

LONE STAR ONLINE INVESTMENT CLUB

DALLAS CHAPTER-BETTERINVESTING

BY-LAWS OF AUGUST 8, 2017 AS AMENDED AND RESTATED BY THIS DOCUMENT

July 11, 2019 (Date)

- 1. Definition of the On Line Investment Club:** This is a model club; therefore, open to observation by those who would wish to learn how to form and operate a successful investment club in accordance with the methods and principles of BetterInvesting (BI). This Partnership, which began September 14, 2013, is incorporated herein and made part hereof by reference. Any reference to "club" in this document shall be assumed to be to the Lone Star Online Investment Club.
- 2. Prerequisite for Membership:** Anyone considered for membership shall have attended a minimum of two (2) regularly scheduled meetings of the club within six months to become eligible for membership. All Partners must be members in good standing of BetterInvesting, either individually or by club membership. Failure to pay the yearly BI membership dues shall be cause for termination from the club.
- 3. Duties of Partners:** All Partners are expected to devote time for study and be willing to accept responsible positions in the club.
- 4. Duties of Officers:** It shall be the duty of all officers to ease transitions by assisting their successors in any way possible and by turning over all pertinent records and materials to their successors.
- 5. Terms of Office:** Officers elected at the yearly meeting in September shall serve from October 1 to the following September 30. The Nominating Committee shall present a slate of officers at the August meeting with elections to be held during the September meeting.

If any officer cannot fulfill his/her duties, the Nominating Committee shall present a nominee and an election shall be held to fill the position for the balance of the year.

- 6. Elected Officers:** Officers, elected annually by a two-thirds (2/3) majority vote, shall consist of a President, Vice President, Secretary, Assistant Secretary, Treasurer and Assistant Treasurer. Officers are elected for a one (1) year term and may succeed themselves in office upon re-election; however, the President cannot serve more than three (3) consecutive years. The President and Treasurer shall be Directors of the Dallas Chapter of BetterInvesting.

(a) President:

1. The President shall be a leader, guide, planner and worker.
2. The President shall preside at and create an agenda for meetings.
3. The President shall determine whether or not a quorum is present in

order to conduct business.

4. The President shall oversee all club activities.
5. The President shall appoint committees to carry out the duties of the club for the ensuing year and shall submit a list of these appointments by the November meeting.
6. The President shall serve as an ex-officio, non-voting member of all committees, and shall be invited to all committee meetings.
7. The President shall serve as the Chair of the Executive Committee.
8. The President shall not vote on any business brought before the club except to cast the deciding vote in the event of a tie.
9. The President shall introduce all guests attending the meetings and make sure they are contacted after the meeting to obtain feedback and to determine if additional assistance could be provided.
10. The President is authorized to sign checks in accordance with Paragraph 19 of the Partnership Agreement.

(b) Vice President:

1. The Vice President shall assume the duties of the President when he/she is absent or temporarily unable to serve.
2. The Vice President shall be responsible for planning and ensuring that the study program is properly executed.
3. The Vice President shall serve on the Executive Committee.

(c) Secretary:

1. The Secretary shall notify all Partners of regularly scheduled meetings, special meetings and other activities.
2. The Secretary shall keep minutes of all special and all regularly scheduled meetings of the club and following each meeting shall post a copy of the minutes in the club's web site..
3. The Secretary shall serve on the Executive Committee, keep minutes of meetings and email these to the partners prior to the next regularly scheduled meeting of the club.
4. The Secretary shall keep a record of each Partner's attendance at all meetings and include this in the minutes.
5. The Secretary shall ensure that all records including committee reports and all other matters pertaining to the operation of the club and past secretarial records of the club, i.e., minutes, correspondence, attendance records, etc. are kept on the club's online web site.
6. The Secretary shall Chair the Partnership Agreement – By-Laws Committee and, if changes are made, prepare an updated copy for each Partner.
7. The Secretary shall provide written communications to the Partners as directed by the President.
8. Each year, the Secretary shall verify with the Dallas Chapter of BetterInvesting that all Partners of the club are in good standing with BetterInvesting.

(d) Assistant Secretary: The Assistant Secretary shall assist the Secretary in

any duties as needed and shall take the place of the Secretary when he/she is absent.

(e) Treasurer:

1. The Treasurer shall be in charge of all funds collected and disbursed by the club.
2. The Treasurer, using an online club accounting program, shall maintain financial records of the club, i.e., valuation statements, treasurer's correspondence, bank statements, etc.
3. The Treasurer shall place buy and sell orders authorized by the Partners with the club's broker.
4. The Treasurer will prepare the Partnership Tax Return (form 1065) and file it with the Internal Revenue Service on or before the due date each year.
5. The Treasurer may sign checks per Paragraph 19 of the Partnership Agreement
6. The Treasurer shall serve on the Executive Committee.
7. The Treasurer shall not serve as a member of the Audit Committee.
8. The Treasurer will serve as the Partnership Representative (PR) to handle the IRS audit of any partnership tax return. The Treasurer will notify partners of any audit proceedings and update partners throughout the audit process. The Partnership will elect to opt-out of the partnership level audit proceedings for tax years after 2017 for which it is eligible to make the election.

(f) Assistant Treasurer The Assistant Treasurer shall assist the Treasurer in any duties as needed and shall take the place of the Treasurer when he/she is absent.

7. Committees:

(a) Executive Committee:

1. The Executive Committee shall consist of President, Vice-President, Secretary, and Treasurer and shall hold meetings at the call of the President.
2. When the Executive Committee meets, minutes shall be kept by the Secretary and emailed to the Partners prior to the next regularly scheduled meeting of the club.
3. The Executive Committee shall evaluate a Partner's absences after the third occurrence and make the decision of whether or not to seek a termination as outlined in Paragraph 11.

(b) Nominating Committee:

1. The Nominating Committee shall consist of a Chair and two (2) other Partners to be appointed by the President in July. It shall be the duty of the Nominating Committee to present a slate of officers at the August meeting to be voted on during the September meeting. During the election, nominations may also be taken from the floor with the prior consent of the nominee.
2. No Partner may serve on the Nominating Committee for two (2) consecutive years.

(c) Audit Committee:

1. The President shall designate three (3) Partners to audit the financial records of the club at the close of each fiscal year and whenever a new Treasurer takes office.
2. The Audit Committee shall be responsible for reviewing and verifying the financial transactions of the club, and must provide a written report stating their opinion as to the completeness, accuracy, and correctness of the financial records.
3. The Audit Committee may also make recommendations relating to the procedures, treatment, and handling of financial transactions and records of the club.

(d) Partnership Agreement – By-Laws Committee:

1. This Committee shall meet on odd-numbered years, or as needed, to review the Partnership Agreement and By-Laws and to make recommendations to the Partners if changes are needed.
2. Any proposed changes must be submitted to all of the Partners in writing at least thirty (30) days prior to the next regularly scheduled meeting.
3. Upon a two-thirds (2/3) majority vote by the Partners to make changes to the Partnership Agreement or the By-Laws, the Secretary shall submit these changes in writing to the President and Secretary of the Dallas Chapter of BetterInvesting with a request for Chapter approval.
4. The Secretary shall Chair the Partnership Agreement – By-Laws Committee
5. The President shall appoint two or more members to the committee.

(e) Other Committees: The President may appoint any ad-hoc committees that he/she deems necessary to carry out the work of the club.

8. Regularly Scheduled Meetings: The club shall have regularly scheduled on line monthly meetings at a time agreed to by the members. The club shall have an “in person meeting” at least annually.
9. Special meetings: The President may call special meetings upon at least a seventy-two (72) hour notice to the other Partners.
10. Meeting Agendas: The President shall be responsible for the agenda of the meetings which includes roll call, introduction of guests, approval of the previous minutes, treasurer’s report, and correspondence, reports of committees, unfinished business, new business and announcements.
11. Attendance: It is the responsibility of all Partners to attend all special and regularly scheduled meetings and to inform the President in advance should any conflict arise necessitating an absence. Any Partner who is absent from three (3) consecutive regularly scheduled meetings or who is in arrears in contributions for three (3) consecutive months, shall be evaluated before the next regularly scheduled meeting by the Executive Committee. The Executive Committee, by a three fourths (3/4)

majority vote, shall decide whether or not to recommend to the club that the Partner should be terminated.

- (a) If the decision of the Executive Committee is to issue a warning rather than to seek a termination, the Secretary shall send a written notice to the Partner as to the conditions that must be met in order to remain in the club.
- (b) If the Executive Committee recommends a termination, this shall be placed on the agenda of the next regularly scheduled meeting to be voted on by the remaining Partners. Upon a two-thirds (2/3) majority vote by the Partners for termination, the Secretary shall inform the Partner, by registered mail, of this decision and the withdrawal process shall commence immediately. The terms of payment for a withdrawal shall be treated in accordance with Paragraph 24 of the Partnership Agreement.

12. Leave of Absence: Any Partner requesting a leave of absence must submit a valid reason, in writing, to the President. This request shall be placed on the agenda of the next regularly scheduled meeting at which time the remaining Partners shall either approve or deny the leave of absence with a two-thirds (2/3) majority vote. If the request is denied, the Partner shall be asked to resign.

A leave of absence shall not be approved for more than a three (3) month period. At the end of three (3) months, the Partner may request an additional three (3) month extension which shall again be approved or denied by a two-thirds (2/3) majority vote of the remaining Partners. The total leave of absence cannot exceed nine (9) months. If the Partner is not reinstated after nine (9) months, the President shall initiate the process for termination. A Partner on leave shall not be included in the determination of a quorum as his/her voting rights shall be suspended during that period of time. A Partner on leave shall be required to remit monthly dues to the Treasurer prior to the date of the meetings. Failure to do so in a timely fashion may result in termination of the Partner.

13. Quorum: A quorum shall consist of fifty percent (50%) plus one of the membership excluding those Partners who have been granted a leave of absence. To establish a quorum, a Partner must be present physically or online. A Partner may not vote by proxy.

14. Guests: Meetings shall be open for observation by BetterInvesting members, non-BetterInvesting members and/or investment clubs.

15. Contributions: Upon formation of the club, each Partner shall make an initial contribution of one hundred dollars (\$100). All new Partners shall make an initial contribution of one hundred dollars (\$100). Couples may join and be treated as one Partner, with one maintaining an active BetterInvesting membership. Each calendar year a Partner must contribute a minimum of \$600. New Partners must contribute a minimum of \$50 a month for the number of months in the year that they are members. This contribution can be paid in a single check or in multiple checks.

Additional fees may be collected from each Partner for BI or investment related materials as needed.

16. Fiscal Year: The fiscal year shall be January 1 through December 31.
17. Model Club Status: The club recognizes that the Chapter may revoke the 'Model Club' status for sufficient cause at the sole discretion of the chapter board of directors and with reasonable notice.”

These By-Laws were accepted by the Partners of the club on June 11, 2019.