

**BYLAWS OF  
THE ANIMAL CARE TRUST  
(ACT)**

**ARTICLE I  
Name and Purpose of the Corporation**

The name of the corporation shall be The Animal Care Trust (henceforth, known as "ACT"). ACT is incorporated under the laws of the State of Tennessee and is organized exclusively for the creation, support and governance of the McKamey Animal Care and Adoption Center, located at 4500 North Access Road, Chattanooga, Tennessee 37415 (the "Center").

**ARTICLE II  
Mission Statement of ACT**

The mission of ACT is to protect animals from neglect, abuse and exploitation; to advocate for their interests and welfare; to reduce the unwanted pet population through an effective spay/neuter program; and to inspire and educate the citizens of the City of Chattanooga toward an awareness and compassion for all living beings.

**ARTICLE III  
Fulfilling the Mission of ACT**

In order to fulfill its mission, ACT will:

1. Receive gifts, contributions and grants of money or property from individuals, private organizations, public sources and any agency of the City of Chattanooga, State of Tennessee, the United States of America or any other governmental agency, and to apply, pay over or disburse those gifts, contributions and grants or their proceeds for the benefit of the Center and, therefore, the City of Chattanooga.
2. Oversee, direct, and manage the design, planning, construction, maintenance and operations of the Center.
3. Operate without pecuniary profit or financial gain in fulfilling these purposes.

ACT is a 501(c)(3) non-profit organization supported, in part, by donations, grants, bequests and special events for construction of the Center. All contributions are tax deductible as allowed by law.

## **ARTICLE IV**

### **Board of Directors**

Section 1. *Board of Directors.* ACT shall be solely composed of a Board of Directors (hereinafter referred to as the "Board of Directors", or the "Board"). Each member of the Board shall be designated as a "Director".

Section 2. *Number.* The number of Directors, which shall constitute the Board, may be changed from time to time by the vote of a majority of the entire Board. The Board shall consist of a minimum of five (5) members and a maximum of twenty-five (25) members. If the number of Directors is decreased, each Director in office shall serve until his or her term expires. Any increase in the number of Directors shall be deemed to create vacancies to be filled in the manner provided by these bylaws. A Director need not be a resident of Tennessee.

Section 3. *Compensation.* The Directors shall not be entitled to receive compensation. The Directors shall be entitled to receive reimbursement for reasonable travel costs and expenses incurred in attending regular or special meetings of the Board, as authorized by the Board.

Section 4. *Election.* The members of the initial Board shall be chosen by unanimous action of the incorporators of ACT. Beginning with the second annual meeting of the Board, Directors shall be elected by the Board in accordance with the terms of Sections 5 and 10 of this Article IV; provided, however, that, in the case of a vacancy, the procedures of Section 6 of this Article IV shall be followed. The Directors shall hold office until their respective successors have been duly elected and qualified. Directors shall be chosen by a majority vote of the Directors at a regular or special meeting of the Board in accordance with the notice provisions of these bylaws; in the absence of such notice, Directors shall be chosen by at least a majority of the votes of the Directors then in office.

Section 5. *Term of Office for a Director.* The term of office for a Director shall be no more than three (3) calendar years from date of his or her election. A Director may not serve for more than two (2) consecutive terms.

Section 6. *Vacancies.* Vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by vote of the Directors at a regular or special meeting of the Board, in accordance with the notice provisions of these bylaws; in the absence of such notice, such Directors shall be chosen by at least a majority of the votes of the Directors in office. Any Director so elected shall hold office until his or her successor shall have been duly elected and qualified, except in the case of death, resignation or removal from office. If one or more of the Directors shall give notice of resignation effective as of a future date, the Board may fill such vacancy or vacancies to take effect when such resignation or resignations shall become effective.

Section 7. *Duties and Powers.* Except as otherwise provided by statute, the Charter or these bylaws, all the powers of ACT shall be vested in and exercised by the Board. The Board shall have general charge and management of the affairs, funds and property of ACT. The Board's powers shall include, but are not necessarily limited to, the authority to establish reasonable compensation for any or all officers of ACT for services, subject, however, to the other terms of these bylaws, to lease or purchase real property of ACT or sell, mortgage or lease the real property of ACT; provided, however, that a sale, lease, exchange or other disposition of property which is the equivalent of all, or substantially all, of the assets of ACT must be authorized in accordance with any applicable statute.

Section 8. *Removal.* Any Director may be removed with or without cause by the affirmative vote of the majority of the Directors, provided there is a quorum of not less than a majority of the entire Board present at the meeting of the Board at which action is taken. Any Director proposed to be removed shall be entitled to notice, in writing, at least five (5) days prior to such meeting to appear before and to be heard at such meeting.

Section 9. *Meetings of the Board and Notice.* Meetings of the Board, annual, regular or special, may be held within the State of Tennessee, at such time and place as shall be determined from time to time by resolution of the Board. Because the corporation is governed, or likely will at various times in the future be governed, by the Tennessee Open Meetings Act (hereinafter the "Open Meetings Act"), the Directors shall cause notice of all such meetings to be published in the legal classified section of a newspaper of general circulation in Hamilton County, Tennessee (hereinafter a "Qualifying Newspaper") at least seven (7) days in advance of each such meeting, and minutes of all such meetings to be promptly and fully recorded and made available for public inspection. The annual meeting of the Board shall be held during the month of November in each year, for the purpose of electing officers, setting the time, date and place of the following year's regular and annual meetings, and transacting such other business as may properly be brought before such meeting. Subject to the public notice requirement set forth above, special meetings of the Board may be called by the Chairman of the Board or by written request of two (2) Directors on seven (7) days' notice to each Director. Notice of a meeting need not be given to any Director who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting (whether prior thereto or at the commencement thereof) the lack of such notice. Whenever written notice is served by mail, it shall be addressed to the Director at his or her address as it appears on the records of ACT. Service of notice by mail shall be deemed to be given at the time said notice is deposited, enclosed in a postpaid and properly addressed wrapper, in the official depository under the exclusive care and custody of the United States Postal Service or any other private courier service designated in advance for such use by the Board.

ACT shall at all times conduct itself and otherwise abide by all of the provisions and requirements of the Open Meetings Act including, without limitation, the Open Meetings Act's provisions governing public notice of Board meetings and the recordation of, and public access to, minutes of Board meetings.

Section 10. *Quorum and Manner of Acting.* Except as otherwise specifically provided by applicable law, one-half (1/2) of the entire number of the members of the Board shall constitute a quorum for the transaction of business. Except as otherwise provided by applicable law, the vote of a majority of the Directors present at the time of a vote, if a quorum is present at such time, shall be the action of the Board. A majority of those present at any meeting at which a quorum is not present may adjourn the meeting from time to time, without notice, other than announcement at the meeting, until a quorum shall be present.

## **ARTICLE V**

### **Officers of the Board**

Section 1. *Officers.* The officers of the Board shall be Directors of ACT and shall consist of the Chairman, Vice Chairman, Secretary and Treasurer, and such other officers with such powers and duties consistent with these bylaws as may be determined necessary by the Board.

- A. The Chairman of the Board shall have specific responsibility for the supervision of all personnel and the implementation of all resolutions of the Board and shall attend all meetings of the Board and of the Executive Committee (see Article VI, Section 1) of the Board unless the Board shall direct otherwise. The Chairman shall be an ex-officio member of all standing committees. The Chairman shall execute, when authorized by the Board, such bonds, mortgages and other contracts, except where required by statute or these bylaws to be otherwise signed and executed. In the absence of an Executive Committee, and between meetings of the Board, the Chairman of the Board shall be empowered to act on behalf of the Board, except as otherwise provided by statute, the Charter, and these bylaws. The Chairman of the Board shall have served as a Board Director and shall serve a one-year term.
- B. The Vice Chairman of the Board shall perform the duties of the Chairman of the Board in his or her absence, and shall serve on the Executive Committee. The Vice Chairman shall be the Chairman-elect of the Board, shall have previously served as a Director, and shall serve a one-year term.
- C. The Treasurer of the Board shall make regular reports to the Board on the financial state of ACT. The Treasurer shall have the custody of the corporate funds and securities and shall supervise the maintenance of full and accurate accounts of such receipts and disbursements in books belonging to ACT and the deposit of all monies and other valuable effects in the name and to the credit of ACT in such depositories as may be designated by the Board. The Treasurer shall supervise the disbursements of funds of ACT as may be ordered by the Board at its regular meetings, or whenever the Board so requires, and maintain an account of all the corporate transactions and of the general financial condition of ACT. The Treasurer shall be authorized to make disbursements without prior authorization of the Board, up to an amount set by resolution of the Board but not

to exceed \$2,500. The Treasurer shall have previously served as a Director and shall serve a one-year term.

- D. The Secretary of the Board shall report to the Board, attend all meetings of the Board, supervise the recording of the proceedings of the meetings of ACT and of the Board in accordance with the provisions of the Open Meetings Act in a Minutes Book to be kept for that purpose and shall supervise the recording of minutes for the committees when required. The Secretary shall give, or cause to be given, notice of all meetings of the Board, by the Open Meetings Act and other applicable statutes, and these bylaws, and shall perform such other duties as may be prescribed by the Board or the Chairman of ACT. The Secretary shall have previously served as a Board Director and shall serve a one-year term.

Section 2. *Election of Officers and Terms of Office.* Election of officers of the Board shall be held at the Annual Meeting. The Nominating Committee shall present a slate of officers for election at the regular September Board meeting, two months prior to the Annual Meeting. Discussion of candidates and nominations from the floor shall be entertained at the regular October Board meeting, one month prior to the Annual Meeting. Each nominee for office shall have agreed to the nomination for said office. Each Director shall have one (1) vote. No officer of the Board shall serve in two offices simultaneously. Election of officers of the Board shall be by majority vote of the Directors. The officers shall serve for one-year terms. The Vice Chairman shall be the Chairman-elect.

Section 3. *Vacancies.* All vacancies in any office shall be filled by the Board without undue delay, at its regular meeting or at a meeting specifically called for that purpose. The Nominating Committee shall propose a candidate for said office and shall obtain acceptance of nomination of the candidate for said office.

Section 4. *Removal.* An officer may be removed by majority vote of the entire Board, with or without cause. The removal of an officer without cause shall be without prejudice to his contract rights, if any. The election of an officer shall not of itself create contractual rights.

## **ARTICLE VI**

### **Committees**

Section 1. *Executive Committee.* The Executive Committee shall consist of the Chairman, Vice Chairman, Secretary, and Treasurer of the Board, immediate past Chairman, chairmen of all standing committees, and one or more of the Directors. The Executive Director, if any, shall be an ex-officio member of the Executive Committee. The Board may designate one or more Directors as alternate members of such committee, who may replace any absent or disqualified member at any meeting of the committee; the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in the place of any such absent or disqualified

member. The Executive Committee is authorized to act on behalf of the entire Board during the interim periods between each meeting of the Board, except as otherwise provided by resolution of a majority of the entire Board. The Executive Committee shall have, and may exercise, the powers and authority of the Board in the management of the business and affairs of ACT only to the extent provided in the Board's authorizing resolution and only to the extent provided by applicable statute, the Charter and these bylaws. The Executive Committee shall not have the power or authority to amend the Charter of ACT, adopt an agreement of merger or consolidation, recommend to the Board a dissolution of ACT or a revocation of a dissolution, or amend the Bylaws of ACT. The Executive Committee shall record and maintain written minutes of its proceedings and shall report such minutes to the Board.

Section 2. *Standing Committees.* The following committees are hereby created as Standing Committees of the Board:

- A. *Directors and Board Development Committee.* The Directors and Board Development Committee shall ensure that the membership and structure of the Board is sufficient to fulfill both its fiduciary and management responsibilities. This committee shall monitor and evaluate current Board member performance, including recommending whether an existing member should have his or her term of service renewed or discontinued; shall serve as the coordinating body for cultivating and recommending new Board members; shall maintain and update the Board's bylaws and policy manual; and shall evaluate the effectiveness of the Board structure, including management roles and standing committees. The Directors and Board Development Committee shall meet a minimum of once per month. The Board shall have power at any time to fill vacancies, change membership, or to dissolve the Directors and Board Development Committee. There shall be no non-Board members assigned to serve on the Directors and Board Development Committee.
- B. *Nominating Committee.* The Nominating Committee shall be a subcommittee of the Directors and Board Development Committee and shall be composed of three (3) Board members appointed by the Executive Committee. The past Chairman of the Board shall serve as the Chairman of the Nominating Committee. This committee shall review the recommendations of the Directors and Board Development Committee and present nominations for vacancies on the Board at such time as there are vacancies. The Nominating Committee shall present a slate of officers prior to the Annual Meeting each year. The Nominating Committee shall inform any candidate of nomination and must obtain acceptance of such nomination. Any member of the Nominating Committee may be a candidate for any position on the Executive Committee. Each member of the Nominating Committee shall have one (1) vote, and the decision of the Nominating Committee shall be made by a majority of its members.
- D. *Finance Committee.* The Finance Committee shall strengthen and protect ACT's current and future fiscal health through active oversight and management of its

capital and operating assets. This committee shall provide assistance to the management team of the Center throughout its annual budget planning and review processes; shall approve budgets and assist with funding decisions on any unplanned capital purchases; shall ensure the Center's compliance both with legal requirements and the bylaws of ACT with respect to financial management and reporting; and shall establish and regularly review the impact of policies related to endowment and investment management. This committee shall meet as deemed necessary and will report directly to the Chairman of the Board. The chairman of the Finance Committee shall deliver a status report at each Board meeting. The Executive Director of the Center shall have primary operating responsibility with respect to financial matters and will make regular reports to the Finance Committee. The Board shall have power at any time to fill vacancies in, to change the membership of, and to dissolve the Finance Committee. The Finance Committee may have non-Board members assigned to it.

- E. *Development Committee.* The Development Committee shall provide the Board a comprehensive and practical strategy for fundraising initiatives, and shall participate actively in the solicitation of support for the Center. This committee shall build a master plan for acquiring support necessary to meet the current and expected operating needs of the Center; shall create a framework for planned giving and endowments based upon both the financial requirements of the Center and the bylaws of ACT; shall create guidelines for all Board members related to fundraising activities; shall assist individual Board members with implementing fundraising activities; and shall assist the Executive staff of the Center in setting, monitoring and adjusting an annual calendar of fundraising events. The Development Committee shall meet a minimum of once per month and will report to the Chairman of the Board. The chairman of the Development Committee shall deliver a status report at each Board meeting. The Board shall have power at any time to fill vacancies in, to change the membership of, and to dissolve the Development Committee. The Development Committee may have non-Board members assigned to it.
  
- F. *Programs and Procedures Committee.* The Programs and Procedures Committee shall ensure the business health of regular operations of the Center. In cooperation with the Executive Director, this committee shall establish operating guidelines, review and evaluate the Center's objectives, monitor policies relating to, but not limited to, animal adoption and fostering, animal in-take, standards of care for resident animals, volunteer programs, and human resources, and all other policies and practices related to the operation of a municipal animal shelter. The Programs and Procedures Committee will review on a regular basis applicable laws and ordinances relating to animals. The Programs and Procedures Committee shall meet a minimum of once per month and will report to the Chairman of the Board. The chairman of the Programs and Procedures Committee shall deliver a status report at each Board meeting. The Board shall have power at any time to fill vacancies in, to change the membership of, and to

dissolve the Programs and Procedures Committee. The Programs and Procedures Committee may have non-Board members assigned to it.

G. *Community Relations and Marketing Committee.* The Community Relations and Marketing Committee shall strive to create and maintain a positive image of, and public support for, the Center through fundraising events, promotional activities, and participation of outreach programs. This committee shall build and execute an annual special events calendar for fundraising activities, identify promotional opportunities in the local media, provide the Executive staff of the Center advice on media and community relations matters and regularly review such efforts, and manage content and maintenance of the Center's website to help ensure a positive, professional and current presence in the on-line community. The Community Relations and Marketing Committee shall meet a minimum of once per month and will report to the Chairman of the Board. The chairman of the Community Relations and Marketing Committee shall deliver a status report at each Board meeting. The Board shall have power at any time to fill vacancies in, to change the membership of, and to dissolve the Community Relations and Marketing Committee. The Community Relations and Marketing Committee may have non-Board members assigned to it.

Section 3. *Special Committees.* By a vote of the Directors at a meeting held in accordance with these bylaws, special committees may also be created by the Board and shall have only such powers as are specifically delegated by the Board. Members of such special committees shall be Directors or officers of ACT and shall be appointed by the Chairman of the Board, with the consent of the Board. This committee may have non-Board members assigned to it.

## **ARTICLE VII**

### **Bylaws and Rules of Order**

The power to make, alter or repeal the bylaws of ACT shall be vested in the Board. The bylaws may be amended or revised at any regular meeting of the Board by a two-thirds (2/3) vote of the Directors. The bylaws may be amended or revised at any special meeting of the Board by a two-thirds (2/3) vote of the Directors; provided that a full and accurate description of the substance of the proposed amendments or revisions is contained in the notice for such special meeting, and that the provision of such notice is in accordance with the Open Meetings Act.

The latest edition of *Robert's Rules of Order* shall be parliamentary authority for all matters of procedure not specifically covered by these bylaws; provided that such rules are not inconsistent with these bylaws, the Charter or any applicable law.

## **Article VIII General Provisions**

Section 1. *Agents and Representatives.* The Board may appoint such agents and representatives of ACT with the powers to perform such acts or duties on behalf of ACT as the Board may see fit, so far as may be consistent with these bylaws and to the extent authorized or permitted by law.

Section 2. *Contracts.* The Executive Committee may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of ACT, and such authority may be general or confined to a specific instance. Unless so authorized by the Executive Committee or by these bylaws, no officer, agent or employee shall have any power or authority to bind ACT by any contract or engagement, or to pledge its credit, or render it liable for any purpose in any amount. In no event may any officer, Director, or agent or employee enter into an agreement on behalf of ACT when said agreement involves an ACT expenditure or receipt of an amount in excess of \$2,500 without the express authorization of the Executive Committee of the Board.

Section 3. *Special and Telephone Meetings.* The members of the Executive Committee and the Board may, but are not obligated to hold and participate in meetings (including Annual, Regular or Special meetings) of the Executive Committee, the Board, or any committee thereof by means of conference telephone or similar electronic communications equipment; provided that all persons participating in the meeting can hear and communicate with each other, and any members of the general public attending such meeting can hear the various participants. Participation in a meeting pursuant to this paragraph shall constitute presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transacting of any business on the ground that the meeting is not lawfully convened.

Section 4. *Voting Upon Stock of Other Corporations.* Unless otherwise ordered by the Board or the Executive Committee, the Chairman shall have full power and authority on behalf of ACT to vote either in person or by proxy at any meeting of stockholders (or similar voting equity holders) of any corporation or other entity in which ACT may hold stock or other form of ownership interest, and at any such meeting may possess and exercise all of the rights and powers incident to the ownership of such stock or other ownership interest which, as the owner thereof, ACT might possess and exercise if present. The Board may confer like powers upon any other person and may revoke such powers as granted at its pleasure.

Section 5. *Fiscal Year.* The fiscal year of ACT shall end on the last day of June in each year.

Section 6. *Indemnification.* ACT may indemnify and defend any Director or officer or former Director or officer of ACT, or any person who may have served at its request as a Director or officer of another corporation to the fullest extent permitted by law.

Section 7. *Insurance.* ACT may purchase and maintain insurance on behalf of any person who is or was a Director or officer, employee, or agent of ACT, or is or was serving at the request of ACT as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not ACT would have the power to indemnify him or her against liability under the provisions of this Section or under applicable provisions of Tennessee law.

Section 8. *Seal.* ACT shall not be required to have a corporate seal.

Section 9. *Informal Action.* Any action required by law to be taken at a meeting, or any action which may be taken at a meeting of Directors, may, to the extent permitted by the terms of the Open Meetings Act, be taken without a meeting if a consent in writing, setting forth the actions so taken, shall be signed by all of the Directors and approved by a majority of the Directors. Such action by written consent shall have the same force and effect as a unanimous vote of the Board. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Section 10. *Presumption of Assent.* A Director who is present at a meeting of the Board at which such action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by certified mail to the Secretary of ACT within twenty-four (24) hours after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 11. *Gifts.* The Executive Committee may accept on behalf of ACT any contribution, gift, bequest or devise for the general purposes or for any special purpose of ACT. No form of contribution to ACT other than monetary may be accepted without prior approval of the Executive Committee. Stocks and bonds shall not be considered a monetary form of contribution.

Section 12. *Loans to Directors and Officers.* No loan shall be made by or to ACT, and no evidences of such indebtedness shall be issued in its name, unless authorized by written resolution of the Board. Such authority may be general or confined to a specific instance. No loans shall be made by ACT to any of its Directors or officers.

Section 13. *Compensation of Staff.* The Board will set and approve salary and benefits for the Executive Director of the Center, and such salary and benefits shall be subject to approval each year prior to the end of ACT's fiscal year. Subject to the oversight of the Board, the Executive Director shall have full discretion and authority in matters concerning employee and staff benefits, bonuses, and compensation. The Executive Director shall make a report to the Board of the financial situation of the Center on a monthly basis; shall arrange for yearly audits of the Center; and shall prepare an annual

budget for the Center to be presented to the Board in May of each year (each a "Budget"). Discussion and approval of each Budget shall take place at the June Board meeting.

Section 14. *Conflicts or Potential Conflicts of Interest.* Each Director, officer and employee of ACT shall, prior to contracting directly or indirectly with ACT, or otherwise accepting monetary benefit from ACT, disclose in writing any potential conflict of interest of which they are aware and either (a) resign from the Board and/or any committees having any responsibility over the matter(s) in question, or (b) abstain from all discussion and/or votes relating to the matter(s) in question. Nothing herein shall preclude the employment by ACT of its full or part-time employees reasonably necessary to carry out its daily operations.

Section 15. *Confidentiality.* Subject to the requirements of the Open Meetings Act, Directors shall not discuss or disclose information about ACT or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of ACT's purposes, or can reasonably be expected to benefit ACT. Directors shall use discretion and good business judgment in discussing the affairs of ACT with third parties. Without limiting the foregoing, Directors may discuss upcoming fundraising events and the purposes and functions of ACT, including but not limited to matters concerning ACT accounts on deposit in financial institutions, without violating this Section.

Effective as of \_\_\_\_\_

\_\_\_\_\_  
Chairman of the Board

\_\_\_\_\_  
Secretary of the Board