found acceptable to the Board or its authorized representative shall be eligible for membership. Each person, firm, corporation or other legal entity shall be deemed to be one member and if in good standing that member or a representative of such member shall be entitled to cast one vote in all matters considered by the membership and shall be eligible to hold any elective office of the Association. A member shall be in good standing if the member has complied with the Articles of Incorporation, bylaws, rules, regulations and directives of TRA and its dues, assessments and other fees are fully paid. Members as referred to in these bylaws are members in good standing unless specifically stated otherwise.

### **ARTICLE 4 ~ GOVERNING BODY**

4.1 BOARD OF DIRECTORS. The Board shall consist of not more than 50 members, excluding honorary directors. These members shall be elected for a term of three years by the membership at the annual or any special meeting. Composition of the Board shall reflect the diversity of the members of the association and shall include representatives from independent stores, specialty, department store, grocery store, pharmacies, and mass merchandisers. The Board shall be responsible for the operation and management of the Association. Other than honorary directors, it is intended that not more than two directors may be from member

companies not regularly engaged in providing goods or services at retail. The Board may delegate such duties and authority as it deems proper to other persons or committees. The past Chair shall be a non-voting honorary director for life, unless the past chair is the designated representative for his/her member company. The Board may elect other non-voting honorary directors. All board members shall comply with the Association's attendance, antitrust, and conflict of interest policies as adopted by the Board. Board members will be requested to raise or contribute, through either personal or political action committee funds, at \$100 least annually to the Texas Retailers Association Political Action Committee (TRAPAC).

4.2 OFFICERS: The elective officers shall consist of Chair, Vice Chair, Treasurer, Secretary and such other officers as shall be established by the Board. The offices of Treasurer and Secretary may be combined. Elective officers shall be elected for a term of two years, with each full term commencing at the Annual meeting in even-numbered years and may vote as Board members. The non-elective officers are President and one or more Vice-Presidents and such other officers as the Board may designate. Non-elective officers shall have no vote in matters brought before the Board. All officers shall comply with the Association's antitrust and conflict of interest policies as adopted by the Board.

4.3 CHAIR: The Chair shall preside at Association meetings and shall be Chair of the Executive Committee. The Chair may appoint such assistant officers, as the Chair deems necessary, and designate the duties of these officers.

4.4 VICE-CHAIR: The Vice-Chair shall assume the duties of presiding officer in the absence of the Chair.

4.5 TREASURER: The Treasurer shall be responsible for the overall supervision of the financial affairs of the Association including the establishment of proper accounting procedures. The Treasurer shall serve as the chair of the Finance Committee. The Chair may appoint an Assistant Treasurer with such duties as the Chair may designate.

4.6 SECRETARY: The Secretary shall be responsible for Association records and for attesting or verifying the signatures of official actions of the Board. The Secretary may delegate to the President the duties of recording minutes and filing required governmental documents.

4.7 PRESIDENT: The President is a non-elective officer and shall be the chief executive officer of the Association and shall be responsible for the establishment and operation of office procedures, administrative procedures, and all other activities of the Association not specifically reserved or designated to other persons or committees by the membership, Board or Executive Committee. The President shall have the responsibility to execute and file reports, returns and other instruments on behalf of the Association; to be in charge of and responsible for its day-to-day finances, including the specific authority to establish financial accounts, sign checks and other financial instruments; to care for its properties and to see that they are properly maintained and insured; to employ, discharge, supervise and designate the activities, duties and responsibilities of its employees; to direct the activities of the Association and to guide its operation as its executive officer and to report its condition and activities to the membership, Board and Executive Committee. The President shall serve at the will of the Executive Committee or for such term as the Executive Committee and the President may agree.

4.8 VICE-PRESIDENT: The Vice-President is a non-elective officer and shall have such duties as may be assigned by the President and the Executive Committee. The President may appoint one or more Vice-Presidents, with the approval of the Executive Committee. The Executive Committee shall have the authority to establish positions for more than one Vice-President. Vice-Presidents shall serve at the will of the President.

4.9 COMMITTEES: The Board shall establish such committees as it deems necessary. The Chair shall recommend members and chairpersons for the various committees, those persons to be approved by the Association's Board of Directors. The Chair shall appoint the following committees: (i) a Legislative; (ii) Tax; (iii) Personnel; and (iv) Finance Committee; and, (v) any other standing committees and ad hoc task forces. Chairs shall serve for a term of two years, with each full term commencing at the Annual meeting in even-numbered years. The Finance Committee shall have the following subcommittees (a) an Audit and Ethics Subcommittee that engages an outside public accountant and other professional advisors to produce an annual audit of the Association and to advise the Board on federal and state ethics requirements, and (b) an Investment Sub-Committee to establish and review compliance with the Association's Investment Policy Statement, and recommend to the Finance Committee an outside investment advisor related to the Association's long-term investments.

#### ARTICLE 5 ~ REMUNERATION

5.1 REMUNERATION: The President shall receive such salary, expense allowance and other remuneration as shall be approved by the Executive Committee. The President, with the approval of the Executive Committee, shall determine the salary and other allowances for the other non-elected officials and employees. All other Officers, Directors and committee members shall serve without remuneration, except that such persons may receive reimbursement for expenses incurred on behalf of the Association with approval of the Board.

#### ARTICLE 6 ~ EXECUTIVE COMMITTEE

6.1 EXECUTIVE COMMITTEE: The Executive Committee shall consist of the Chair, Vice-Chair, Treasurer, Secretary, immediate past Chair, the Chair of the Texas Food Council, a representative of the Texas Federation of Drug Stores a representative of the Small Retailer Committee and two at-large members appointed by the Chair from the Board membership representing a different or underserved sector of the retail industry from the other Committee members. The Association's Chair shall preside over this Committee. The Committee shall be responsible for employing a President, and upon Board approval, shall adopt a policy for filling a vacancy for President. This Committee shall be responsible for the general operation of the Association and have the power to act for the Association in the name of the Board in all matters not specifically denied by the charter, these by-laws, or the Board.

#### ARTICLE 7 ~ MEETINGS

7.1 ANNUAL MEETINGS OF THE MEMBERSHIP: The Board shall designate the time and place for each annual meeting of the membership. Each member of TRA shall be given notice of the time and place for each meeting of the membership delivered not less than 10 nor more than 60 days before the date of the meeting. In any fiscal year in which the Association holds more than one membership meeting, the Board may waive the annual meeting provided that the annual report, ballots for director and other pertinent information are distributed by mail to the membership. Voting for directors in such event may be by mail, electronic transmission, facsimile transmission, or by any combination of the three.

7.2 SPECIAL MEETINGS OF THE MEMBERSHIP: Special meetings of the membership may be called by the Chair, Board or by 15 % of the membership. Notice of special meetings shall be given in the same manner as annual meetings.

7.3 BOARD OF DIRECTOR MEETINGS: The Chair or a majority of the Board may call a regular or special meeting of the Board at any time. Notice of these meetings shall be given in any manner acceptable to a majority of the Board. At least one Board meeting shall be held annually.

7.4 COMMITTEE MEETINGS: A committee chair or a majority of the members of a committee may call a meeting at any time. Notice of these meetings shall be given in any manner acceptable to a majority of the committee.

#### ARTICLE 8 ~ ELECTIONS, QUORUMS, PROXIES, PROCEDURES, AND VOTING

8.1 ELECTIONS: The Chair shall appoint a nominating committee not less than 30 days prior to the annual meeting. This committee shall consist of a chair and at least two members. The committee shall certify at least one eligible candidate for nomination to each position due to be vacated on the Board. The chair of this committee shall present the list of nominees to the membership at the annual meeting. Following this presentation the floor shall be opened for any additional nominations. Any member may nominate a member for election as director. Each member shall be entitled to one vote for each vacant director position. In all contested elections the vote shall be by secret ballot and the nominating committee shall serve as official tellers. Election shall be by majority vote. The Board shall elect the elective officers of TRA. Any vacancies on the Executive Committee during that officer's mid-term service shall be filled by the next meeting of the board.

8.2 QUORUM: The quorum for any annual or special meeting of the membership shall be 10% of the membership or 20 members whichever is less. The quorum for any regular or special meeting of the Board shall be ten members including not less than one officer. The quorum for a committee meeting shall be a majority of its members.

8.3 PROXIES: A member or director may vote by proxy executed in writing by the member or director.

8.4 PROCEDURES: The Chair shall have the right to appoint a parliamentarian for any meeting. Meetings shall be governed by the latest edition of *Robert's Rules of Order*.

8.5 VOTING: All regular business before any committee, subcommittee, task force, or the Board shall be by simple majority. At the request of at least three members of the Board, a 2/3 supermajority of the Board shall be required for the following major policy issues: (i) controversial legislation where the membership is divided; (ii) major changes in Association operating policies and procedures; and, (iii) resolutions when the membership is divided.

#### ARTICLE 9 ~ FILLING A VACANCY AND REMOVAL FROM OFFICE AND MEMBERSHIP

9.1 Any vacancy occurring in the Board shall be filled by the Board.

9.2 Any officer, director or member may be removed from office or membership for any reason deemed valid by a majority vote of the Board.

#### ARTICLE 10 ~ DUES, ASSESSMENTS AND MEMBERSHIP

10.1 DUES, ASSESSMENTS AND MEMBERSHIP: The Board, through a finance committee, or by other means, shall establish appropriate budgets for the operation of the Association, its special projects and committees. It shall promulgate schedules of equitable membership dues and fees sufficient to satisfy these budget needs. The Board may establish membership categories and dues schedules or amounts for these categories. The Board may assess such

assessments, as it deems necessary. The Board, Executive Committee, or President may terminate a membership for failure to pay all dues, fees, and assessments.

#### ARTICLE 11 ~ LIABILITY AND INDEMNITY

11.1 LIABILITY: A director of the Association shall not be liable to the corporation or its members for monetary damages for an act or omission in the director's capacity as a director, except that this article does not authorize the elimination or limitation of the liability of a director is found liable for:

1. a breach of a director's duty of loyalty to the corporation or its members;
2. an act or omission not in good faith that constitutes a breach of duty of the director to the corporation or an act or omission that involves intentional misconduct or a knowing violation of the law;
3. a transaction from which the director received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the director's office; or,
4. an act or omission for which the liability of a director is expressly provided by an applicable statute.

11.2 INDEMNITY: The indemnity provision authorized by Section B, Article 1396-2.22A of the Texas Non-Profit Corporation Act, including any successor statute, or as it may be amended, pertaining to a corporation indemnifying an officer or director or former officer or director of the corporation are hereby made mandatory.

11.3 LIABILITY AND INDEMNITY: The officers, directors, members and volunteers are granted the full immunity and indemnification from liability as authorized or as may be authorized by law.

11.4 OFFICER LIABILITY: An officer of the Association is not liable to the corporation or any other person for an action taken or omission made by the officer in the person's capacity as an officer unless the officer's conduct was not exercised: 1. in good faith; 2. with ordinary care; and 3. in a manner the officer reasonably believes to be in the best interest of the corporation.

#### ARTICLE 12 ~ AMENDMENTS

12.1 AMENDMENTS: These by-laws may be amended at a regular or special meeting of the Board by a 2/3 affirmative vote of the members.

#### ARTICLE 13 ~ CONFLICT OF LAW

13.1 CONFLICT OF LAW: Should any part of these by-laws conflict with any present or future Federal or State statute, regulation, rule, judgment or order, such conflicting portion is reformed to comply with the same.

#### ARTICLE 14 ~ OPERATION AND DISSOLUTION

14.1 OPERATION: This corporation shall have no capital stock. It shall be operated in accordance with the Texas Non-profit Corporation Act. Its support shall be provided by dues, assessments, subscriptions, endowments, donations, devises, bequests and from such revenues as may be collected by it from services rendered and goods provided and the corporation shall be eligible to receive, accept and to acquire funds, bonds, stocks, securities,

by donations, devises or otherwise, and may hold, invest, reinvest, convert, exchange, sell, transfer, mortgage, pledge and dispose of any and all funds, bonds, stocks, securities and properties so received or acquired for the purpose of maintaining said non-profit corporation, and doing all acts and exercising of all powers and assuming all obligations necessary or incidental thereto. No portion of such funds shall ever be applied to any purpose other than the operation, enlargement, improvement and maintenance of such non-profit corporation, its facilities, supplies and equipment. Provided however, if at any time the accomplishment of the specific purpose of the corporation shall become impossible or in the opinion of Directors impracticable, this corporation may be dissolved under the provisions of the following section.

14.2 DISSOLUTION: Upon dissolution of the corporation, assets remaining after liquidation of all liabilities shall be distributed for one or more exempt purposes within the meaning of Section 501(c) 3 of the Internal Revenue Code or the corresponding section of any future federal tax code, or shall be distributed to the federal government or to a state or local government for a public purpose.