

CONSTITUTION AND BY-LAWS OF THE PETROLEUM ACCOUNTANTS SOCIETY OF FORT WORTH

Revised: April X, 2020

ARTICLE I - NAME AND OBJECT

Section 1. The name of this Society shall be "PETROLEUM ACCOUNTANTS SOCIETY OF FORT WORTH"

Section 2. The object of this non-profit Society shall be to advance the science of Petroleum Accounting; to further the development of improved accounting methods and procedures, to advance the standing of the profession of Petroleum Accounting, to preserve and enforce the ethics of the profession of Petroleum Accounting and to encourage social relations among Petroleum Accountants.

ARTICLE II - MEMBERSHIP

Section 1. Members. "Any person who is actively engaged in petroleum or related energy industry accounting or associated services or any person directly or indirectly affiliated with petroleum or related energy industry accounting or associated services functions, who is in a position to attend regular meetings and otherwise participate in the activities of the Fort Worth Society is eligible for membership in the Fort Worth Society as a Member."

Section 2. THOSE ELIGIBLE for membership who attend the initial meeting of this Society shall automatically become Members by voting for the adoption of this Constitution and By-Laws. Except as otherwise provided in this section, each admission to Membership in the Society shall be by application as provided in Section 4 of this Article.

Section 3. APPLICATIONS FOR MEMBERSHIP shall be made in writing or submitted on the Society's website on forms provided for that purpose. Such applications shall be referred to the Board of Directors for approval as to qualifications, character, etc. Each applicant whose application is approved by the Board of Directors shall become a Member effective as of the date of such approval.

Section 4. HONORARY MEMBERS. The Board of Directors may elect any member, past member, or other dignitary who has distinguished himself/herself in exceptional service rendered to the Society or to Petroleum Accounting to honorary membership in this Society. Honorary members shall be entitled to all privileges of the Society except voting or holding office in the Society and shall be exempt from payment of dues.

Section 5. RESIGNATION. Any member may sever his/her connection with the Society by resignation subject to the approval of the Board of Directors, but such action on the part of a member shall not require the Society to refund any initiation fees or dues.

Section 6. EXPULSION. Any member adjudged by the Board of Directors to have violated the Constitution and By-Laws of the Society, or who shall be guilty of conduct reflecting on the good name and reputation of the Society, may be expelled

from membership in the Society by the Board of Directors. Any member so expelled shall forfeit the unexpired portion of dues paid by him/her.

ARTICLE III - BOARD OF DIRECTORS

Section 1. NUMBER OF DIRECTORS. The Board of Directors of the Society shall consist of seven (7) Members who shall be elected by the Members.

Section 2. TERMS OF OFFICE. Each director elected shall serve for a term of three (3) years from June 1 of the year in which such director is elected; provided, however, that any member elected to complete the unexpired term of a director shall serve as a director only for such unexpired term. No more than three (3) directors shall have a term that expires in the same year. Directors must be members in good standing.

Section 3. VACANCIES AND REPLACEMENTS. Directors shall hold office until their successors are elected and have qualified. If any director shall die, or his/her office otherwise become vacant, his/her unexpired term shall be filled by a majority vote of the members of the Board of Directors then serving as such. If for any reason, the required number of directors are not elected at the annual meeting, they may be elected at any special meeting called for this purpose by the Board of Directors. If membership in the Society of any Member who has been elected a director shall for any reason terminate, his/her office as director shall automatically become vacant.

Section 4. MEETINGS AND QUORUM. The Board of Directors shall meet at least monthly at such times and places as it may select. At such meetings four directors present in person shall constitute a quorum. At all meetings of the Board of Directors, the President of the Society, if present, shall act as Chairman. Notices of Directors' meetings shall be mailed or e-mailed by the Secretary, or as the Board of Directors may otherwise direct; but no defect in such notice nor the failure to give such notice shall invalidate the meeting or any proceeding taken thereat so long as a quorum is present.

Section 5. RE-ELECTION OF DIRECTORS. Directors shall be eligible to succeed themselves. A retiring director who is also the retiring Director-President shall remain an Ex-Officio member of the Board of Directors for a period of one year.

Section 6. COMPANY REPRESENTATION ON BOARD. Not more than three employees of any employer shall be eligible to serve on the Board of Directors. For the purpose of this section, all subsidiary or affiliated companies shall be considered as one employer, and such employer shall not be represented by more than four members on the Board of Directors.

Section 7. BOARD AUTHORITY - EMPLOYMENT AND PAYMENTS. The Board of Directors may authorize the Secretary to employ such clerical assistants as may, in its discretion, be necessary. These assistants shall perform such duties and be subject to such regulations as the board of Directors may from time to time prescribe. They shall receive such compensation as may be designated by the Board of Directors.

Section 8. REMOVAL OF DIRECTOR. Any Director may be removed by a two-thirds vote of the Board of Directors at a special meeting called for that purpose or at the standing monthly meeting, after such proceedings as the Board of Directors may determine. Upon such removal of a Director, his/her office shall be filled for the unexpired term thereof by a majority vote of the Board of Directors.

Section 9. RESTRICTED POWER TO ASSUME LIABILITIES. The Board of Directors shall not have the power to assume any liability on behalf of the Society for an amount in excess of the funds in the hands of the Treasurer at the time such liability is incurred, unless expressly authorized by the three-fourths vote of all Members in good standing at an annual or at a special meeting called for that purpose. The President may at his/her discretion authorize expenditures without Board approval of \$100 or less.

ARTICLE IV - OFFICERS

Section 1. OFFICERS. The officers of this Society shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be members of the Board of Directors.

Section 2. ELECTION. The officers of the Society shall be elected by the plurality vote of the Directors present and voting at the first Board of Directors' meeting subsequent to the April meeting of the Society, and shall hold office for one year and until their respective successors are duly elected and qualified. The term of office of each shall expire on June 1 of the calendar year following the year in which he/she is elected, except that each officer shall continue to serve until his/her successor is duly elected and qualified. The Treasurer and Secretary shall be eligible for reelection to the same office held during the preceding year for a maximum of 3 years.

Section 3. VACANCY AND REPLACEMENT. In case of a vacancy in the office of President, the Vice President shall automatically advance; the office of the Vice President thereby becoming vacant. The vacancy in the office of the Vice President shall be filled, for the unexpired term thereof, by a majority vote of the Board of Directors. In case of a vacancy in the Secretary or Treasurer, a new Secretary or Treasurer shall be chosen for the unexpired term thereof, by a majority vote of the Board of Directors

Section 4. REMOVAL OF OFFICER. Any officer may be removed for cause by a two-thirds vote of the Board of Directors at a special meeting called for that purpose or at the standing monthly meeting, after such proceedings as the Board of Directors may determine. Upon such removal of an officer, his/her office shall be filled for the unexpired term thereof by a majority vote of the Board of Directors, subject to the provisions of Article IV Section 3.

ARTICLE V - DUTIES OF OFFICERS

Section 1. PRESIDENT. The President shall be the executive head of the Society and when present, shall preside at all meetings of the Society and the Board of Directors. He/She shall exercise a general supervision over the affairs of the Society and shall see to the enforcement of the Constitution and By-Laws and to the carrying out of all resolutions and proceedings of the Society and the Board of Directors. He/She shall keep the Board of Directors fully informed and shall frequently consult it concerning the business and activities of the Society.

Section 2. VICE PRESIDENT. In cases of the absence or disability of the President, the Vice President shall perform his/her duties. The Vice President shall have such other powers and duties as may be prescribed by the Board of Directors.

Section 3. SECRETARY. The Secretary shall keep a roll of the members, give notices of meetings of the Society or as directed by designee, of the Board, keep a record of proceedings at such meetings, preserve all communications pertaining to the affairs of the society and perform such other duties as shall pertain to the office of Secretary as may be prescribed by the Board of Directors.

Section 4. TREASURER. The Treasurer shall keep proper books of account showing dues receivable and collected from members, and all other funds receivable and collected, together with record of payments made by him/her from time to time under authority of the Board of Directors. He/She shall collect such dues and all other funds receivable by the Society, subject to the supervision and control of the Board of Directors. The membership roll, the books of account, and all other record, documents, or other things relating to the Society, in the custody of the Secretary and Treasurer, shall be open at all times to inspection by an officer of the Society and shall be subject to audit at any time. The funds received by the Treasurer shall be deposited in a bank to be selected by the Board of Directors in an account in the name of the Society and the same may be withdrawn from said bank on signature of either the Treasurer or President.

ARTICLE VI - COMMITTEES

Section 1. Special committees may at any time be created by the Board of Directors or appointed by the President.

ARTICLE VII - FINANCES

Section 1. FISCAL YEAR. The fiscal year shall begin on the first day of July.

Section 2. ANNUAL DUES

2.1. AMOUNT. The Board of Directors shall fix the amount of the annual dues of the Society which shall be paid by members and shall, in its discretion, have the power to suspend, reduce, or increase said annual dues when, in its judgment such suspension, reduction, or increase shall be in the best interest of the Society.

2.2. COVERAGE. The entire cost of meals served at annual and regular monthly meetings of the Society shall be paid by the Society.

2.3. EXEMPTIONS. Honorary members of the Society shall be exempt from the payment of annual dues.

2.4. PAYMENT. Dues shall be paid prior to the second Tuesday of September of the fiscal year.

2.5. NON-PAYMENT. Failure to pay dues within thirty days from the date dues are payable will constitute cause for terminating such membership in the Society but no membership shall be terminated for such cause except by direction of the Board of Directors. Reinstatement to membership with payment of delinquent dues may be granted by the Board of Directors.

Section 3. AUDITING. At the discretion of the Board of Directors, an annual audit of the accounts and records of the Petroleum Accountants Society of Fort Worth may be conducted by a Member of the Society who is not a member of the Board of Directors. He/She shall be appointed by the incoming Board of Directors and shall cover the financial operations and transactions for the preceding year. A report reflecting the results of such an audit shall be directed to the Board of Directors by the Member making the audit.

ARTICLE VIII - MEETINGS

Section 1. MONTHLY MEETINGS. Regular monthly meetings of the Society shall be held on once a month except May, June, July, and August, at a place designated by the Board of Directors.

Section 2. SUMMER RECESS. The activities of the Society shall be recessed during the summer months of May, June, July, and August; but meetings that may be considered necessary and in the best interests of the Society, may be arranged during the recess period upon the approval of the Board of Directors.

Section 3. SPECIAL MEETINGS. A special meeting of the Society may be called at any time by the Board of Directors, which shall direct the Secretary to give notice thereof.

Section 4. ANNUAL MEETING. The annual meeting of the Society for the election of directors and the transaction of any other business relating to its affairs shall be held on the second Tuesday of April in each year unless the date is otherwise altered by vote of the members present and voting at a regular meeting. The time period for the annual nomination of candidates to succeed the directors whose terms are expiring shall begin and be announced at the regular monthly meeting on the second Tuesday of March in each year. Nominations by members must be submitted to the Secretary by the first Tuesday of April in each year.

Section 5. HOLIDAYS. When any regular meeting of the Society falls on a legal holiday, such meeting shall be postponed until the next business day succeeding said legal holiday, provided, however, that the Board of Directors by a two-thirds majority vote may, in its discretion, have power to change the date of such meeting when, in its judgment, such change will be for the best interest of the Society.

Section 6. MEETING NOTICE. The Secretary or designee shall send a notice of each meeting (annual, regular, or special), stating the time and place of such meeting, to each member prior to the meeting date; but no failure or defect in notice of such meeting shall invalidate the same or any procedure taken thereat.

Section 7. ORDER OF BUSINESS. The order of business at all meetings of the Society, of the Board of Directors, and of all other committees, shall be such as may be prescribed by the presiding officer, and if objection be made thereto, then by a majority vote of the meeting. Robert's Rules of Order shall govern all meetings of the Society, of the Board of Directors, and of all other committees, on any point not covered by the Constitution and By-Laws.

Section 8. VOTING. At each meeting of this Society, each member present shall be entitled to one vote. There shall be no voting by proxy and there shall be no voting by send, except as provided under Article XI - Amendments. Guests and visitors from other COPAS societies are not eligible to vote.

Section 9. QUORUM. At each meeting of the Society, except meetings of the Board of Directors, a quorum shall consist of one-fifth of the Members; but those present at any meeting, although less than a quorum, may adjourn the meeting, without further notice, to any given place and from time to time.

ARTICLE IX - VISITORS

Section 1. Members may bring guests to meetings of the Society under such rules and regulations as the Board of Directors may from time to time prescribe. The cost of the dinners or luncheons of a member's guest shall be paid for by the Member or guest at or before the dinner or luncheon unless agreed upon differently by the Board of Directors.

Section 2. The Board of Directors may, in its discretion, invite to any meeting of the Society a guest speaker or any other guest. The cost of meals for guests so invited by the Board of Directors shall be borne by the Society. In the event that out-of-town speakers are invited to participate, the Board of Directors may, in its discretion, direct the Treasurer to reimburse such speakers from the funds of the Society, for reasonable and necessary expenses incurred.

ARTICLE X - AMENDMENTS

Section 1. Amendments to the Constitution and By-Laws of the Society may be proposed at any time by any ten (10) Members in good standing. Each proposed amendment shall be filed by its proponents with the Secretary who, within thirty (30) days shall submit such amendment to the Members of the Society for their approval or disapproval.

Section 2. Any amendment to the Constitution and By-Laws which, within thirty days of the date of its submission, receives the approval of two-thirds of the voting membership as shown on the records of the Society at the time the amendment is submitted, shall immediately become a constituent part of the Constitution and By-Laws of the Society, and the Secretary shall send official notice of this fact to all members. Any proposed amendment which fails to receive the approval of two-thirds of the voting membership, within the specified period of thirty (30) days, shall be considered defeated and the Secretary shall so notify the members.

ARTICLE XI - DISSOLUTION

In case of dissolution of the Society and liquidation of its affairs, any money or other assets remaining after the payment of all obligations shall be distributed between the Members in such proportion as the Board of Directors may determine and elect. In general, the Board of Directors shall seek to distribute such money or other assets proportionately to the amount that the said members have paid to the Society during the course of their respective membership; but the Board of Directors may vary this plan in whole or in part at its sole discretion. In any case, the decision and determination of the Board of Directors shall be final and conclusive upon all persons in any way interested.

ARTICLE XII - GENERAL PROVISIONS

Section 1. Any notice to members of the Society or to any director or officer, shall be deemed sufficiently given if sent to the last e-mail address furnished by him/her to the Secretary. The Secretary may give any notice whatsoever to be given by or on behalf of the Society.

Section 2. If, at any meeting of the Society or the Directors, the President is absent and no one authorized to perform his/her duties is present, then a chairman or a Secretary pro tem or both (as the case may require) may be elected by the majority vote of the Members present and voting.

Section 3. Any contract or similar undertaking that may be made by or for the Society shall be made in such manner as the Board of Directors may, in any given case or from time to time, prescribe.