

BY-LAWS OF THE PETROLEUM
ACCOUNTANTS SOCIETY
OF SAN ANTONIO, TEXAS

INTRODUCTION

This Society shall be known as the Petroleum Accountants Society of San Antonio, Texas (the Society) and it shall be dedicated to the following purposes and principles:

Section 1. To provide the membership an opportunity to study and analyze accounting, taxation and related topics of the Petroleum Industry; and to exchange constructive ideas relating to such topics.

Section 2. To associate with persons engaged in Petroleum Accounting and related Petroleum Industry organizations for the mutual benefit of all.

ARTICLE 1 –MEMBERSHIP

Section 1. ELIGIBILITY. In order to be eligible as a member of this Society one must:

Section 1.1 Be actively engaged in Petroleum Accounting or in accounting related with the Petroleum Industry.

Section 1.2 Be a male or female of any race, creed, or color, and

Section 1.3 Be approved by the Executive Committee.

Section 2. TYPES OF MEMBERSHIPS.

Section 2.1 FELLOW MEMBERSHIP. In order to qualify for this type of membership, an individual must meet all the eligibility requirements as stated in Section 1 of this Article and must work in San Antonio or Austin, Texas and the surrounding areas. Fellow Members will be entitled to full voting privileges.

Section 2.2 ASSOCIATE MEMBERSHIP. This category shall include members having active connection in the Petroleum Industry in non accounting work; or Fellow Members who otherwise would be forced to leave the Society due to their change in employment status. It will be the responsibility of the Executive Committee to rule separately on each individual considered for membership under this section.

An Associate Member cannot be an officer or a committee chairman; voting privileges are limited to votes on local society govern ship.

Section 2.3 HONORARY MEMBERS. The Executive Committee shall have the authority to bestow upon any speaker, past officer, or other dignitary an honorary membership, which will not carry voting privileges nor be subject to payment of dues.

Section 3. LIMITATIONS OF MEMBERSHIP. The Executive Committee is hereby vested with the power to limit the maximum number of members, which number shall at no time be less than the greatest number of Fellow Members at any time during the life of the Society. The Executive Committee is also vested with the power to limit the number of non-Petroleum Industry members the Society may have.

Section 4. RESIGNATION AND EXPULSION.

Section 4.1 In the event that any member wishes to resign, resignation will be accepted, however, there shall be no refund of dues.

Section 4.2 The nonpayment of dues within the prescribed time as set out in Article III, shall automatically forfeit the membership of any individual.

Section 4.3 A member may be expelled for misconduct of actions unbecoming or detrimental to the Society by a unanimous decision of the Executive Committee, excluding the vote of a member of the Executive Committee who may himself be considered for expulsion.

Section 5. TRANSFERS. Since membership in the Society is based primarily on the individual eligibility and not the entity for which the individual is employed, membership is non-transferable. In the event that a member of this Society changes his employment to a non-Petroleum accounting / industry position, the member may continue his membership until the end of the fiscal year.

ARTICLE II – VISITORS

Section 1. Any member shall be entitled to have guests, providing that the Society will receive the appropriate guest fee, as determined by the Executive Committee.

Section 2. The Society shall pay the meal expense of all principal speakers. In the event that out of town speakers are invited to participate, the Society may reimburse such speaker for all expenses connected with the speaking engagement.

Section 3. The President, or other designated officer, has the authority to approve Society funds for payment of a visitor's meal costs when it benefits the Society.

ARTICLE III – INITIATION FEES AND DUES

Section 1. There shall be no initiation fees.

Section 2. DUES. Dues of Fellow and Associate Members shall be determined by the Executive Committee and payable when billed. The Executive Committee shall have the authority in exceptional cases to make other arrangements for payment. The annual dues shall at a minimum cover the cost expected to be incurred by the Society during the next fiscal year, including the annual National Council of Petroleum Accountants Societies (COPAS) membership assessment. New members, joining during a fiscal year, shall pay a pro rata share of the annual dues, based on the number of meetings they are eligible to attend plus the COPAS membership assessment.

ARTICLE IV – MEETINGS

Section 1. REGULAR MEETINGS. Minimum of 4 Regular meetings shall be held each year. The schedule, time and place will be designated by the Executive Committee and announced at the beginning of each fiscal year.

Section 2. SPECIAL MEETINGS. A special meeting may be called at any time, if in the opinion of the Executive Committee such a meeting is necessary for the efficient operation of the Society.

Section 3. CALL MEETINGS. A meeting may be called upon the written petition of twenty per cent (20%) of the Fellow Members, presented to the Secretary of the Society at least ten days before the proposed date of such meeting.

Section 4. QUORUM. At least one-third of the Fellow Members must be present in order to constitute a quorum which shall have full power to decide upon any COPAS question presented to the Society. At least one-third of all members must be present in order to constitute a quorum to decide on any question related to Society govern ship.

ARTICLE V – OFFICERS AND COMMITTEE CHAIRMAN

Section 1. GENERAL PROVISIONS.

Section 1.1 ELIGIBILIY. In order to be an officer or committee chairman, one must be a Fellow Member, in good standing of the Society. The Executive Committee has the authority to remove officers or committee chairman who do not remain in good standing or fails to perform assigned duties and responsibilities.

Section 1.2 NOMINATIONS AND ELECTIONS. All officers shall serve for a fiscal year from June 1 to May 31. The Nominating Committee will report the nominees at the regular meeting prior to elections. Additional opposing nominees may be made and reported to the Secretary within ten days after this meeting. Any additional nominees names will be transmitted to each member not later than ten days before the meeting in which elections will occur. In order to have a valid election there must be a quorum present, and a majority of the members present shall be governing.

Section 1.3 VOTING. All voting for elective officers of the Society shall be by secret ballot except in those instances where there is only one nominee for an elective position, in which case oral voting is permissible. Oral voting is permissible on all other motions put to the Society. There shall be no voting by mail or proxy.

Section 1.4 TERM OF OFFICE. All elective offices shall be filled by the new personnel effective June 1 and shall serve for one year. All officers and committee chairman may succeed themselves, or hold other offices within the Society, with the exception that the President may not serve two consecutive terms but may be re-elected for a subsequent term or terms.

Section 1.5 VACANCIES. If a vacancy occurs in the office of President, it shall be automatically filled by the Vice-President, and a new Vice-President selected by a majority vote of the Executive Committee. Any other vacancies that may occur shall also be filled by a majority vote of the Executive Committee. Any individual filling an office vacancy will serve in that capacity for the remainder of the replaced officer's term only.

Section 1.6 It is not the intention of these By-Laws to limit the duties of any member of the Executive Committee and such duties may be enlarged as required in the proper performance thereof.

Section 2. EXECUTIVE COMMITTEE.

Section 2.1 MEMBERS. The Executive Committee shall be composed of all elected officers, Society committee chairpersons, and the immediate past president.

Section 2.2 MEETINGS. The Executive Committee shall meet at the call of the President or by three or more members of the Executive Committee. Meetings can be conducted at a mutually agreed-upon location, via teleconference, or via email. Any of the meetings of the Executive Committee shall be open to any and all members of the Society; however no notice will be provided to the Society in advance. Any member can request to address the Executive Committee by notifying the President of the agenda item.

Section 2.3 DUTIES. The duties of the Executive Committee shall be to pass on all proposals under the jurisdiction of the committee, and properly to conduct the business of the organization. The Executive Committee shall have full power to rule on any business except those powers delegated to the Society as a whole, and contained elsewhere in these By-Laws. It shall be the duty of the Executive Committee to approve all disbursements of funds.

Section 2.4 All past Presidents may serve in an advisory capacity on this committee.

Section 3. PRESIDENT. The duties of the President shall be to conduct all meetings and to create committees as necessary for the benefit of the Society. The

President shall be ex-officio member of all committees. The President shall exercise general supervision of the affairs of the Society and the execution of all resolutions and proceedings of the Society, the Executive Committee and other committees.

Section 4. VICE-PRESIDENT. It shall be the responsibility of the Vice-President to assume the duties of the President in event of absence. In general, the Vice President shall assist the President in the efficient operation of the Society. The Vice President shall be charged with the enforcement of the By-Laws and will serve as the Parliamentarian of the Society. . The Vice President will review all treasury transactions monthly.

Section 5. SECRETARY. The Secretary shall keep an up-to-date membership list. The Secretary shall keep an accurate record of all the proceedings at each of these meetings. At each regular meeting, the Secretary shall read the minutes of the last regular meeting and intervening special meetings; in general, the Secretary is charged with the responsibility of the preservation of all pertinent facts and data of the Society and is required to notify all members in advance of all meetings of the Society.

Section 6. TREASURER. The Treasurer shall collect funds due the Society and shall make a report at least annually to the Society, and at each Executive Committee of cash receipts and disbursements and the balance on hand. All treasury records are subject to review and/or audit by the Executive Committee at any time. It shall be the duty of the Treasurer to advise all members of amounts owing the Society for dues, etc., and report to the Executive Committee any member who is in arrears with dues; any member shall be considered as being in arrears when dues have not been paid when due.

Section 7. CHECK SIGNATURES. All checks for approved disbursement of funds of the Society will be signed by either of the following officers:

President
Treasurer

Section 8. ASSISTANT SECRETARY AND ASSISTANT TREASURER. An Assistant Secretary and/or Assistant Treasurer may be elected if necessary. Their duties shall be to assist the Secretary and the Treasurer.

Section 9. SOCIETY COMMITTEES.

Section 9.1 In addition to the committees enumerated below, the President shall be vested with the authority to appoint any other committees as may be necessary for the efficient operation of this Society.

Section 9.2 Each committee shall have a Fellow Member as chairman. The chairman will be appointed by the President and must be approved by the Executive Committee. The chairman shall then select any member to serve on his committee.

Section 9.2-1 NOMINATING COMMITTEE. The nominating committee is charged with the responsibility of selecting one nominee for each elective office.

Section 10. STANDING COMMITTEES.

Section 10.1. The Standing Committees shall be responsible for researching and reporting in a timely manner to the Executive Committee and Society on their respective committee's area of interest. This shall include research and surveys of petroleum industry problems, written opinions on current topics, dissemination of information on significant developments in their area of interest, and any other action requested by the Executive Committee.

Section 10.2 Each Standing Committee shall have a Fellow Member as chairman. The chairman will be appointed by the President and must be approved by the Executive Committee. Membership on the Standing Committee is open to any member interested in participating.

Section 10.3 Standing Committee members shall include members from two or more entities. A simple majority shall rule. In the event the Standing Committee needs to vote on an item prior to the normally scheduled Standing Committee meeting, a vote via email is permissible with 48 hours notice.

ARTICLE VI – GENERAL PROVISIONS

Section 1. The Executive Committee shall have the power to bind the Society by a majority vote on any contractual instrument, or similar undertaking, made for the Society in the normal conduct of its business, and attested to by the President or the Vice-President, Treasurer and Secretary of the Society. Any undertaking not within the normal conduct of business of this Society must be approved by the Fellow Members.

Section 2. In the event of dissolution of this Society, the cash and/or other assets of the Society, remaining after the payment of all outstanding obligations, shall be distributed in accordance with current membership recommendations and not in violation of the Society's tax status.

Section 3. This is a nonprofit Society whereby no financial benefit shall inure to any member as such, as no member is entitled to salary, wages, or other compensation for services performed for the Society.

Section 4. This Society shall at all times remain nonpolitical and nonsectarian.

Section 5. All meetings shall be governed by Robert's Rules of Order.

ARTICLE VII – AMENDMENTS

Section 1. These By-Laws may be amended at any time, provided a written proposal for an amendment, signed by any five Fellow Members, shall be presented to the membership at any two consecutive regular meetings and the latter receive an affirmative vote of two-thirds or more of the Fellow Members present.

Section 2. The Executive Committee shall have the authority to direct the Secretary to draft any proposed amendment which in its opinion will be beneficial to the efficient operation of the Society, and such proposed amendment shall then be read at two consecutive meetings and voted upon at the latter, and shall immediately become a part of these By-Laws upon the affirmative approval of two-thirds, or more, of the Fellow Members present.