

By Laws of
North Carolina Permitting Personnel Association, Inc.

ARTICLE I

Name

The North Carolina Permitting Personnel Association, Inc. shall be referred to herein as "NCPA" and the name "North Carolina Permitting Personnel Association, Inc." and "NCPA" shall be one in the same for all respects and purposes.

ARTICLE II

Purpose of the Association

The Association is a nonprofit corporation organized exclusively as a business league within the meaning of Section 501 (c) (6) of the Internal Revenue Code of 1986, as amended (the "Code"). The purposes for which the Corporation is organized are:

1. Learn about problems and experiences others face in the permitting office and how they handle them.
2. Network with regional contact to improve skills and learn new information.
3. Increase knowledge and understanding.
4. Stay informed about legislation that affects permits and licensing laws.
5. Work with other organizations.
6. Promotion of uniformity of the permitting process.
7. Collection and dissemination of information relative to permitting.
8. Promotion of cooperation among permitting personnel, inspectors, Inspection Departments, on city and county levels.
9. Promote and improve the standard of the profession of Permitting Personnel.

ARTICLE III

Membership

1. **CLASS OF MEMBERSHIP:** There shall be two (2) classes of membership in this Association: (i) Permitting Personnel Membership, and (ii) Associate Membership.
2. **PERMITTING PERSONNEL MEMBERSHIP:** Active membership. A Permitting Personnel member shall be restricted to representatives of municipalities or individuals employed by a unit of government such as the North Carolina Department of Insurance, cities, towns, counties or other political subdivisions performing duties of processing permits in the State of North Carolina.

3. **ASSOCIATE MEMBERSHIP:** An Associate Member shall consist of those people interested in the scope of the permitting process but is not directly engaged in processing permit paperwork. (Example—Members of professions or trades in the construction industry.)
4. **HONORARY LIFE MEMBER:** An Honorary Life Member shall consist of those people who have played a legitimate and dedicated role in the establishment and development of the Association. Such member shall have provided significant contributions to the growth and well being of the Association. This person's name shall be submitted to the Board with a written request stating reasons this person should be considered for Honorary Life Membership. Upon review, the Board shall vote to approve or deny the request. Honorary Life Members shall be exempt from membership dues.
5. **APPLICATION FOR MEMBERSHIP:** A person or other entity desiring membership in the Association shall submit an application to the Membership Committee, on the form provided by the Association, along with proper payment of his/her membership dues. The Membership Committee shall then notify the applicant of his/her membership by providing them with a complete membership packet. No person otherwise eligible for membership in the Association shall be denied membership because of race, creed, color, sex or national origin.
6. **DUES:** The annual dues for each class of membership shall be determined by the Board. Dues shall cover the fiscal year July 1 to June 30 and shall be paid each year on or before August 31.
7. **EXPULSION BY BOARD:** Any member may be expelled from the Association for cause such as violation of any of the Bylaws or Rules of the Association or for conduct prejudicial to the best interests of the Association by a vote of seven (7) of the Board of Directors at a regular meeting, or at any special meeting called for that purpose. No refund of the dues shall be made.
8. **RESIGNATION:** Any member may resign at any time by notice in writing to the Board. Upon receipt by the appropriate officer of the Association of such notice of resignation, the membership of the person giving such notice shall terminate. No refund of the dues shall be made.
9. **OTHER MEMBERSHIP CATEGORIES:** The Board may by resolution establish other membership categories deemed appropriate and in the best interest of the Association.
10. **ASSIGNABLE:** Membership in the Association and the rights and privileges of a member shall be assignable upon approval of the Board of Directors.

ARTICLE IV

Meetings of the Members

1. **ANNUAL MEETINGS OF THE MEMBERS:** The annual meeting of the members shall be held each year or as otherwise specified by the Board of Directors, with a time and place to be selected by the Board of Directors. A report of the affairs of the Association and financial report shall be made to the members at the annual meeting. Notice of the annual meeting shall be given at least ten (10) days prior to such meeting in writing.
2. **SPECIAL MEETING OF MEMBERS:** The special meeting of the members may be called by the Board of Directors upon its own motion and shall be called at the written request of ten percent (10%) of the Permitting Personnel Members of the Association entitled to vote. Notice of the time and place of any special meeting of the members shall be given to each member at least ten (10) days prior to such meeting. The notice of every special meeting shall state the subject of the meeting, and no other business shall come before such meeting.
3. **VOTING OF MEMBERS:** Only Permitting Personnel Members shall have voting rights.
4. **VOTING LISTS:** A list of members, with the address of each, shall be kept on file at the office of the Secretary for a period of two business days after notice of any meeting of the Members is given and continuing through the meeting, and shall be subject to inspection by any Member at any time during the usual business hours. The list shall also be produced and kept open at the time and place of the meeting and shall be subject to inspection by any Member during the whole time of the meeting.
5. **QUORUM:** Ten percent (10%) of the Permitting Personnel Members entitled to vote shall constitute a quorum at a meeting of Members. The Permitting Personnel Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough Permitting personnel Members to leave less than a quorum.
6. **PROXIES:** There shall be no voting by proxy.
7. **VOTING OF SHARES:** Subject to the provisions of Section 3 of Article IV, each Permitting Personnel Member entitled to vote shall be entitled to one vote on each matter submitted to a vote at a meeting of Members.
8. **INFORMAL ACTION BY MEMBERS:** Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting, and filed with the Secretary of the Association to be kept as part of the corporate records.

ARTICLE V

Directors

1. **GENERAL POWERS:** The management of the Association shall be vested in the Board of Directors. Members of the Board shall serve without pay. The Board of Directors shall have the power to make and amend rules and regulations pertaining to the operation of the Association, and shall have the responsibility for the entire management of the affairs of the Association, except as may be otherwise provided in the Bylaws.

2. **NUMBER, TERM:** The number of Members constituting the Board shall be ten (10). Board Members must be Permitting Personnel Members of the Association. The Board of Members shall consist of a President, President-Elect, Vice President, Secretary, and Treasurer, and five (5) other Directors. With regard to the five (5) other Directors, one (1) Director shall be selected from each of the five districts shown on the Boundary Map. *A copy of the current Boundary Map is attached hereto as Appendix A and incorporated herein.* The Board Members shall be divided into two classes. The terms of the Officers (President, President-Elect, Vice-President, Secretary, and the Treasurer) shall be four (4) years. The terms of the other five (5) Directors shall be four (4) years. Each newly elected Member of the Board shall assume office at the conclusion of the annual meeting. A Member shall serve no more than eight (8) consecutive years in any one office as a Board Member. Officers shall be elected on even number years and Directors shall be elected on odd number years as decided at the annual meeting in 2002.

3. **NOMINATION AND ELECTION:** The nominating committee shall meet at the annual meeting and prepare a slate of nominees showing at least one name for each position to become vacant. The list of nominees shall be presented to all Members of the Association present. Nominees shall provide acceptance of their candidacies. At the annual meeting, the nominees, if present, shall be presented to the members in attendance for voting and election. In addition to the nominations by the nominating committee, nominations may be received from the floor provided such nominees have accepted their nomination. The Directors shall be voted on by the Permitting Personnel Members eligible to vote from the names submitted by the Nominating Committee and nominations received from the floor, and the nominees receiving a majority of votes shall be declared elected to the Board. The Nominating Committee holds the right to ask for suspension of elections from the Members.

4. **RESIGNATION AND REMOVAL:** Any Director may resign at any time by giving notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice. Board members may be removed from office with or without cause by (1) a vote of two-thirds (2/3) of the members of the board at the annual meeting or a special meeting called for that purpose; or (2) a vote of two-thirds (2/3) of the Permitting Personnel Members at the annual meeting or a special meeting called for that purpose. If any Director is so removed, a new Director may be elected at the same meeting.

5. **VACANCIES:** A vacancy occurring on the Board may be filled by a majority of the remaining Board at any meeting referred to in Paragraph 4 above, though less than a quorum, or by the sole remaining Board member. A Director elected to fill a vacancy shall have the same term as the Director that he/she replaces.

ARTICLE VI

Meeting of the Board of Directors

1. **ANNUAL MEETINGS OF THE BOARD:** The annual meeting of the Board of Directors shall be held prior to the annual meeting of the Members. In addition, a meeting shall immediately follow adjournment of the annual meeting of the Association's members in order for the newly elected Directors to address any other matters that need to come before the Board. Prior notice of the time and place of such meetings shall be given to the Directors by any usual means of communication. The President may call a regular meeting of the Board by giving at least five (5) days advance notice thereof by any usual means of communication.
2. **SPECIAL MEETINGS OF THE BOARD:** Special meetings of the Board may be called by or at the request of the President of the Association or by any three (3) Board members. Such meetings may be held either within or without the State of North Carolina. The person or persons calling a special meeting of the Board shall, at least five (5) days prior to the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called. Attendance by a Board member at a meeting shall constitute a waiver of notice of such meeting, except where a Board member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.
3. **QUORUM OF THE BOARD:** Action taken by less than a majority of the Board Members shall be confirmed by letter ballot.
4. **VOTING OF THE BOARD:** Except as otherwise provided in this Section, the act of the majority of the Board members present at a meeting at which a quorum is present shall be the act of the Board.
5. **INFORMAL ACTION BY DIRECTORS:** Action taken by the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed with the minutes of the proceedings of the Board, whether done before or after action so taken. Additionally, action taken by a majority of the Directors without a duly called meeting is nevertheless Board action if the action is approved by majority of the Board at the next regular meeting of the Board. If a meeting of Directors otherwise valid is held without proper call or notice, action taken at such meeting otherwise valid is deemed ratified by a Director who did not attend unless promptly after having knowledge of the action taken and of the impropriety in question, he/she files with the Board Secretary his/her written objection to the holding of the meeting or to any specific action taken.

6. **PARTICIPATION AT MEETINGS:** Any one or more Directors may participate in a meeting of the Board by means of a conference telephone or similar communication device which allows all members participating in the meeting to hear each other, and such participants in a meeting shall be deemed present in person at such meeting.

ARTICLE VII

Officers

1. **NUMBER:** The officers of the Association shall consist of a President, President-Elect, Vice-President, Secretary and Treasurer. Any two or more offices may not be held by the same person.
2. **ELECTION AND TERM:** The Officers shall be elected in accordance with Article VI of these Bylaws. The terms of the Officers shall be in accordance with Article VI of these Bylaws.
3. **PRESIDENT:** The President, who shall serve without compensation, shall be the principal Executive Officer of the Association, and, subject to the control of the Board of Directors, shall supervise and control the management of the Association in accordance with these Bylaws. He/She shall, when present, serve as Chairman of the Board of Directors and preside at all meetings. The President may appoint committee members. He/She shall sign, with any other proper officer, any deeds, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the Association, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent; and, in general, he/she shall perform all duties normally incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. President may appoint an individual to fulfill the remaining term of vacated Officer or Director Position.
4. **PRESIDENT-ELECT:** The President-Elect, who shall serve without compensation, shall assume all the powers and duties of the President in the event of the President's death, disability, resignation or absence, and shall have such powers, duties, and responsibilities as may be assigned to him from time to time. The President-Elect shall succeed to the office of President upon expiration of the term of office of the President if so voted by the members.
5. **VICE-PRESIDENT:** The Vice-President, who shall serve without compensation, shall perform the duties and have the power and responsibilities of the President-Elect in the event of the President-Elect's death, resignation, absence or disability and shall have such powers, duties and responsibilities as may be assigned to him from time to time. The Vice-President shall succeed to the office of President-Elect upon expiration of the term of office of the President-Elect if so voted by the members.
6. **SECRETARY:** The Secretary, who shall serve without compensation, shall keep accurate records of the acts and proceedings of all meeting of Directors. He/She shall

have general charge of the corporate records and of the corporate seal, and he/she shall affix the corporate seal to any lawfully executed instrument requiring it. He/She shall sign such instruments as may require his/her signature and in general shall perform all duties incident to the office of Secretary and such other duties as may be assigned him/her from time to time by the President or by the Board of Directors.

7. **TREASURER:** The Treasurer, who shall serve without compensation, shall have general charge of the corporate books. In addition, he/she shall have custody of all funds and securities belonging to the Association and shall receive, deposit or disburse the same under the direction of the Board of Directors. He/She shall keep full and accurate accounts of the finances of the Association in books especially provided for that purpose; and he/she shall cause a true statement of its assets and liabilities as of the close of each fiscal year and of the results of its operations and of changes in fund balance for such fiscal year, all in reasonable detail, to be made and filed at the registered or principal office of the Association within three months after the end of such fiscal year. The Treasurer shall, in general, perform all duties incident to his/her office and such other duties as may be assigned to him/her from time to time by the President or by the Board of Directors.
8. **BOND:** The Board of Directors shall require any or all officers, agents and employees of the Association to give bond to the Association, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors. NCPPA shall pay the bonding requirements.
9. **RESIGNATION AND REMOVAL:** Any Officer may resign at any time by giving notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice. Board members may be removed from office with or without cause by (1) a vote of two-thirds (2/3) of the members of the board at the annual meeting or a special meeting called for that purpose; or (2) a vote of two-thirds (2/3) of the Permitting Personnel Members at the annual meeting or a special meeting called for that purpose. If any Officer is so removed, a new Officer may be elected at the same meeting.

ARTICLE VIII

Committees

1. **ESTABLISHMENT:** The Board of Directors shall have the authority to appoint Committees as the Board deems necessary for the benefit of the Association and its Members.
2. **NUMBER, TERM:** The number of Members constituting the Committees shall be no more than five (5). The Members shall be appointed by the Board of Directors.

3. **RESIGNATION AND REMOVAL:** Any Committee Member may resign at any time by giving notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified in the notice. Committee Members may be removed from the committee with or without cause by (1) a vote of two-thirds (2/3) of the Members of the Board at the annual meeting or a special meeting called for that purpose; or (2) a vote of two-thirds (2/3) of the Permitting Personnel Members at the annual meeting or a special meeting called for that purpose. If any Committee Member is so removed, a new Member may be appointed at the same meeting.
4. **CHAIRMAN OF THE COMMITTEE:** The Chairman shall be selected by the Members of each respective Committee. The Chairman shall preside at all meetings of the Committee.

ARTICLE IX

Indemnification

1. **EXPENSES AND LIABILITIES:** Except as provided below, to the extent and upon the terms and conditions provided by North Carolina Nonprofit Corporation Act as it exists or may hereafter be amended, the Association shall indemnify any and all of its officers and Directors against liability and litigation expense, including reasonable attorneys' fees, arising out of their status as such. Said officers and Directors shall be entitled to recover from the Association, and the Association shall pay, all reasonable costs, expenses, and attorneys' fees in connection with the enforcement of rights to indemnification provided herein. Such right shall inure to the benefit of the legal representative of any such person and shall not be exclusive of any other right to which such person may be entitled apart from the provisions of this Bylaw. Such indemnification rights shall apply against liability incurred in a proceeding if the officer or Director: (a) conducted himself/herself in good faith; (b) reasonably believed; (i) in the case of conduct in his/her official capacity with the Association, that his/her conduct was in its best interest; and (c) in the case of any criminal proceeding, had no reasonable cause to believe his/her conduct was unlawful. The Association shall not indemnify a Director or officer (a) in connection with a proceeding by or in the right of the Association in which the Director was adjudged liable to the Association; or (b) in connection with any other proceeding charging improper personal benefit to the Director, whether or not involving action in his/her official capacity, in which the Director was adjudged liable on the basis that personal benefit was improperly received by the Director. The Association shall indemnify a Director or officer who was wholly successful, on the merits or otherwise, in the defense of any proceedings to which the Director or officer was a party because he/she is or was a Director or officer of the Association against reasonable expenses actually incurred by the Director or officer in connection with the proceeding.

The Association also shall have the power, in its sole discretion, to indemnify any present or former Director, officer, employee or agent or any person (who has served or is serving (i) in such capacity at the request of the Association in any other corporation,

partnership, joint venture, company, trust or other enterprise or (ii) as a trustee or administrator under an employee benefit plan), with respect to any liability or litigation expenses, including reasonable attorneys' fees (incurred in such capacity by any such person) to the extent and upon the terms and conditions provided by the North Carolina Nonprofit Association Act as it exists or may hereafter be amended.

- 2. ADVANCE PAYMENT OF EXPENSES:** Expenses incurred by a Director, officer, employee or agent in defending a civil or criminal action, suit or proceeding may be paid by the Association in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case or as authorized or required under any character or Bylaw provision or by any applicable resolution or contract upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified by the Association against such expenses.

Notwithstanding the provision of the preceding paragraph, the Association shall, upon receipt of an undertaking by or on behalf of the Director or officer involved to repay the expenses described in the second paragraph of the preceding Section I of **ARTICLE X** unless it shall ultimately be determined that he/she is entitled to be indemnified by the Association against such expenses, pay expenses incurred by such Director or officer in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding.

- 3. INSURANCE:** The Association shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Association, or is or was serving at the request of the Association as Director, officer, employee, trustee or agent of another nonprofit corporation or trust against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not the Association would have the power to indemnify him/her against such liability.

ARTICLE X

Contracts, Loans and Deposits

- 1. CONTRACTS:** The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the Association, and such authority may be general or confined to specific instances.
- 2. LOANS:** No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances. In no event shall loans be made by the Association to its Board members or officers.
- 3. CHECKS AND DRAFTS:** All checks, drafts or other orders for the payment of money issued in the name of the Association shall be signed by such officer or officers, agent or

agents, of the Association and in such manner as shall from time to time be determined by resolution of the Board.

4. **DEPOSITS:** All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depository or depositories, as the Board shall direct.
5. **GIFTS:** The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE XI

Forbidden Activities

No part of the net earnings of the Association shall inure to the benefit of or be distributable to its officers, Directors, or other private persons, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of its non-profit purposes and that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of its non-profit purposes and that the Association shall be authorized in the event of liquidation or dissolution to distribute the balance of all money and other property which it receives from any source, after the payment of all debts and obligations, back to the members in proportion to the amount of cumulative dues contributed to the Association if such is adopted as the Plan of Liquidation by the Board of Directors. The Association 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.

ARTICLE XII

General Provision

1. **SEAL:** The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed "SEAL"; and such seal is hereby adopted as the corporate seal of the Association.
2. **AMENDMENTS:** Except as otherwise provided herein, these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the Board members then holding office at any regular or special meeting of the Board.

The Board of Directors shall have no power to adopt a bylaw providing for the management of the Association otherwise than by the Board. Notice to the Directors shall be provided by written copies of the proposed changes by any available means prior to the meeting where the changes will be considered for a vote by the Board.

3. **BOOKS AND RECORDS:** The Association shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board members and committees having any of the authority of the Board.
4. **FISCAL YEAR:** The fiscal year of the Association shall begin on the 1st day of July and end on the 30th day of June each year.
5. **GENDER:** Wherever the context shall so require, all words herein in any gender shall be deemed to include the masculine, feminine, or neuter gender, all singular words shall include the plural, and all plural words shall include the singular.