

CONSTITUTION AND BYLAWS OF THE TENNESSEE PROPANE GAS ASSOCIATION

ARTICLE 1 - NAME

The name of this association is the Tennessee Propane Gas Association as set forth in its Charter of Incorporation issued by the State of Tennessee on December 31, 1947.

ARTICLE 2 - PURPOSE

The purpose of the Tennessee Propane Gas Association is to promote the safe and increased use of propane; to work for a favorable environment for propane production, distribution, and marketing; and to serve as the principal voice of the propane industry in the State of Tennessee.

ARTICLE 3 - OFFICES

The principal office of the Association shall be located in the State of Tennessee.

ARTICLE 4 - AFFILIATION

The Association shall be an affiliate member of the National Propane Gas Association.

ARTICLE 5 - MEMBERS

Section 5.01 Power of Members. The business and affairs of the Association shall be managed and the members of the Association shall exercise all of the powers of the Association.

Section 5.02 Who May Be Members. The Association shall consist of members divided into the following seven classes:

- a) **Independent Marketers** (intrastate) are any person, firm, association, partnership, limited liability company or corporation properly licensed to sell odorized propane to the ultimate consumer or to retail propane dispensers in the State of Tennessee;
- b) **Multi-state Marketers** (interstate) are any person, firm, association, partnership, limited liability company, or corporation who is properly licensed in Tennessee *to sell* odorized propane to the ultimate consumer or to retail propane dispensers. For the purpose of distinguishing between an independent marketer and a multi-state marketer, a multi-state marketer is defined as one having at least fifteen retail outlets, with at least seven of those outlets located outside the state wherein its principal office is located;
- c) **Individuals** are employees of a member whose eligibility for membership shall have been approved by the employer;
- d) **Associates** are any person, firm, association, partnership, limited liability company or corporation properly licensed to sell in Tennessee, wholesale production or *to sell* propane or propane utilization equipment, or engaged in rendering business services to the industry;

- e) **Retail Dispensers** are any person, firm, association, partnership, limited liability company, or corporation in Tennessee, holding a current Class II license issued by the State of Tennessee, who sells odorized propane to the ultimate consumer but is not primarily engaged in the business of such sales; and
- f) **Life Members** are individuals who have been members in good standing of the Association. A Life Member shall be a person formerly engaged in the propane industry but not associated in any manner with the industry at the time of election to the status of Life Member. Life Members are those who have rendered outstanding service to the Tennessee Propane Gas Association, who have been recommended for Life Membership by the Membership Committee, and elected, to such status by a majority vote of the Board of Directors at a regularly scheduled meeting. Life Members, may, at the discretion of the President, serve in an advisory capacity to the President of the Association and shall be exempt from the payment of all dues as well as fees for registration at non-ticketed functions of the Association. Though annual election of Life Members is not mandatory, Life Membership is personal and does not confer any status on a company with which the Life Member is associated.
- g) **The Board of Directors may elect Honorary Members**. Such members will not pay dues or have a vote in the affairs of the Association.

Section 5.03 Selection of Members. Prospective members of the Association shall file a written application for membership with the Membership Committee, which shall review such application and forward it to the Board of Directors with the Committee's findings. The Board may approve an application, providing that state licensing requirements have been met where applicable, by a majority vote of the Board members present at a regular quarterly meeting with a quorum present. The effect that granting membership to any applicant may have on the Association's affiliation with the National Propane Gas Association shall be considered.

Section 5.04 Compensation. Association members shall receive no compensation for their services, nor shall Association members be reimbursed for expenses relating to their service, except that the President of the Association and the Tennessee State Director of the National Propane Gas Association, upon request, may be reimbursed for reasonable documented expenses directly related to their participation in National Propane Gas Association meetings and functions where they represent the Association. The Board of Directors shall set the annual expense limits and approve all reimbursements.

Section 5.05 Term of Membership. Association memberships shall continue from year to year subject continuing qualification for the class of membership held and the timely payment of dues and assessments to the Association.

Section 5.06 Resignation and Removal. Notwithstanding section 5.05 herein, any Association member may resign at any time by mailing or delivering written notice to the Secretary-Treasurer of the Association (any resignation will take effect as specified therein or, if not specified, upon receipt by the Secretary-Treasurer). Resignation or removal shall neither relieve a member of the obligation to pay any dues, assessments, or other charges accrued and unpaid nor shall such sums be prorated. Subject to the notification provisions, which follow, a member shall be deemed to resign if the

member ceases to be eligible under section 5.02 to be a member. Any member may be removed for good cause from a Board, Committee, or Association membership, by a majority vote of the disinterested members of the Board of Directors. The process shall be carried out in good faith. At least fifteen days prior written notice shall be given to the member to be suspended or expelled. The notice shall state the reasons for the proposed action and shall give the member an opportunity to respond, either orally or in writing, not less than five days before the effective date of the proposed action. Notices for this purpose shall be sent by certified mail, return receipt requested, to the member's address of record.

Section 5.07 Meetings. Meetings of the Association, of the Board of Directors, of the Standing Committees, and of the Regional Sections shall be held regularly and at a minimum as follows:

- a) **Association.** The annual meeting date and location shall be selected by the Convention Committee and approved by the members.
- b) **Board of Directors.** The Board of Directors may meet on dates selected by the President but at least three times with an annual meeting to coincide with the Annual Meeting of the Association. The Secretary-Treasurer or Executive Director shall record the minutes of the Board meetings and timely communicate them to the Association's membership.
- c) **Standing Committees.** The standing committees shall meet as necessary but at least twice a year.
- d) **Regional Sections.** The Regional Sections (Districts) of the Association shall meet at least twice annually. The junior director for each region shall be nominated at the spring meeting and forwarded to the nominating committee. No other action taken at a Regional Section meeting shall bind the Association unless ratified at a meeting of the entire Association.

Section 5.08 Meetings by Conference Telephone. Any one or more Association members may participate in a meeting of the Association, a Regional Section, the Board of Directors, or a Standing Committee, by means of conference telephone or similar communications equipment by means of which all persons who participate in the meeting can hear and communicate with each other. Participation in a meeting by such means shall only be permitted in the event of crisis or public emergency. Minutes of such a meeting shall be timely distributed to the Association membership. Only business described in the notice of such a meeting may be transacted at the meeting.

Section 5.09 Place and Time of Meetings. Meetings may be held at such place, within or without the State of Tennessee, and at such hour as may be fixed in the notice of the meeting, bearing in mind the likely attendance of as many members as possible.

Section 5.10 Notice of Meetings. Notice of all meetings and an agenda shall be sent to the membership at least thirty days in advance of the meeting except in the event of crisis or public emergency.

Section 5.11 Quorum. The presence at a meeting of at least half of those entitled to vote at the meeting if in attendance shall constitute a quorum. The presence at the annual membership meeting of twenty members shall constitute a quorum.

Section 5.12 Voting. Each dues paying member shall have one vote. The affirmative vote of a majority of the votes entitled to be cast by the members present at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law. Members shall be entitled to vote on amendments to the Certificate of Incorporation of the Association and on such other matters as the Board of Directors may bring before a meeting for a vote. Only Associate members may vote in an election of the Associate Director and Associate Co-Director with each member having one vote.

Section 5.13 Access to Association Proceedings. All meetings of the Association shall be open to any member. The minutes of all meetings of the Association shall be made available to the entire membership.

ARTICLE 6 – OFFICERS, AGENTS, and EMPLOYEES

Section 6.01 Officers. The officers of the Association shall be a President, a First Vice President, a Second Vice President, and a Secretary-Treasurer. Only members may hold offices. Officers shall be elected by a majority vote of the membership at the annual meeting. Incoming officers shall be installed at the annual meeting at which they are elected and assume office on January 1 of the following year.

Section 6.02 Term of Office, Vacancies and Removal. The term of office of each officer, except the State Director to NPGA is one calendar year. The offices of 1st Vice President, 2nd Vice President and Secretary/Treasurer will assume the duties of the next Board position each calendar year. Each officer shall hold office until a successor shall have been duly elected and qualified. In the event of a vacancy in office, the next succeeding officer as listed in section 6.01 shall assume office. A vacancy in the office of Secretary-Treasurer shall be filled by a vote of the majority of the Nominating Committee. An officer may be removed from office only for malfeasance following the procedures for removal of a member specified in section 5.06.

Section 6.03 Resignation. Any officer may resign from an office at any time by giving written notice to the Board of Directors. Unless otherwise specified in the written notice, the resignation shall be effective upon delivery to the Board of Directors.

Section 6.04 Powers and Duties of Officers. Subject to the control of the Association members, all officers as between themselves and the Association shall have such authority and perform such duties in the management of the Association as may be provided by the members and, to the extent not so provided, as generally pertain to their respective offices.

- a) **President.** The President shall serve as the chief executive officer of the Association. The President shall preside at all meetings of the Association members and, subject to the supervision of the members, shall perform all duties customary to that office and shall supervise and control all of the affairs of the Association in accordance with policies and directives approved by the members. The President shall be a non-voting member of all standing and special committees and shall receive timely notice of all committee meetings.
- b) **First Vice President.** In the absence of the President or in the event of the President's inability to serve, the First Vice President shall perform the duties of the President, and,

when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The First Vice President shall perform such other duties and have such other powers as the Association members may from time to time prescribe by standing or special resolution, or as the President may from time to time provide, subject to the powers and the supervision of the members. The First Vice President shall oversee the activities of the Market Development Committee and the Governmental Affairs Committee. The First Vice President shall chair the State Convention Committee.

- c) **Second Vice President.** In the absence of the President and First Vice President or in the event that both are unable to serve, the Second Vice President shall perform the duties of the President, and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Second Vice President shall perform such other duties and have such other powers as the Association members may from time to time provide, subject to the powers and the supervision of the members. The Second Vice President shall oversee the activities of the Safety and Education Committee, the Audit Committee, and the Membership Committee.
- d) **Secretary-Treasurer.** The Secretary-Treasurer shall be responsible for the keeping of an accurate record of the proceedings of all meetings of the Association, shall give or cause to be given all notices in accordance with these Bylaws or as required by law. The Secretary-Treasurer shall have custody of the corporate seal of the Association, if any; and the Secretary-Treasurer shall have authority to affix the same to any instrument requiring it; and, when so affixed, the signature of the Secretary-Treasurer may attest it. The Secretary-Treasurer shall have the custody of, and be responsible for, all funds and securities of the Association. The Secretary-Treasurer and the Executive Director shall co-sign all disbursements of the association. The Secretary-Treasurer shall keep or cause to be kept complete and accurate accounts of receipts and disbursements of the Association, and shall deposit all monies and other valuable property of the Association in the name and to the credit of the Association in such banks or depositories as the Association members may designate. Whenever required by the members, the Secretary-Treasurer shall render a statement of accounts. The Secretary-Treasurer shall at all reasonable times exhibit the books and accounts to any officer or member of the Association, and shall perform all duties incident to the office of Secretary-Treasurer, subject to the supervision of the members, and such other duties as shall from time to time be assigned by the members. The Secretary-Treasurer shall give bond or security for the faithful performance of the duties of Secretary-Treasurer as the members may require, for which the Association shall reimburse the Secretary-Treasurer. The Secretary-Treasurer shall formulate an annual income and expense budget for the Association each fiscal year and chair the Audit Committee.

Section 6.05 Executive Director. The members of the Association may employ an Executive Director as the chief staff executive of the Association. The Executive Director shall not be a member or an officer of the Association. The Executive Director shall have the authority to hire and supervise staff employees of the Association. The Executive Director shall have such additional authority and perform such additional duties as may be prescribed by the members and the Board of Directors. The

Board of Directors shall meet annually to discuss the Executive Director and staff's performance and compensation. The Board shall present a written appraisal of performance and effectiveness to them at the annual meeting.

Section 6.06 Agents and Employees. The members of the Association and the Executive Director may appoint agents and employees who shall have such authority and perform such duties as may be prescribed by the members and the Executive Director. The members and the Executive Director may remove any agent or employee at any time with or without cause. Removal without cause shall be without prejudice to such person's contract rights, if any, and the appointment of such person shall not itself create contract rights.

Section 6.07 Compensation of Officers, Agents, and Employees. The Association shall not pay any compensation nor reimburse any members for service in the capacity as officer, except as provided in Section 5.04. The Association may pay compensation in reasonable amounts to agents and employees for services rendered such amount to be fixed by the members or, if the members delegate power to any officer or officers, then by such officer or officers. The Secretary-Treasurer may reimburse reasonable expenses upon receipt of acceptable documentation. The members may require officers, agents or employees to give security for the faithful performance of their duties.

ARTICLE 7 - BOARD OF DIRECTORS

Section 7.01. The voting members of the Board of Directors shall be composed of the officers specified in Section 6.04 in addition to the, Immediate Past President, Tennessee Director of the National Propane Gas Association, Associate Director and six District Directors. A majority of the voting Board members shall constitute a quorum.

Section 7.02. Six District Directors shall be elected at their respective spring district meetings for a term of two years. Their terms of office will commence on January 1 following the Annual Meeting of the Association. Two of such six Directors shall be elected from East Tennessee, two from Middle Tennessee, and two from West Tennessee. The boundaries of the regions shall conform to the historical grand divisions of the State of Tennessee. The terms of office of these six directors shall be staggered in accordance with the practice now in effect, so that one member shall be elected each year from East Tennessee, one from Middle Tennessee and one from West Tennessee.

Section 7.03. An Associate Member Director and an Associate Junior Director shall be elected for a term one year. Only Associate Members may vote in the election. The Associate Director's term of office will commence on January 1 following the Annual Meeting of the Association.

Section 7.04. All directors shall continue to hold office until a successor has been duly qualified and assumes office.

Section 7.05. The Board of Directors, under the supervision of the President, shall have the power to conduct the business and transactions of the Association as directed by its members, and shall have the authority to appropriate and administer the funds of the Association in accordance with the approved annual budget to be submitted and approved at the Fall Board meeting of the Association. Extraordinary or unbudgeted items shall be presented to the entire Board of Directors.

ARTICLE 8 - COMMITTEES

Section 8.01 General Provisions. The Association may establish one or more committees and subcommittees, each committee to consist of three or more members of the Association. The Association may designate one or more members as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent provided by the Association, shall have the ability to research issues and offer recommendations to the Association and carry out such other duties as are authorized by the Association. Under no circumstances shall such committee have the power or authority to make decisions or act in the name of the Association, unless specifically authorized by the Association.

Section 8.02 Committee Rules. Unless the Association otherwise provides, each committee designated by the Association may make, alter and repeal rules for the conduct of its business. In the absence of a contrary provision by the Association or in rules adopted by such committee, the following shall apply: a majority of the entire authorized number of members of each committee shall constitute a quorum for the transaction of business; the vote of a majority of the members present at a meeting at the time of such vote if a quorum is then present shall be the act of such committee; and each committee shall otherwise conduct its business in the manner prescribed by the Association.

Section 8.03 Service of Committees. Each committee of the Association shall serve at the pleasure of the Association. The designation of any such committee and the delegation thereto of authority shall not alone relieve any member of a legal duty to the Association.

Section 8.04 Records. Minutes shall be kept of each meeting of each committee. Copies of the minutes of each such meeting shall be filed with the Association.

Section 8.05 Standing Committees. The Association shall maintain the following standing committees:

- a) **Governmental Affairs.** This committee shall coordinate the Association's efforts to influence State and Local Governments to advance the general welfare of the propane industry. This committee shall work closely with the Executive Director maintaining close communications to achieve these ends. This committee's work shall be closely coordinated with the Executive Director keeping the Board of Directors and Association membership informed of its activities. When any legislation is being considered that affects the Association or propane industry, the Executive Director in his role as lobbyist for the Association shall promptly notify all Association officers, Governmental Affairs Committee members and the general membership via fax, e-mail or other means of such pending legislation.
- b) **State Convention.** This committee shall supervise the planning and coordination of an Annual Convention of the Association in accordance with the Strategic Plan.
- c) **Market Development.** This committee shall promote the public image of the industry, and co-ordinate advertising to promote the use of propane throughout the State of Tennessee.
- d) **Safety and Education.** This committee shall disseminate information regarding new developments in the industry. The committee shall also plan and coordinate training courses that advance the safe usage, transportation, and storage of propane and

propane utilization equipment. This committee and the Executive Director shall act as a liaison to the State Fire Marshal on behalf of the industry and to promote development and enforcement of uniform codes and regulations that will benefit the membership and the general public.

- e) **Audit.** This committee shall secure an annual independent audit of the financial affairs of the Association by a Certified Public Accountant. The audit should be completed and provided to the members and Board of Directors no later than thirty days before the annual meeting. Having prepared an annual budget with recommended expenditures and estimated revenues, the committee should present the budget to the Board of Directors and members at the winter meeting of the Association.
- f) **Membership.** This committee shall work to recruit new members, while retaining existing members, by promoting the benefits of the Association.
- g) **Nominating.** This committee shall prepare a recommended slate of officers for the following year no later than the end of May. The committee is composed of the First Vice President, Second Vice President, Secretary/Treasurer and the three Junior Directors. The committee shall seek suggestions from its members before the spring meeting of the Association.
- h) **Publications.** This committee composed of the three Regional Senior Directors, a Publisher, and a chair appointed by the President shall supervise the regular production of all Association publications. The committee shall compile articles, seek advertising and set rates, and maintain a publication schedule.

Section 8.06 Additional Committees. The President shall appoint such additional committees as he may find necessary to include the following:

- a) **Awards.** This committee composed of the Executive Director, President, and Immediate Past President shall nominate awards recipients by the end of April each year for awards to be presented at the annual meeting.
- b) **Tackett Award.** This committee composed of the Executive Director and two previous recipients of the award shall choose a recipient, if any, by the end of April for the award to be presented at the annual meeting.
- c) **Bylaws.** This committee may be appointed by the President as deemed necessary to review and amend the Bylaws of the Association. All by-laws changes are subject to ratification by the Board of Directors and the membership.

Section 8.07 Advisory Committees. The Association may establish advisory committees composed of persons other than Association members.

ARTICLE 9 - SCHOLARSHIPS

Section 9.01. Purpose. The Association shall maintain a scholarship program composed of two (2) E. E. "Buddy" Pace, Jr Scholarships, the Walter Darden Scholarship, the Lloyd May Scholarship, the Bob N. Wallace Scholarship and the Lloyd Downing Scholarship all of which will be administered by the scholarship committee.

Section 9.02. Committee. Scholarship recipients shall be chosen by a committee composed of the Tennessee State Director of the National Propane Gas Association, the Chair of the Safety and Education Committee, and the three senior District Directors. The President shall chair the committee but only vote in the event of a tie. No committee member may vote regarding their child. In the event a committee member cannot vote the president may be asked to vote. The committee should meet by May 1 to select recipients from those applicants previously screened to assure that all eligibility requirements have been met.

Section 9.03. Application Requirements. Scholarship applications shall be sent to all members no later than March 1 each year. An application must be submitted to the Executive Director postmarked or hand delivered no later than April 1st. Eligibility for scholarships is limited to a child of a parent who is currently working in the propane industry with at least one year's service, retired after at least twenty years service in the industry, or is deceased having worked in the industry for at least five years. The company must be a member in good standing of the Association. Applicants must be scheduled to graduate from an accredited high school and enter college or be enrolled full time in college with plans to continue at least another year full time. Grade transcripts for the prior three years and a handwritten essay on career plans should be attached to the application. All eligibility requirements above stated apply to the Bob N. Wallace scholarship award but with the following provision: The Bob N. Wallace scholarship award is awarded to the child of a parent whose job responsibility function is that of Customer Service Representative in the respective member company.

Only one application per candidate per year is necessary. If no eligible candidate applies, a scholarship will not be awarded. Applicants shall be graded based on a points system designated by the committee and approved by the board.

Section 9.04. Scholarship Terms. Each scholarship will be awarded for one year only. Upon reapplication, an award may be renewed. No more than (six) awards will be made in a year. Proceeds will be paid jointly to the recipient and the school in installments matching the school's division of the academic year after receipt of proof of enrollment and of continuing good standing. Recipients must maintain a grade point average of 2.5 on a 4.0 scale or provide proof of good standing at schools not using a numerical grading system. The two Pace scholarships shall be awarded in the amount of Two Thousand Dollars each and shall be awarded to students attending a four-year college or university. The Darden, the May and the Bob N. Wallace scholarships in the amount of Two Thousand Dollars each will be awarded to students attending a four-year college or university, a junior college, or a vocational school. The Lloyd Downing Scholarship shall be in the amount of One Thousand dollars and will be awarded to a student attending a four-year college or university, a junior college or a vocational school.

Section 9.05. Funding. Monies collected for the scholarships shall be held in a separate investment account. All contributions should be made to the TNPGA Scholarship Fund. At least one scholarship fund raising event shall be held in conjunction with the Annual Meeting and Convention. While the program is expected to be self-supporting, any shortfall in a given year shall be taken from Association's general funds. Excess scholarship funds shall be left to accumulate. All scholarship investment monies shall be invested in accounts approved by the board of directors and reviewed annually to maximize returns.

The Bob N. Wallace Scholarship will be funded by private donations and private investments, to be administered otherwise according to these by laws. There shall be no administrative fee charged to any of these scholarship funds by TNPGA for normal and customary handling.

ARTICLE 10 - AMENDMENTS

These Bylaws may be amended by a majority vote of the members at any meeting with a quorum present. Written notice of the presence of bylaw amendments on the agenda must be furnished to all members at least thirty days prior to the meeting.

ARTICLE 11 - PARLIAMENTARY AUTHORITY

Robert's Rules of Order, Revised shall govern proceedings of the Association, its Committees, and Board unless modified by express rule.

ARTICLE 12 - ASSESSMENTS AND DUES

The Board of Directors may create a dues structure as it deems appropriate giving due consideration to the financial condition of the Association. The Board may also make special assessments, as it deems necessary for the welfare of the Association.