



NORTH CAROLINA NOTARY ASSOCIATION

By-Laws

Preamble

These Bylaws are subject to, and governed by, the North Carolina Non-Profit Corporation Act and the Articles of Incorporation of the North Carolina Notary Association hereafter "the Association". In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the North Carolina Non-Profit Corporation Act, the North Carolina Non-Profit Corporation Act will be controlling. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of the Association these Bylaws will be controlling.

ARTICLE I - PURPOSES

1.1 General. The purposes for which the Association is organized are:

1.1.1 The Association is organized and shall be operated exclusively for charitable, scientific, and educational purposes within the meaning of Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code. Specifically, the Association shall work to (a) strengthen nonprofits through consulting, education, networking and resources; (b) promote

excellence in Notary Public work in North Carolina; (c) provide Notary Public education and training; (d) encourage and support those things that are in the best interest of Notaries Public and the public they serve; (e) promote the office of Notary Public; and (f) encourage fellowship and good will among Notaries Public across the State.

1.1.2 To engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.

1.2 Powers. The Association is a non-profit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the North Carolina Non-Profit Corporation Act; provided, however, the Association shall neither have nor exercise directly or indirectly in any activity, that would invalidate its status as a corporation that is exempt from federal income taxation as an organization described in Section 501(c)(6) of the Code.

ARTICLE II - OFFICES

2.1 Principal address of the Association shall be located at P.O. Box 30517, Raleigh, NC 27622-0517

2.2 Other offices. The Association may have such other offices as the Board of Directors may determine or as the affairs of the Association may require from time to time.

ARTICLE III – MEMBERS

- 3.1 The membership of this Association shall be limited to those notaries duly commissioned by the State of North Carolina and those recognized as ex-officio notaries by the Statutes of North Carolina who apply for membership.
- 3.2 The annual dues of the Association shall be set by the Executive Board. The Treasurer shall notify the member in writing of their annual dues. Those members who have not paid their annual dues shall be classified as “inactive”.
- 3.3 Any member desiring to resign from the Association shall submit their resignation in writing.
- 3.4 Upon the written recommendation of one member, seconded by another member, and by a three-fourths vote by ballot at the annual meeting or any special called meeting, honorary life membership can be conferred upon a member or non-member who shall have rendered notable service to the Association. An honorary member shall have none of the obligations of membership in the Association, but shall be entitled to all of the privileges except those of making motions, of voting, and of holding office.

ARTICLE IV – MEETINGS

- 4.1 The annual meeting of the Association shall be held for the purpose of installing officers, receiving reports of officers and committees, and for any other business that may arise.
- 4.2 Special meetings of the Association can be called by the President or by the Executive Board. Upon the written request of ten members of the Association, a meeting shall be called. The purpose of the meeting shall be stated in the call. Except in cases of emergency, at least three days' notice shall be given.

- 4.3 Those members of the Association present at the annual meetings or special called meetings shall constitute a quorum, provided that a minimum of ten members are in attendance.

ARTICLE V - BOARD OF DIRECTORS

- 5.1 General Powers and Responsibilities. The Association shall be governed by a Board of Directors (“the Board”), which shall have all of the rights, powers, privileges and limitations of liability of directors of a nonprofit corporation organized under the North Carolina Non-Profit Corporation Act. The Board shall establish policies and directives governing business and programs of the Association and shall delegate to the President, subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed.
- 5.2 Number and Qualifications.
- 5.2.1 The Board shall have up to ELEVEN but no fewer than SEVEN members. The number of Board members may be increased beyond ELEVEN members or decreased to less than SEVEN members by the affirmative vote of a majority of the then-serving Board of Directors. A Board member must be a resident of the State of North Carolina, a member of good-standing in the Association, and a duly commissioned notary or an ex-officio notary as set forth in the Statutes of North Carolina.
- 5.2.2 In addition to the regular members of the Board, such other individuals as the Board may deem advisable to elect shall be *Honorary Members*, but shall not have

voting power, shall not count as one of the regular Board members and shall not be eligible for elective office of the Association.

- 5.3 Board Compensation. The Board shall receive no compensation other than reasonable expenses, excluding travel, meals, lodging, and gas. However, provided the compensation structure complies with Sections 8.8 and 8.10 of these Bylaws, nothing in these Bylaws shall be construed to preclude any Board Member from serving the Association in any other capacity and receiving compensation for services rendered.
- 5.4 Term of Board. All appointments to the Board shall be for three- year terms. No person shall serve more than two consecutive terms unless a majority of the Board at a Board meeting at which a quorum is present votes to appoint a Board member to one additional year. No person shall serve more than seven consecutive years. After serving a total of two terms or two terms and one year, as the case may be, a Board member may be eligible for reconsideration as a Board member after three years have passed since the conclusion of such Board member's service.
- 5.6 Vacancies. Vacancies on the Board that occur during the term of office shall be filled by the President. A Board member appointed to fill a vacancy shall be elected for the unexpired term of his or her predecessor at the next annual meeting of the Association.
- 5.7 Resignation. Each Officer and Board member shall have the right to resign at any time upon written notice thereof to the President. Unless otherwise specified

in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

- 5.8 Removal. An Officer, or Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a majority of then serving Board members.
- 5.9 Meetings. The Board's regular meetings may be held at such time and place as shall be determined by the Board. The President or any four regular Board members may call a special meeting of the Board on three days' notice to each member of the Board. Notice shall be served to each Board member via hand delivery, US mail, e-mail or fax. The person or persons authorized to call special meetings of the Board may fix any place, so long as it is reasonable, as the place for holding any special meeting of the Board called by them.
- 5.10 Minutes. At meetings of the Board, business shall be transacted in such order as the Board may determine from time to time. In the event the Recording Secretary is unavailable, the President shall appoint a person to act as Recording Secretary at each meeting. The Recording Secretary, or the person appointed to act as Recording Secretary, shall prepare minutes of the meetings which shall be delivered to the Association to be placed in the minute books of the Association
- 5.11 Action by Written Consent. Any action required by law to be taken at a meeting of the Board, or any action that may be taken at a meeting of the Board, may be taken without a meeting if consent in writing setting forth the action so taken shall be signed by all Board members. Such consent shall be placed in the minutes book of the Association, and shall have the same force and effect as a

unanimous vote of the Board taken at an actual meeting. The Board members' written consent may be executed in multiple counterparts or copies, each of which shall be deemed an original for all purposes. In addition, facsimile signatures and electronic signatures or other electronic "consent click" acknowledgments shall be effective as original signatures.

5.12 Quorum. At each meeting of the Board or Board Committees, the presence of the lesser of (a) 10 members, or (b) two-thirds of the members then serving on the Board (but in no case less than 5) or committee (but in no case less than 2) shall constitute a quorum for the transaction of business. If, at any time, the Board consists of an even number of members, and a vote results in a tie, the vote of the President shall be the deciding vote. The act of the majority of the Board members serving on the Board or Board Committees and present at a meeting in which there is a quorum shall be the act of the Board or Board Committees, unless otherwise provided the Articles of Incorporation, these Bylaws, or the law specifically require otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board Committee if during the meeting he or she is in radio or telephone communication with the other Board members participating in the meeting.

5.13 Proxy. An Officer or Board member who is unable to attend a meeting of the Board or a Board Committee may vote by written proxy given to any other voting member of the Board or Committee who is in attendance at the meeting in question. However, a vote by proxy will not be counted toward the number of Board members needed to be present to constitute a quorum for the transaction

of business. No proxy shall be valid after three months from the date of execution. Each proxy shall be revocable unless expressly stated therein to be irrevocable or unless made irrevocable by law.

- 5.14 Board Member Attendance. An elected Board member who is absent from three consecutive regular meetings of the Board during a fiscal year is encouraged to re-evaluate with the Board Chair his/her commitment to the Association. The Board may deem a Board member who has missed three consecutive meetings without such a re-evaluation with the Chair to have resigned from the Board.

ARTICLE VI - OFFICERS

- 6.1 President. The President shall preside at meetings and have the power to call meetings. The President shall be responsible for leadership of the Board in discharging its powers and duties and shall, in general, supervise and control all of the business and affairs of the Association. The President may sign contracts and other instruments on the Association's behalf.
- 6.2 Vice President. The Vice President, shall have all powers and duties of the President during the President's absence, disability or disqualification, or during any vacancy in the position of President, and such other powers or duties assigned by the President, the Board or the Bylaws.
- 6.3 Past President. The Past President, if any, shall assist in advancing the goals and objectives of the Association through the application of knowledge gained through past Board experiences. The Past President shall be responsible for specific tasks delegated by the President.

- 6.4 Recording Secretary. The Recording Secretary shall (a) cause the minutes of all Board and Executive Committee meetings and proceedings to be recorded, (b) certify the accuracy of such minutes, (c) cause notice of all meetings to be given, (d) attest the signatures of the Association officers, and Board members as required, (e) sign correspondence on behalf of the Board, and (f) have all other powers assigned by the Board, the President or these Bylaws.
- 6.5 Corresponding Secretary. The Corresponding Secretary shall conduct the general correspondence of the Association and such other duties assigned by the President, the Board or the Bylaws.
- 6.6 Treasurer. The Treasurer shall have access to records of all receipts, disbursements, assets and liabilities of the Association and shall report to the Board on the condition of such records and financial condition of the Association from time to time and at least quarterly. Prior to the beginning of the fiscal year, the Treasurer shall cause a proposed operating and capital expenditure budget to be presented to the Board for approval. The Treasurer shall cause to be prepared and submitted to the Board a financial statement showing the Association's net worth at the close of the fiscal year.
- 6.7 Legislative Envoy. The Legislative Envoy shall coordinate all legislative activities that the Association chooses to embark on including, but not limited to, drafting legislation, contacting sponsors, monitoring legislation affecting notaries public in this State, and attending legislative committees as needed to further the goals and objectives of the Association.

- 6.8 Historian. The Historian shall maintain a bound book of all events, pictures, documents, newsletters, and other such material that the Association deems essential to be archived.
- 6.9 Election and Term of Officers. All officers shall be members of the Board during their terms of office and shall be elected for a two-year term. No officer shall be eligible to serve more than two consecutive terms in the same office. Officers of the Board shall be elected bi- annually by the members of the Association as terms expire or vacancies otherwise arise. A vacancy occurring in any office due to death, resignation, removal, disqualification or any other reason may be filled by the President for the un-expired portion of the term of office left vacant.
- 6.10 Removal. Any officer (e.g., President) elected or appointed by the Board may be removed at any time by the affirmative vote of a majority of the Board, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

ARTICLE VII - COMMITTEES

- 7.1 Committee Chairs. The President may designate and appoint committees of the Board as deemed necessary. Each Board committee shall be chaired, or co-chaired, by a Board member appointed by the President or, at the President's discretion, selected by the committee's members, subject to the approval of the Board. Non-Board members may be appointed to any Board committees at the discretion of the President.

7.2 Standing Committees. The Board shall maintain the following standing committees: Executive Committee, Membership Committee, Education and Program Committee, Audit Committee, Legislative Committee, Planning Committee, Nominating Committee, and Publicity Committee.

7.2.1 Executive Committee. The Executive Committee shall be composed of the officers of the Association, the chairs of each of the Board committees, and, at the President's discretion, two additional voting Board members. The Executive Committee shall be responsible for conducting Board affairs in the intervals between meetings, dealing with matters of urgency that may arise between Board meetings, and coordinating the annual performance review of the President. The Executive Committee shall meet at the discretion of the President.

7.2.2 Audit Committee. The Audit Committee shall be composed of three or more Board members, one of whom shall be the Treasurer. The Audit Committee shall oversee all financial operations of the Association, develop long-range fiscal plans, procure and review any and all external audits and may prepare and recommend an annual operating budget to the Board.

7.2.3 Planning Committee. The Planning Committee shall be composed of three or more Board members. The Planning Committee shall be responsible for the Association's fundraising activities and shall coordinate its fundraising goals with the Audit Committee and Publicity Committee.

- 7.2.4 Nominating Committee. The Nominating Committee shall be appointed by the President from the general membership of the Association. This committee shall recommend candidates to fill Officer positions and shall present a slate of candidates for officer and Board member positions to the Board before the regular bi-annual general meeting at which approval of recommended candidates will be sought.
- 7.2.5 Publicity Committee. The publicity Committee shall be composed of three or more Board members. This committee shall focus on raising overall awareness about the Association in the North Carolina community as well as supporting the Planning Committee in furtherance of visibility and development goals. The Publicity Committee shall cause to be published twice yearly the newsletter "Signatures."
- 7.2.6 Legislative Committee. The Legislative Envoy shall chair the Legislative Committee. The President shall appoint three members and the Legislative Envoy shall appoint one member for a total of five members including the Chair. The Committee shall be responsible for monitoring legislative activity and recommending legislative action for the good of the Association and notaries public statewide.
- 7.2.7 Membership Committee. The President shall appoint four members to the Membership Committee promptly after each annual meeting. The members of this Committee shall elect their own Chair. The Membership Committee shall promote membership in the Association, maintain all membership records, transmit membership packets to all new members, and shall recommend to the Executive Board ways that this might be accomplished. .
- 7.2.8 Education and Program Committee. An Education and Program Committee shall be appointed by the President promptly after each annual

meeting. The Committee shall elect their own Chair. It shall be the duty of this Committee to plan educational programs and seminars to be held during the year which will promote the objectives of the Association

- 7.3 Special Committees. The President may appoint special committees composed of Board members and/or non-Board members for purposes deemed appropriate by the President (i.e, special fundraising events, etc.). The term of such committees shall not be more than one year.
- 7.4 Advisory Council. The Board may maintain an Advisory Council which shall not have nor exercise the authority, responsibility or duties of the Board. Except as otherwise provided in such resolution, members of such Advisory Council need not be Board members. The President shall appoint the members thereof. Any member may be removed by the President whenever in the President's judgment the best interests of the Association shall be served by such removal.
- 7.5 Term of Office. Each member of a committee and the Advisory Council shall serve a term of three years, unless the committee is sooner terminated, or unless a committee member is removed from such committee or Advisory Council.
- 7.6 Vacancies. Vacancies in the membership of any committee or Advisory Council may be filled by appointments made in the same manner as provided in the case of the original appointments.
- 7.7 Quorum: Manner of Acting. The act of the majority of the committee members present at a meeting at which a quorum is present shall be the act of the committee.

7.8 Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board.

ARTICLE VIII - MISCELLANEOUS

8.1 Fiscal Year. The fiscal year of THE ASSOCIATION shall be from January 1st to December 31st .

8.2 Books and Records. The Association shall keep correct and complete books and accounting records and shall also keep minutes of the proceedings of its Board.

8.3 Contracts and Grants. The Board may authorize any officer(s), or agent(s) of the Association to enter into contracts, leases and agreements with and accept grants and loans from, the United States, its departments, and agencies, the State of North Carolina, its agencies, counties, municipalities and political subdivisions and public or private corporations, foundations, and persons, and may generally perform all acts necessary for a full exercise of the powers vested in it. The President shall have authority to enter into such contracts and expend such funds on behalf of the Association as the Board may specify.

8.5 Checks, Drafts, or Orders for Payment. All checks, drafts or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by the Treasurer and in such manner as shall from time to time be determined by resolution of the Board. In the event that the

Treasurer shall be reimbursed for expenses a receipt shall be submitted to the President and the President shall sign the check.

8.6 Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board shall select.

8.7 Acceptance of Gifts. The Board may accept on behalf of the Association any cash contribution, gift, bequest, or devise for the general purposes, or for any special purpose, of the Association. Prior to acceptance of a significant non-cash contribution, gift, bequest, or devise the Board shall determine, by resolution thereof, that the acceptance of such non-cash contribution, gift, bequest, or devise by the Association would be consistent with and further the purposes of the Association.

8.8 Contracts Involving Board Members and/or Officers. Upon full disclosure of a direct or indirect interest in any contract relating to or incidental to the operations of the Association, members of the Board and Officers of the Association may be permitted to maintain a direct or indirect interest in any such contract, notwithstanding that at such time they may also be acting as individuals, or trustees of trusts, or beneficiaries of trusts, members or associates, or as agents for other persons or corporations, or may be interested in the same matters as shareholders, trustees, or otherwise; provided, however, that any contract, transaction, or action taken on behalf of the Association involving a matter in which a trustee or officer is personally interested as a shareholder, trustee, or otherwise shall be at arm's length and not in violation of the proscriptions in the Articles of Incorporation or these Bylaws which prohibit the

Association's use or application of its funds for private benefit; and provided further that no contract, transaction, or act shall be taken on behalf of the Association if such contract, transaction, or act would result in denial of the Association's exemption from federal income taxation under the Code and its regulations, as they now exist or as they may hereafter be amended. In no event, however, shall any person or entity dealing with the Board or Officers of the Association be obligated to inquire into the authority of the Board and Officers to enter into and consummate any contract, transaction or take other action. Any Board Member who would directly or indirectly benefit from a contractual relationship as described above shall not participate in the decision on whether that Board member shall be permitted by the Board to maintain such an interest.

- 8.9. Investments. The Association shall have the right to retain all or any part of any property, real, personal, tangible or intangible, acquired by it in whatever manner, and pursuant to the direction and judgment of the Board, to invest and reinvest any funds held by it without being restricted to the class of investments available to trustees by law or any similar restriction.
- 8.10. Exempt Activities. Notwithstanding any other provision of these Bylaws, no Board member, officer, or representative of the Association shall take any action or carry on any activity by or on behalf of the Association which is not permitted to be taken or carried on by an organization exempt from federal income taxation under sections 501(a) and 501(c)(3) of the Code, and its regulations, as they now exist or as they may hereafter be amended, or by an Association contribution to which are deductible under section 170(a)(1) of the Code and its regulations, as they now exist or as they may hereafter be amended, by virtue of being charitable contributions as defined in section 170(c)(2) of the Code and its regulations, as they now exist or as they may hereafter be amended.

- 8.11. Captions. Captions (i.e., article and section headings) are inserted in these Bylaws for convenience only and in no way define, limit, or describe the scope or intent of these Bylaws, or any provision hereof, nor in any way affect the interpretation of these Bylaws.
- 8.12. Severability of Clauses. If any provision of these Bylaws is held illegal or unenforceable in a judicial proceeding, such provision shall be severed and shall be inoperative, and the remainder of these Bylaws shall remain operative and binding.

ARTICLE IX - INDEMNIFICATION OF OFFICERS AND BOARD MEMBERS

- 9.1 Right to Indemnification. The Association shall indemnify any person who was, is, or is threatened to be made a named defendant or respondent in a proceeding (as hereinafter defined) because the person (i) is or was a director or committee member of the Association or (ii) while a director or committee member of the Association, is or was serving at the request of the Association as a director, officer, committee member, partner or other enterprise, to the fullest extent that a corporation may grant indemnification to a director under the North Carolina Business Organization Code ("TBOC"), as the same exists or may hereafter be amended. TO THE EXTENT PERMITTED BY THEN APPLICABLE LAW, THE GRANT OF MANDATORY INDEMNIFICATION TO ANY PERSON PURSUANT TO THIS ARTICLE SHALL EXTEND TO PROCEEDINGS INVOLVING THE NEGLIGENCE OF SUCH PERSONS. Such right shall be a contract right and shall include the right to be paid by the Association expenses incurred in defending any such proceeding in advance of its final disposition to the maximum extent permitted under the TBOC, as the same exists or may hereafter be amended. As used herein, the term "proceeding" means any

threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

ARTICLE X – DISSOLUTION & WINDING UP

- 10.1 Winding Up. Upon the necessity for the dissolution and/or winding up of the Association, the Board shall oversee such process and ensure compliance with all relevant provisions of the North Carolina Non-Profit Corporation Act and other applicable state and federal statutes.
- 10.2 No Rights of Board Member to Assets. Upon Dissolution of the Association, no Board member shall have any rights nor shall receive any assets of the Association. The assets of the Association are permanently dedicated to a tax-exempt organization for the purposes set forth in the Articles of Incorporation and these Bylaws. In the event of dissolution of the Association, the assets, after payment of any debts, will be distributed to an organization which itself is tax-exempt under provisions of Section 501(c)(3) of the Internal Revenue Code.

ARTICLE XI - AMENDMENTS TO BYLAWS

- 11.1 These Bylaws may be altered, amended or repealed, and new bylaws may be adopted by a three-fourths vote of the entire Board at any regular meeting or at any special meeting if at least fourteen days' written notice is given of intention to alter, amend or repeal, or to adopt new bylaws at such meeting, and a written

copy of the proposed changes shall be distributed to each Board member prior to the meeting.

ARTICLE XII – PARLIAMENTARY AUTHORITY

- 12.1 The rules contained in **Robert’s Rules of Order** shall govern the Association in all cases except where they are not consistent with these Bylaws and any special rules of order the Association may adopt.

These Bylaws were approved at a meeting of the Board of Directors on:

September 29, 2006