

# By-laws of the American Chamber of Commerce Estonia

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## 1. GENERAL PROVISIONS

### 1. Name, seat and legal status

- 1.1. The name of the non-profit association shall be the American Chamber of Commerce Estonia (hereinafter: **Chamber**).
- 1.2. The seat of the Chamber shall be Tallinn, the Republic of Estonia.
- 1.3. The Chamber is an independent non-profit association established by its members for an unspecified term. The Chamber operates on the basis of the laws of the Republic of Estonia, its Bylaws and resolutions of its governing bodies.

## 2. PURPOSE OF THE CHAMBER

- 2.1. The purpose of the Chamber is to be the leading representative of US and international business in Estonia and to support and promote the competitiveness of US business in Estonia. The Chamber shall also support the Estonian businesses entering the US market.
- 2.2. In order to achieve the purpose of the Chamber as described in Article 2.1. above, the Chamber shall:
  - 2.2.1. strive to improve the investment climate in Estonia;
  - 2.2.2. take a stand on economic policy issues related to business associations;
  - 2.2.3. initiate modification or termination of laws needlessly impeding the operation of business associations;
  - 2.2.4. publicize its standpoint on appropriate issues and provide its standpoint to relevant bodies;
  - 2.2.5. support and express its opinion on issues concerning the member's interests, rights and reputations in different fields of activity;
  - 2.2.6. represent the interests of its members before the government of Estonia as well as other bodies;
  - 2.2.7. collect and provide information to its members regarding the economical environment, laws and business contacts;
  - 2.2.8. organize presentation, seminars, meetings and public relations events;
  - 2.2.9. participate in organizations who serve similar purposes such as the US Chamber of Commerce.

## 3. MEMBERSHIP

### 3.1. Members of the Chamber

- 3.1.1. Any natural person or legal entity who complies with the requirements of the Bylaws and purpose of the Chamber may be a member of the Chamber.

### 3.2. Conditions and procedure for membership

- 3.2.1. In order to become a member of the Chamber, a respective written application must be submitted to the Board of Directors.
- 3.2.2. The Board of Directors shall make a decision regarding acceptance or denial of the membership within 30 (thirty) days as of receipt of the application and notify the applicant in writing thereof.
- 3.2.3. Membership in the Chamber shall begin with payment of a membership fee and shall be renewable on a yearly basis upon payment of applicable membership fee.
- 3.2.4. Membership is not transferable.

### 3.3. Leaving and exclusion of membership

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- 3.3.1. A member of the Chamber has a right to leave the Chamber by submitting a respective written notice to the Board of Directors 60 (sixty) days prior to the expiry of the membership.
- 3.3.2. A member may be excluded from the Chamber upon the decision of the Board of Directors for the following:
  - 3.3.2.1. a material violation by it of the Bylaws;
  - 3.3.2.2. dishonorable or immoral conduct that endangers the purposes and reputation of the Chamber;
  - 3.3.2.3. non-payment of the membership fees within 90 days as of the date when such fees are due.
- 3.3.3. The decision of the Board of Directors to exclude the member shall be adopted if 2/3 of votes of the Board of Directors are in favor. The decision of the Board of Directors shall be final and binding.
- 3.3.4. A member who is excluded from the Chamber shall be promptly notified in writing of the adoption of the decision to exclude the member from the Chamber and the reasons thereof.
- 3.3.5. Membership fees shall not be reimbursed to the members who have decided to leave the Chamber or have been excluded from the Chamber by the decision of the Board of Directors as set forth in Article 3.3.2.

## 3.4. Members' rights

- 3.4.1. Each member has a right to:
  - 3.4.1.1. participate in the events organized by the Chamber and in the work of its Committees;
  - 3.4.1.2. make proposals and suggestions to the Board of Directors with regards to the activities of the Chamber;
  - 3.4.1.3. receive information on the Chambers' activities on regular basis;
  - 3.4.1.4. elect and be elected to the Board of Directors of the Chamber;
  - 3.4.1.5. elect and be elected to the Committees of the Chamber;
  - 3.4.1.6. to vote at the General Meeting.

## 3.5. Members' obligations

- 3.5.1. Each member is obliged to:
  - 3.5.1.1. comply with the requirements provided by the Bylaws and resolutions of the Management Bodies;
  - 3.5.1.2. support the purpose of the Chamber;
  - 3.5.1.3. pay the membership fee when due.

## 4. MANAGEMENT OF THE CHAMBER

- 4.1. The Chamber shall have the following Management Bodies:

- 4.1.1. General Meeting
- 4.1.2. Board of Directors (hereinafter also: **Board**)
- 4.1.3. Executive Director.

### 4.2. General Meeting

- 4.2.1. The General Meeting shall be the highest body of the Chamber. All members of the Chamber shall be entitled to participate and vote at the General Meeting. Each member shall have one vote.
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- 4.2.2. The General Meeting shall be competent to:
- 4.2.2.1. amend the Bylaws;
  - 4.2.2.2. change the purpose of the Chamber;
  - 4.2.2.3. elect and recall the members of the Board;
  - 4.2.2.4. decide on entry into transaction with member of the Board or other bodies of the Chamber, decide on assertion of claims against such members or appoint a representative of the Chamber in such claims or transactions;
  - 4.2.2.5. approve the annual accounts;
  - 4.2.2.6. decide on division, merger and termination of the Chamber.
- 4.2.3. The resolution of the General Meeting shall be deemed to be adopted if more than half of the votes represented at the General Meeting vote in favor, except the questions mentioned in Clauses 4.2.2.1., 4.2.2.2. and 4.2.2.6 which require 2/3 of the votes represented at the General Meeting.
- 4.2.4. The General Meeting shall be convened by the Board as circumstances require, but must be convened at least once a year between January 1 and June 30.
- 4.2.5. The Board shall convene the General Meeting upon the written request of at least 1/10<sup>th</sup> of the members entitled to vote, indicating the reasons for convening the General Meeting. In case the Board fails to convene the General Meeting, the members who requested the General Meeting may convene the General Meeting pursuant to the same procedure as the Board.
- 4.2.6. The Board shall send the invitation to the General Meeting to all its members at least 14 (fourteen) days in advance and shall indicate the date, starting time, place and agenda of such General Meeting. The invitation shall be sent by fax, e-mail or regular post.
- 4.2.7. A General Meeting shall have a quorum if 20% (twenty percent) of the members who are entitled to vote at the General Meeting are present. If the General Meeting does not have a quorum, another General Meeting can be convened by the President no earlier than 30 minutes and no later than 30 days after the original General Meeting with the same agenda as the original General Meeting, and such second General Meeting shall be entitled to make resolutions by simple majority of those members which are present at such second General Meeting if the possibility for such second General Meeting was communicated to the members in the invitation to the original General Meeting.
- 4.3. Board**
- 4.3.1. The Board shall manage and represent the Chamber. The Board shall be competent to:
- 4.3.1.1. prepare the Annual Report of the Chamber and submit it to the General Meeting for approval;
  - 4.3.1.2. draft the budget of the Chamber;
  - 4.3.1.3. manage the everyday activities of the Chamber and fulfill the decisions of the General Meeting.
- 4.3.2. The Board shall be composed of not less than 5 (five) and not more than 10 (ten) members elected by the General Meeting for the term of 2 (two) years and may be re-elected.
- 4.3.3. The member of the Board must be a member of the Chamber or an officer or employee of a corporate member throughout their entire term of office.
- 4.3.4. The majority of the Board members must be U.S. citizens or representatives of U.S. controlled firms.
- 4.3.5. The members of the Board shall be elected and recalled by simple majority of votes at the General Meeting. Elections of the Board members shall be staggered so that approximately one half of the Board is elected each year.
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- 4.3.6. The Board shall elect a President who chairs its meetings.
- 4.3.7. The meetings of the Board shall be convened and chaired by the President. If the President is unable to convene or chair the Board meeting the Vice President shall convene and chair the meeting. If the President and the Vice President are unable to convene and chair the meeting, another member of the Board shall convene and chair the meeting.
- 4.3.8. If one third of the Board requests a meeting in a notice to the President which indicates the purpose of such meeting, the President is obliged to convene such meeting.
- 4.3.9. An invitation to each Board meeting which sets forth the date and agenda of the meeting shall be sent to each Board member by the President at least 7 (seven) days in advance.
- 4.3.10. The Board meetings may take place in person, by telephone conference call, by videoconference or any other combination thereof. The Board decisions may be adopted also by e-mail.
- 4.3.11. The Board meeting shall have a quorum if more than half of the members of the Board entitled to vote are present.
- 4.3.12. The decision of the Board shall be deemed to be adopted if more than half of the members present vote in favor. In case of a tie vote, the chairman's vote shall decide the matter under consideration.
- 4.3.13. Members of the Board who have a direct financial interest in a procurement decision of the Board must remove themselves from both the Board discussion of such decision and the Board vote on such decision.
- 4.3.14. The authorities of the Board member terminate upon:
  - 4.3.14.1.the expiry of the term;
  - 4.3.14.2.removal by the General Meeting;
  - 4.3.14.3.death;
  - 4.3.14.4.resignation;
  - 4.3.14.5.cease to be a member or an officer or employee of a legal entity member of the Chamber.

## **4.4. President**

- 4.4.1. The President shall have a right to represent the Chamber in all legal matters in accordance with applicable laws.
  - 4.4.2. The President shall be elected by the Board from among its members for the term of 2 (two) years.
  - 4.4.3. In general, the President must have a U.S. citizenship. However, the President may be a non-U.S. citizen as long as the Vice President of the Chamber is a U.S. citizen or the President is a corporate representative of a U.S. controlled firm.
  - 4.4.4. The President shall also act as the Chairman of the Board.
  - 4.4.5. The President may assign the President's right to represent the Chamber in all legal matters to other Board members.
  - 4.4.6. The President shall be entitled to make a decision on any issue that does not fall within the exclusive competence of the General Meeting or that of the Board. The President shall ensure that the General Meeting and the Board decisions are executed.
  - 4.4.7. The President shall be entitled and responsible for convening the General Meeting.
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4.4.8. The President shall manage Chamber's public relations and shall promptly notify the Board of all public relations positions.

## **4.5. Vice President**

4.5.1. The Vice President shall be elected by the Board from among its members for the term of 2 (two) years. The responsibilities of the Vice President shall be determined by the Board.

4.5.2. In general, the Vice President must be a U.S. citizen or a corporate representative of a U.S. controlled firm. However, the Vice President may be a non-U.S. citizen as long as the President of the Chamber is a U.S. citizen or a corporate representative of a U.S. controlled firm.

4.5.3. The Vice President shall assume the duties of the President should the President not attend a meeting of the Board or be unable to fulfill the President's other duties. Should the President resign, be recalled or in any other way fail to be able to permanently perform the Presidential duties, the Vice President shall replace the President and in doing so receive the President's title and responsibility.

## **4.6. Treasurer**

4.6.1. The Treasurer shall be elected by the Board from among its members for the term of 2 (two) years.

4.6.2. The Treasurer shall be responsible for overseeing money collected or received for the use of the Chamber. The Treasurer shall oversee the financial situation of the Chamber and shall oversee the keeping of correct accounts by the Chamber in lawful form. The Treasurer shall deliver over to its successor all book of account of the Chamber.

## **4.7. Ex-officio Members**

4.7.1. The Board shall be entitled to elect Ex-Officio Board members.

4.7.2. An officer appointed by the Ambassador of the United States in Estonia shall be an Ex-Officio Board member.

4.7.3. Ex-Officio Members may attend the events of the Chamber, meetings of the Board and the General Meeting. The Ex-Officio Members shall not be entitled to vote at the Board meetings or General Meeting.

## **4.8. Executive Director**

4.8.1. The Executive Director shall be an employee of the Chamber and shall be responsible for the Chamber Office. All other employees shall report to the Executive Director.

4.8.2. The Executive Director shall take part in formulating and implementing the Chamber's mission and strategy and shall be responsible for the day-to-day functioning of the Chamber.

4.8.3. The Executive Director shall attend the meetings of the Board and the General Meeting in an advisory capacity and shall participate in the General Meeting as co-chairman.

4.8.4. At Board meetings, the Executive Director reports to the Board. Other than at Board meetings, the Executive Director reports to the President.

4.8.5. The Executive Director shall jointly manage the Chamber's public relations with the President and shall promptly notify the Board of all public relations positions.

4.8.6. The Executive Director shall have ultimate responsibility for monitoring the financial situation of the Chamber and shall present financial reports at least semi-annually to the Board.

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## 5. COMMITTEES

### 5.1. Executive Committee

- 5.1.1. The Executive Committee shall be a consultative Board Committee.
- 5.1.2. The members of the Executive Committee shall be the President, the Vice-President, the Treasurer and the Executive Director.
- 5.1.3. The main duties of the Executive Committee are to ensure the smooth operation of the Board by providing a means through which the Board members can consult, discuss and request advice in relation to specific issues prior to raising such issues at Board level, thereby freeing more of the Board's time for strategic issues.
- 5.1.4. The Executive Committee shall report regularly to the Board.

### 5.2. Other Committees

- 5.2.1. Committees shall consist of volunteer members acting in the interest of achieving an objective of the Chamber.
- 5.2.2. Each Committee shall have at least 2 (two) members. Each Committee shall have a Chairperson and a Vice-Chairperson.
- 5.2.3. The Committees shall be directed by the Executive Committee in consultation with the Board.
- 5.2.4. Each Committee shall submit minutes of its meetings within reasonable time to the Board.

## 6. CHAMBER OFFICE

The administrative and executive body of the Chamber (hereinafter: **Chamber Office**) shall be headed by the Executive Director. The Chamber Office shall carry out the goals and objectives established by the Executive Director and shall provide services for members and non-members in a manner and to the extent determined by the Executive Director.

## 7. FINANCIAL MATTERS

- 7.1. The financial year of the Chamber shall begin on January 1 and shall terminate on December 31.
- 7.2. The Board shall prepare the annual report of the Chamber in accordance with the Accounting Act and accounting principals generally accepted in Estonia.
- 7.3. The Chamber shall fund its activities from the following:
  - (a) Membership fees and dues;
  - (b) donations and gifts;
  - (c) charges for services provided by the Chamber;
  - (d) other sources allowed by law.



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## **8. TERMINATION OF THE CHAMBER**

- 8.1.** The Chamber shall be terminated by the resolution of the General Meeting.
- 8.2.** Upon termination, the assets of the Chamber shall be used for the payment of its debts and any remaining balance shall be contributed, as designated by the General Meeting, to charitable non-profit organization(s) with similar objectives as the Chamber and listed by the Ministry of Finance as tax exempt non-profit association.
- 8.3.** Upon termination the Chamber shall be liquidated. The Board members shall act as liquidators of the Chamber.

**These Bylaws were approved by the General Meeting of the Chamber on April 20, 2011**

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