

**BY-LAWS
OF
MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION
A NON PROFIT CORPORATION**

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ARTICLE I.

NAME, PURPOSE, POWERS, OFFICES AND REGISTERED OFFICE

Section 1. Name. The name of the non-profit corporation is Mississippi Scholastic Chess Association (the "Corporation").

Section 2. Formation. On April 9, 2009, MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION was created by filing Articles of Incorporation with the Mississippi Secretary of State.

Section 3. Purpose. MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION was organized to promote interest in and enjoyment of chess by school-age children of Mississippi.

A. The Corporation is organized exclusively for charitable, religious, educational, and/or scientific purposes under section 501(c)(3) of the Internal Revenue Code of 1986, as now or hereafter amended, and the regulations thereunder.

B. The Corporation shall not engage (other than as an insubstantial part of its activities) in activities which in themselves are not in furtherance of one or more of its purposes at Subarticle A of this Section 3.

C. The Corporation shall not issue any stock or pay any dividends or other distributions to its members, officers, or directors or to any other private individuals or persons.

Section 4. Inurement of Income. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof.

Section 5. Legislative or Political Activities. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Section 6. Operational Limits. Notwithstanding any other provision of this document, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by a Corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Section 7. Powers. MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall have and exercise all of the powers necessary and incident to achieving the purposes of the above-referenced statutory provisions including, but not limited to, the powers set forth in these By-laws.

Section 8. Office. The office of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall be at 6066 Autumn Cove, Brandon, Mississippi, 39042, or such other place as the Board of Directors from time to time may select.

Section 9. Registered Office and Registered Agent. The address of the registered office for MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION is 6066 Autumn Cove, Brandon, Mississippi, 39042. The name of the registered agent is Albert Hinson.

ARTICLE II.

SEAL AND FISCAL YEAR

Section 1. Seal. The seal of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall have inscribed on it the name of the Corporation, and the words, "Non-Profit Corporation".

Section 2. Fiscal Year. The fiscal year of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall begin ~~January~~ *August* 1 and end on ~~December~~ *July* 31 of each year.

ARTICLE III.

THE BOARD OF DIRECTORS

Section 1. Powers. All corporate powers shall be exercised by or under the authority of, and the affairs of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION managed under the direction of its Board of Directors (the "Board"). Each director shall be qualified to vote on any issue that may properly come before the Board and to hold any office to which he may be elected or appointed.

Section 2. Number and Composition of Board. The total number of directors shall be at least six (6) but no more than eighteen (18). The directors shall strive to have equal representation from the northern, central and southern portions of Mississippi.

Section 3. Election of Directors. Beginning in 2010, directors shall be elected every one (1) year by the Board at its annual meeting.

Section 4. Term of Office. The term of office for directors (including the initial directors identified above) shall be one (1) year. Directors may be reelected for successive terms.

Section 5. Resignation and Removal of Directors. A director may resign at any time by giving written notice to the Board or the President, Vice President, or Secretary-Treasurer of

MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION. Such resignation shall take effect on the date of receipt or at any later time specified in said notice.

The Board may remove a director with or without cause by a vote of two-thirds (2/3) of the directors then in office.

Section 6. Vacancies. Vacancies on the Board, including a vacancy resulting from an increase in the number of directors, shall be filled by Board election at the next annual meeting of the Board or at a special meeting of the Board called for such purpose; provided, however, the remaining directors may fill the vacancy until the annual or special meeting by affirmative vote of a majority of all directors remaining in office. Any vacancy filled by Board election shall serve for the remaining term of the director whose vacancy was filled.

Section 7. Compensation and Reimbursement. Directors shall serve without compensation, but may be reimbursed for reasonable and necessary expenses incurred by them as members of the Board. The majority of the Board of Directors will not be related to salaried personnel or to parties providing services. In addition, the salaried individuals cannot vote on their own compensation and all compensation decisions will be made by the unpaid majority serving on the Board of Directors.

ARTICLE IV.

MEETINGS AND ACTIONS OF THE BOARD

Section 1. Meetings. The Board may hold regular or special meetings for the purpose, and at the date, time, and place, determined by a majority of the Board. The regular meetings shall include an annual meeting at which time the Board shall elect officers and consider other business. The Board may permit any or all directors to participate in a regular or special meeting by, or

conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

Section 2. Notice. The Board may issue a schedule for regular meetings. Once this is done, no further notice is required for a regular meeting. Special meetings of the Board must be preceded by at least two (2) days' notice of date, time, and place of meeting.

Section 3. Actions without Meeting. Board actions may be taken without a meeting if the action is taken by all directors. The action must be evidenced by one or more written consents describing the action taken, signed by each director.

Section 4. Quorum. A quorum of the Board consists of a majority of the directors in office immediately before a meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of directors present is the act of the Board unless applicable law provides otherwise and except for the following actions where the affirmative vote of a majority of directors, whether or not present at the meeting, is required:

1. Hiring or dismissing any officer;
2. Approving contracts with an annual obligation of \$10,000.00 or more;
3. Borrowing money;
4. Proposing amendments to the By-laws; and
5. Authorizing a bank signatory.

Section 5. Committees. The Board may by resolution create one or more committees of the Board and appoint directors to serve on them, consistent with Miss. Code Ann. § 79-11-265 (1972).

Section 6. Parliamentary Procedure. Roberts Rules of Order shall prevail at all Board and committee meetings unless otherwise provided in these By-laws or by applicable law.

ARTICLE V.

OFFICERS, AGENTS AND EMPLOYEES

Section 1. General. MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall have the officers described in these By-laws or created by the Board through resolution. The Board may also employ other employees or agents, as it may deem necessary.

Section 2. President. The President shall be responsible for the day-to-day operations of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION and shall have general supervision of the business of the Corporation, subject to policies established by the Board. The President shall report on the activities of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION at the Board's annual meeting pursuant to Miss. Code Ann. § 79-11-197 (1972).

Section 3. Vice-President. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President. He also shall perform whatever duties and have whatever powers the Board of Directors may from time to time assign him.

Section 4. Secretary-Treasurer. The Secretary-Treasurer shall have responsibility for preparing minutes of directors' meetings and for authenticating MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION records. The Secretary-Treasurer shall give, or cause to be given, notice of all meetings of the directors or of the shareholders and shall perform whatever additional duties the Board of Directors and the President may from time to time prescribe. The Secretary-Treasurer shall be the chief financial officer and shall have custody of the corporate funds and securities. The Secretary-Treasurer shall keep full and accurate accounts of receipts and disbursements and shall

deposit all corporate monies and other valuable effects in the name and to the credit of the Corporation in a depository or depositories designated by the Board of Directors. The Secretary-Treasurer shall disburse the funds of the Corporation and shall render to the President or the Board of Directors, whenever they may require it, an account of the transactions and of the financial condition of the Corporation.

The Secretary-Treasurer shall furnish a bond satisfactory to the Board of Directors, provided same is required by a resolution of the Board.

Section 5. Resignation or Removal. An officer, employee, or agent may resign by giving notice to the Corporation. The Board may remove any officer, employee, or agent at any time with or without cause, subject to any contractual obligations or applicable law.

ARTICLE VI.

DISSOLUTION

MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION may be dissolved by following the relevant provisions of Miss. Code Ann. § 79-11-333 through 79-11-345. In the event MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION is dissolved and all of its liabilities have been satisfied, the Board shall transfer MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION's remaining assets (if any) for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

ARTICLE VII.

INDEMNIFICATION

Section 1. General. Subject to the provisions of Miss. Code Ann. § 79-11-281, the

Corporation shall indemnify an individual made a party to a proceeding because he is or was the Corporation's director or officer against liability incurred in the proceeding if:

(a) He conducted himself in good faith; and

(b) He in good faith believed:

(i) In the case of conduct in his official capacity with MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION that his conduct was in its best interests; and

(ii) In all other cases, that his conduct was at least not opposed to its best interests;
and

(c) In the case of any criminal proceeding, he had no reasonable cause to believe his conduct was unlawful.

The determination of whether the indemnification is permissible because the individual has met the above standard of conduct, and the evaluation as to reasonableness of expenses, shall be made as set out in Miss. Code Ann. § 79-11-281.

Section 2. Absolute Indemnification. Notwithstanding anything above, the Corporation shall indemnify a director, officer, employee or agent who entirely prevails in the defense of any proceeding to which he was a party because he is or was a director, officer, employee, or agent of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION against reasonable expenses incurred by him in connection with the proceeding.

Section 3. Advance Expense Payments. The Corporation may pay for or reimburse the reasonable expenses incurred by a director, officer, employee or agent who is a party to a proceeding in advance of final disposition of the proceeding if:

(a) The director, officer, employee or agent furnishes the Corporation a written statement

of his good faith belief that he has met the standard of conduct described in Section 1 above;

(b) The director, officer, employee or agent furnishes the Corporation a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that he did not meet the standard of conduct; and

(c) A determination is made that the facts then known to those making the determination would not preclude indemnification under Miss. Code Ann. § 79-11-281.

Determinations and authorizations of payment under this section shall be made in the manner specified in Miss. Code Ann. § 79-11-281.

Section 4. Insurance. Pursuant to Miss. Code Ann. § 79-11-281, the Board may authorize the purchase and maintenance of insurance on behalf of any individual who is or was a director, officer, employee or agent of the Corporation against liability asserted against or incurred by him in that capacity or arising from his status as a director, officer, employee or agent, whether or not the Corporation would have power to indemnify him against the same liability.

ARTICLE VIII.

RECORD KEEPING

MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall keep all records required by Miss. Code Ann. § 79-11-283 and any other relevant laws. This shall include, as permanent records, minutes of all meetings of the Board, a record of all actions taken by the directors without a meeting, and a record of all actions taken by committees of the Board as may be authorized pursuant to Miss. Code Ann. § 79-11-265.

ARTICLE IX.

MISCELLANEOUS CORPORATE ACTS

Section 1. Signing of Checks, Notes and Other Instruments. Checks, notes, negotiable instruments, contracts, deeds, and other such legal documents shall be signed by the President or Secretary-Treasurer or any other individuals from time to time designated by the Board.

Section 2. Deposits. All funds of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION shall be, from time to time, deposited to the credit of MISSISSIPPI SCHOLASTIC CHESS ASSOCIATION in such banks, trust companies or other depositories as the Board may select and shall be drawn out only by a check signed by the President or the Secretary-Treasurer, or by automated facsimile signature under their control, or by those other individuals authorized by the Board.

ARTICLE X.

AMENDMENTS

Pursuant to Miss. Code Ann. § 79-11-313 (1972), an amendment to these By-laws to be adopted must be approved by a majority of the Board of Directors in office at the time the amendment is adopted. The Corporation shall provide notice of any meeting of directors at which an amendment is to be approved, and such notice shall be in accordance with Miss. Code Ann. § 79-11-259.

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