

# FOURTH RESTATEMENT OF THE BYLAWS OF COROLLA CIVIC ASSOCIATION

## ARTICLE I

### Name

**1.1 Association Name.** The name of the organization is Corolla Civic Association (herein the "Association"), a North Carolina Nonprofit Corporation, the Articles of Incorporation (the "Articles") of which have been filed in the Office of the North Carolina Secretary of State.

**1.2 Boundaries.** The geographical boundaries of the Association shall be the land between the Currituck Sound and the Atlantic Ocean, ranging from the Currituck County border with Dare County on the South, to the North Carolina-Virginia state line on the North, also known as the Currituck Outer Banks (the "COBX").

## ARTICLE II

### Purposes

**2.1 Mission Statement.** The mission of the Association is to create a safe, clean and attractive place to live and visit by implementing ideas, events and strategies that are for the good of all Members, residents, businesses, owners of property and visitors within COBX, while maintaining the historical value of the community. With respect to the activities of the Corolla Community Health Center ("CCHC") the mission is to provide quality patient-centered medical and behavioral health services to the diverse members of our Community. For this purpose, "Community" shall mean the geographical area served by the medical offices operated by the Association as defined in 42 C.F.R. Section 11.357(E)(2); these services are provided to all patients regardless of their financial, cultural, or social circumstances and regardless of their race, skin color, ethnicity or national origin, thereby assuring quality health care access for all.

**2.2 Purpose.** The Association, which does not contemplate pecuniary gain or profit, incidental or otherwise, is organized exclusively for charitable, scientific and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, and any subsequent amendments thereto, and particularly to improve the social, economic and physical well-being of the Members, residents, businesses and owners and visitors within COBX. With respect to activities of CCHC, the purpose is to own and operate a health center contemplated by Section 330 of the Public Health Service Act, as amended by the Health Center Consolidation Act of 1996, which provides primary and preventive health services to underserved populations in the Community.

**2.3 Specific Objectives.** Included within the general mission statement and purpose stated above are, among others, the following specific objectives:

**2.3.1** To provide community leadership by regularly scheduling meetings and programs for sharing information, expressing concerns and providing solutions;

**2.3.2** To promote the general welfare and spirit of unity within COBX, acting as a non-commercial, non-partisan, non-sectarian association, by reviewing the social and civic needs of the area and addressing those needs through the formulation, dissemination and vigorous pursuit of a community program for the betterment of COBX;

**2.3.3** To ensure that the COBX is preserved as a well-planned and high quality beach community with pristine beaches that is an attractive destination for families and retirees;

**2.3.4** To encourage the development of facilities or activities required for the support of this area and its residents and visitors;

**2.3.5** To oppose intrusions detrimental to the high standards and desirability as an attractive beach community so long associated with COBX;

**2.3.6** To maintain liaison with governing bodies and represent its Members in various meetings and activities in or affecting COBX including but not limited to (a) discussions with government officials and agencies at local, county, state and federal levels, including participation in judicial proceedings and public hearings; and (b) discussions with other organizations, public and private, inside and outside of COBX and provide them with cogent input and reliable information so as to influence decision-making and remain alert to actions that are of concern to COBX.

**2.3.7** To exercise vigilance in zoning matters, so that the rights and interests of the majority of the residents, small businesses and property owners are protected;

**2.3.8** To remain alert to actions that are of concern to the community, identify positive and negative impacts of such action on COBX and inform and educate the COBX residents, property owners and businesses of COBX of cogent community problems, issues, events, forecasts and developments;

**2.3.9** To interact with Currituck County officials to the end that the public services of the community may be improved and effectively administered and to facilitate communication between the Association membership and county, state and federal government and any other appropriate organizations.

**2.3.10** To provide a forum for the exchange of views on civic matters among property owners, residents and businesses of COBX;

**2.3.11** To promote unity of purpose and harmonious relations among the property owners, residents and businesses of COBX;

**2.3.12** To make contributions to small "501(c)(3)" organizations operating exclusively in the COBX which are in need of additional support; and

**2.3.13** To promote the general welfare of the COBX, to preserve and enhance its historical heritage, and to maintain its unique character and pristine beaches for future generations and such other purposes and objectives as may be approved by the Board or by the Membership; provided however, that in no event shall the Association expend funds or otherwise lobby to attempt to influence the selection, nomination, election or appointment of any person to any Federal, state, or local public office or to an office in a political organization.

**2.3.14** With respect to the activities of CCHC, the objectives include, but are not limited to: (i) providing primary care and behavioral health services to the Currituck Outer Banks and the portions lower Currituck County extending from Harbinger to Jarvisburg ("Lower Currituck"); (ii) promoting and facilitating community outreach and educational programs that stress preventive health care and maintenance; (iii) assisting clients with accessing other providers of Human Services where possible; and (iv) developing and promoting alliances with other health care providers that will mobilize and strengthen resources in order to increase access to care.

### **ARTICLE III**

#### **Membership; Members' Meetings and Voting**

**3.1 Membership.** Membership in the Association ("Membership") shall be available only to owners of real property located within the COBX and residents of the COBX, whether or not they own property, and also to businesses located within the COBX if the business has a non-residential physical location within the COBX provided that such business is eligible for only one Membership even if it has multiple locations within the COBX. In the case of tenant-occupied properties, both the property owner and the duly qualified full-time tenant shall be eligible for Membership in the Association. The right of any Member to vote on any Association matters may be suspended by the Board of Directors of the Association for just cause pursuant to its rules and regulations and for any period during which any Member fee or dues remain unpaid.

**3.2 Good Standing.** Any Member shall be in good standing if the Association dues have been paid for the current fiscal year. A new Membership initiated within the three-month period prior to the end of the fiscal year shall be deemed to include membership for the following fiscal year. Any Member in good standing shall be entitled to exercise the privileges of membership, including but not limited to those related to voting. No person who is not a Member in Good Standing may serve as a Director, Officer, or as a member of any committee of the Association (other than “ex officio” committee members appointed by the President).

**3.3 Termination of Membership.** Membership in the Association shall not be transferable. Any Member may withdraw from the Association by notifying the Secretary in writing. No annual fees will be refunded.

**3.4 Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as the Board may designate.

**3.5 Annual Meetings.** The Board shall schedule subsequent regular annual Membership meetings so as to occur during the month of October, on such date and at such time as the Board may specify.

**3.6 Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or upon a petition signed by Members representing at least five percent (5%) of the total votes in the Association.

**3.7 Notice of Meetings.** Written or printed notice stating the place, day, and hour of any meeting of the Members shall be given to each Member entitled to vote at such meeting, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. The method of giving notice of the meeting shall be pursuant to Section 9.3 of these Bylaws, unless the provisions of the North Carolina Nonprofit Corporation Act, Chapter 55A of the North Carolina General Statutes (the “Act”) expressly provides to the contrary notwithstanding any provision of the Bylaws. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

**3.8 Waiver of Notice.** Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may waive, in writing, notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

**3.9 Adjournment of Meetings.** If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not less than 5 nor more than 30 days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to the Members in the manner prescribed for meetings. Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that any action taken is approved by at least a majority of the votes required to constitute a quorum.

**3.10 Proxies.** Members may cast votes in person or by proxy, subject to any limitations of the Act relating to use of general proxies and subject to any specific provision to the contrary in these Bylaws. Every proxy shall be in writing specifying the printed name of the Member for which it is given, signed by the Member or his duly authorized attorney-in-fact (with a true copy of attorney-in-fact attached thereto), dated, and filed with the

Secretary of the Association prior to the meeting for which it is to be effective. Pursuant to Section 55A-7-24(a) of the Act, an appointment in the form of an electronic record that bears the Member's electronic signature and that may be directly reproduced in paper form by an automated process shall be deemed a valid proxy appointment form. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast. In the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon: (a) receipt by the Secretary of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person, or (b) eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

**3.11 Majority.** As used in these Bylaws, the term "majority" shall mean those votes of Members or other group as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.

**3.12 Quorum.** Except as otherwise provided in these Bylaws, the presence of Members representing at least ten percent (10%) of the Members in the Association, or the presence of a majority of members of the Board of Directors, shall constitute a quorum.

**3.13 Conduct of Meetings.** The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

**3.14 Action without a Meeting.** Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice and without a vote if (1) written consent specifically authorizing the proposed action is signed by all Members pursuant to Section 55A-7-04 of the Act or subsequent replacement statute, or (2) by written ballot signed by less than all of the Members, if the action is taken pursuant to the requirements of Section 55A-7-08 of the Act or subsequent replacement statute.

## **ARTICLE IV Board of Directors**

**4.1 Number and Qualification of Directors.** The Board shall consist of at least five (5) but no more than fifteen (15) natural persons. The number of members of the Board of Directors shall be fixed from time to time by resolution of the Board. Board terms shall run for two years. Terms for those individuals who were Directors at January 1, 2019 ("Legacy Directors") shall continue to run on a staggered basis. Board members may be re-elected to successive terms. There shall be no term limits. Each Director shall be a Member of the Association. Employees of CCHC are ineligible to serve as a Director. The Chief Executive Officer of CCHC shall be a non-voting, ex-officio member of the Board of Directors.

The Board of Directors shall be representative of the Community served by CCHC in terms of race, ethnicity and gender in compliance with federal membership requirement for HRSA funded organizations. These factors are not, however, meant to impose quotas on Board selection. Non-patient Board members may be selected for their expertise in health care, government, finance, education, banking, law, business, social services and community affairs. At least fifty-one percent (51%) of the Board members shall be active users of the services of the health center and no more than one-half of the non-user Board members may be health care professionals (defined as deriving more than ten percent (10%) of their income from the health care industry). CCHC employees, contractors and immediate family members of employees may not be members of the Board of Directors. Each member of the Board of Directors shall verify periodically that no immediate family member is an employee of CCHC.

**4.2 Election of Directors.** The Legacy Directors (elected by the Membership) shall be authorized to appoint four (4) additional Directors on April 10, 2019. Thereafter, Directors shall be elected by the Membership by a majority of the votes cast in the election at the annual meeting of the Members.

**4.3 Nominating Committee.** The President shall appoint a nominating committee no later than August 1 to prepare a slate of director candidates for terms to begin January 1 of the following fiscal year. The immediate past president shall serve as chair of the nominating committee. If the immediate past president is not available, the President shall appoint another Member to serve as chair of the nominating committee. The President shall not serve as a member of the nominating committee. The slate of directors shall be completed by the nominating committee and submitted to the President in writing no later than October 1. The President shall notify the Membership of the slate of nominees prior to the annual meeting of the Membership. Only Members in Good Standing may be nominated. None of the Members of the nominating committee shall be nominated.

At the annual meeting of the Membership, the President shall present to the Membership the slate of director as proposed by the nominating committee. During the same Membership meeting, the President shall ask the Membership for nominations from the floor. After the floor is closed for nominations, the President shall announce the names of the persons nominated to be Directors. If persons are nominated from the floor, the President shall place the names of all nominated persons on a written ballot in alphabetical order under each office, and the same shall be voted for by the Membership. If no persons are nominated from the floor, no ballot shall be necessary and the presented slate may be elected by the Membership by voice vote.

#### **4.4 Removal.**

**4.4.1** Any Director may be removed by the Members pursuant to the provisions of Section 55A-8-08 of the Act. The successor may then be elected by the Members to serve for the balance of the removed Director's term.

**4.4.2** A Director's term shall automatically cease if (a) the Director is no longer a Member in Good Standing of the Association, or (b) the Director fails to attend two (2) consecutive regularly scheduled meetings of the Board without prior notification to the Board. The President or other person presiding over a Board meeting may excuse an absence of a Director, which such excuse shall be noted in the minutes of the Board meeting.

**4.5 Vacancies.** Any vacancy in the Board arising by death or resignation of a Director shall be filled by act of the remaining Directors, whether or not constituting a quorum, and a Director so elected shall serve for the unexpired term of his predecessor in office.

**4.6 Regular Meeting.** A Board meeting shall be held each month. Regular meetings of the Board may be held at such time and place as shall be determined by a majority of the Directors. Notice of regular meetings shall be given to each Director at least seventy-two (72) hours prior to the meeting. Meeting minutes shall be recorded reflecting, inter alia, attendance by Board members, key actions and decisions taken by the Board.

**4.7 Special Meetings.** Special meetings of the Board may be called by the President and shall be called by the President or the Secretary and held within ten (10) days after written request for the same, signed by two (2) Directors is delivered to any other Director or the President or the Secretary. Not less than seventy-two (72) hours' notice of such special meeting shall be given to each Director; provided that in case the President or any Director determines that an emergency exists, a special meeting may be called by giving such notice as is possible under the circumstances. The notice of a special meeting shall state the time, place and purpose of the special meeting. No business shall be transacted at a special meeting except that which is stated in the notice.

**4.8 Quorum; Adjournment if No Quorum.** A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If a quorum is not present, the meeting shall be adjourned from time to time until a quorum is present. The signing by a Director of the minutes of a meeting shall constitute the presence of such Director at that meeting for the purpose of determining a quorum.

**4.9 Manner of Acting.** Each Director shall be entitled to one (1) vote. The act of a majority of the Directors present at a meeting shall constitute the act of the Board unless the act of a greater or lesser number is required or permitted by the provision of the Act or these Bylaws.

**4.10 Board Action without Meeting.** Any action that may be taken at a meeting of the Board may be taken without a meeting if such action is authorized in a writing, setting forth the action taken, signed by all Directors.

**4.11 Telephonic or Video Participation in Meetings.** Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone, video conferencing, or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence in person at such meeting.

**4.12 Open Meetings; Closed Sessions.**

**4.12.1** Subject to the provisions of Section 4.12.2 of these Bylaws, all Board meetings shall be open to all Members, but attendees other than directors may not participate in any discussion or deliberation unless a director requests that they be granted permission to speak. In such case, the President may limit the time any such individual may speak.

**4.12.2** Meetings of the Board may be held in closed session, without giving notice and without the requirement that they be open to Members, in any of the following situations: (1) No action is taken at the closed session requiring the affirmative vote of the Directors; or (2) The action taken at the closed session involves or includes personnel matters, advice from the Board's attorney which requires confidentiality in order to preserve the attorney-client privilege, pending litigation, or actions involving enforcement of the Act, the Articles, or these Bylaws.

**4.13 Compensation of Directors Restricted.** Directors shall receive no compensation for their services, but may be paid for out-of-pocket expenses incurred in the performance of their duties as Directors.

**4.14 Conflicts of Interest.**

**4.14.1 Disclosures of Interests.** Any Director, Officer, employee or committee member having a financial or other personal interest, including a conflicting fiduciary interest (due to status as an officer or director of another organization), in a transaction, contract or other matter presented to the Board of Directors or a committee thereof for authorization, approval, or ratification shall provide prompt, full, and frank disclosure of such interest to the Board or committee prior to its acting on such contract or transaction.

**4.14.2 Evaluation of Conflict of Interest Matters.** The body to which such disclosure is made (i.e., the Board or applicable committee) shall determine, by a majority vote, whether a conflict of interest (due to a personal financial or other interest, including any conflicting fiduciary interest) exists or can reasonably be construed to exist, which would reasonably be expected by an objective third party to affect the Director's ability to make an unbiased decision in the best interest of the Association.

**4.14.3 Appropriate Action when a Conflict of Interest is determined to be Present.** If a conflict of interest is deemed to exist, such person shall not vote on, or use his or her personal influence on, or be present for or participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to, such contract or transaction. Such person may be counted in determining the existence of a quorum at any meeting where the contract or transaction under discussion is being voted upon.

**4.14.4 Record in Minutes.** The minutes of the meeting shall reflect the disclosure made of any conflict or potential conflict of interest, the vote thereon, and, where applicable, the abstention from voting, presence, and participation, and whether a quorum is present.

**4.14.5 Conflict of Interest and Other Policies.** The Association shall also adopt policies from time regarding conflicts of interest, including requirements regarding disclosure of such interests and relationships.”

**4.14.6 Additional Provisions with respect to Operation of CCHC.** No Board member, CCHC employee or agent may participate in the selection, award or administration of a contract supported by federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when a Board member, CCHC employee or agent, or any member of his or her immediate family, his or her partner, or any organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The Board members, employees and agents of CCHC shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to sub-agreements.

**4.15 Duties of the Board with respect to Operation of CCHC.**

**4.15.1** The Board shall have sole responsibility for the oversight of CCHC and shall ensure that CCHC is operated in compliance with applicable federal, state and local laws and regulations. More specifically, with respect to the operation and activities of CCHC, the Board shall have the authority and responsibility to:

- (a) Establish and/or approve policies and procedures governing the conduct of CCHC’s overall operations, and update such policies and procedures when necessary or otherwise appropriate (while CCHC’s staff is responsible for implementing and ensuring adherence to these policies).
- (b) Approve the selection and termination/dismissal of the Chief Executive Officer (CEO) and evaluate the CEO annually
- (c) Review and adopt organizational policies for overall financial management including periodic review and policy approvals that include, but are not limited to, maintenance of separate bank accounts and books of account for CCHC, accountability of financial resources, establishment of charges and sliding fee schedules, billing, payment schedules, collections, annual audits, approval of all grant applications and budgets, and approval of all annual revenue and expenditure budgets consistent with the successful operation of the Health Center.
- (d) Adopt policies regarding the scope and availability of services to be provided, service site locations, hours of operation, and billing and collections procedures.
- (e) Adopt Quality Improvement/Quality Assurance policies and associated audit procedures.
- (f) Conduct long range/strategic planning at least every three (3) years to measure and evaluate CCHC’s progress in meeting annual and long-term programmatic and financial goals.
- (g) Regularly evaluate CCHC’s operations, set standards of performance and monitor patient satisfaction to assess the achievement of project objectives, such as service utilization patterns and the efficiency and effectiveness of CCHC.
- (h) Establish a procedure for hearing and resolving patient grievances.
- (i) Evaluate itself at least annually for efficiency and effectiveness, provide training and educational opportunities as a result of such evaluations, and provide onboarding for new board members as to the scope of their responsibilities and the policies and procedures adopted relating to the operation of CCHC.

**4.15.2** For the avoidance of doubt, no individual, entity or committee shall have veto power over the Board with regard to its authority or responsibilities specified herein and collaborations or agreements with other entities shall not restrict or infringe upon the Board's required authorities or functions.

**4.15.3 Committees of the Board.** The President shall have the power and authority to create committees of the Board and shall appoint chairs and members of such committees. Terms of committee chairs and members shall coincide with that of the appointing President. One member of each committee shall be a Director, except the nominating committee need not contain any Directors.

With respect to CCHC, the President may consider the creation of any or all of the following committees specific to the operation of CCHC: Executive Committee; Finance Committee; Personnel Committee; Strategic Planning Committee; Development & Fundraising Committee; Quality Assurance/Quality Improvement Committee; and such other Ad Hoc temporary committees as may be necessary from time to time. Such committees shall meet on a regular basis as is necessary to meet their responsibilities and shall create and adopt written minutes.

## **ARTICLE V Officers**

**5.1 Designation of Officers.** The officers of this Association shall be a President, one Vice President, one Secretary, and one Treasurer. Each officer shall be a Member. A person may hold one or more of the offices at one time, except that the President shall not at the same time hold another office in the Association. The Board may elect an assistant Secretary and an assistant Treasurer, and such other officers as in its judgment may be necessary. The President and Vice President shall be Directors. The Treasurer and Secretary may but need not be Directors and if not Directors, the Treasurer and Secretary shall serve as ex-officio non-voting members of the Board.

**5.2 Election of Officers.** All of the initial officers of the Association shall be elected by the Board. The election shall be held annually at the first meeting of the Board held after the Annual Meeting of the Members.

**5.3 Term.** Each officer shall serve until his successor has been duly elected.

**5.4 Removal.** Any officer may be removed, with or without cause, and without notice, by the Board.

**5.5 Vacancy.** Any vacancy in any office shall be filled by the Board, and an officer elected to fill a vacancy shall serve for the unexpired term of his predecessor in office.

**5.6 Powers and Duties of Officers.**

**5.6.1 President.** The President shall be the chief executive officer of the Association; shall have all of the powers and duties incident to the office of a president of a corporation, including, but not limited to, the duty to preside at all meetings of the Members, and the general supervision of officers in the management of the business and affairs of the Association; and shall see that all actions and resolutions of the Board are carried into effect.

**5.6.2 Vice President.** The Vice President shall perform such duties of the President as shall be assigned to him by the President, and in the absence of the President shall perform the duties and functions of the President.

**5.6.3 Secretary.** The Secretary shall keep the minutes of all meetings and action of the Board and of the Members; shall give all required notices to the Directors and Members; shall keep the records of the Association, except those kept by the Treasurer; shall perform all other duties incident to the office of a secretary of a corporation; and shall perform such other duties required by the Board or the President.



**5.6.4 Treasurer.** The Treasurer shall have custody of all intangible property of the Association, including funds, security, and evidences of indebtedness; shall keep, or cause to be kept, the books of the Association in accordance with good accounting practices and principals, and, upon request, shall submit them, together with all vouchers, receipts, records, and other papers to the Board for examination and approval; shall deposit all moneys and other valuable effects in depositories designated by the Board; shall disburse funds of the Association as directed by the Board; and shall perform all other duties incident to the office of a treasurer of a corporation.

**5.7 Execution of Agreements, etc.** All agreements, deeds, mortgages, and amendments to the Bylaws, or other such instruments shall be executed by the President or Vice President, or as otherwise designated by resolution of the Board.

**5.8 Compensation of Officers Restricted.** No officer shall be compensated for his or her services in such capacity, but may be reimbursed for out-of-pocket expenses incurred in performing his or her duties.

## **ARTICLE VI Indemnification of Directors and Officers**

The Association shall indemnify such persons, for such expenses and liabilities, in such manner, under such circumstances, and to such extent as permitted by the Act, as now enacted or hereafter amended.

## **ARTICLE VII Fiscal Management**

**7.1 Depository.** The Board shall designate a depository bank for the funds of the Association, and may change such depository. Withdrawal of funds from such depository shall be only by checks signed by any officer of the Association. Any expenditure over \$500 shall be approved in advance by the President and Treasurer in writing, which writing may be in either paper or electronic format.

**7.2 Fidelity Bonds.** Fidelity bonds may be maintained by the Association, in an amount determined by the Board, covering each director and officer of the Association, any employee or agent of the Association and any other person, handling or responsible for handling funds of the Association.

**7.3 Annual Review of Financial Records.** A thorough review of all financial transactions and records of the Association by a qualified person shall be made once each fiscal year.

**7.4 Fiscal Year.** The fiscal year end of the Association shall be December 31, such that the Fiscal Year of the Association shall begin on January 1 and end on December 31; provided, however, that the Board, from time to time, by resolution, may change the Fiscal Year to some other designated period.

**7.5 Budget.** The Treasurer, assisted by the Finance Committee (if such committee is created and appointed), shall submit to the Board for its consideration a proposed budget for the coming fiscal year no later than September 15. The Board shall consider and approve a proposed budget no later than the regular Board meeting in October. A separate budget, pertaining solely to the operations of CCHC, shall also be created.

**7.6 Books and Accounts.** The books and accounts of the Association shall be the responsibility of the Treasurer and shall be kept under the direction of the Treasurer. The books, records, and papers of the Association shall be subject to inspection by any Member upon fifteen (15) days prior written notice. The Articles and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies shall be made available for sale at a reasonable price. Separate books and accounts shall be maintained with respect to the operation of CCHC.

## **7.8 Conformance with Internal Revenue Code Requirements**

**7.8.1** The Association is organized exclusively for charitable, educational and scientific purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code (the "Code") .Notwithstanding any other provisions of these Bylaws, the Association 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 Code; or (b) by a Corporation, contributions to which are deductible under section 170(c)(2) of the Code.

**7.8.2** No part of the Association's net earnings shall inure to the benefit of any contributor, director, trustee, officer, or other individual, except that the Association shall be authorized and empowered to pay reasonable compensation for the services rendered and to make payments and distributions in furtherance of the purposes and objectives set forth in Article II herein. No substantial part of the activities of the Association shall consist of the carrying on of propaganda, lobbying or otherwise attempting to influence legislation, except to the extent permitted by Section 501(h) of the Code; 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 or in opposition to any candidate for public office.

**7.8.3** Upon dissolution of the Association, the Board of Directors shall, after paying or making provisions for the payment of all the legal liabilities of the Association, dispose of all of the assets of the Association exclusively for the purposes of the Association or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes, as shall at the time qualify as a tax exempt organization or organizations under Section 501(c)(3) of the Code, as the Board of Directors shall determine,, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the Association is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

## **ARTICLE VIII Administration of CCHC**

**8.1 Chief Executive Officer of CCHC.** The Chief Executive Officer of CCHC ("CEO") shall report to the Board of Directors and shall be employed directly by the Association. An annual evaluation of the CEO shall be conducted by the Board (or, if a Personnel Committee is formed, by the Personnel Committee and approved by the Board. The CEO shall have full power and authority to implement corporate policies and manage the business affairs of CCHC.

**8.2 Staff.** The Board of Directors may empower the CEO to employ, terminate and fix duties of all CCHC employees; provided, however, that the CEO shall obtain Board approval (or Personnel Committee approval if such committee is formed) of the terms of any offer of employment, including salary and benefits, prior to making the offer.

**8.3 Non-discrimination.** Discrimination against any employee or applicant for employment with CCHC on the basis of political or religious opinion or affiliation, marital status, race, color, creed, national origin, sex, sexual orientation, age or handicap shall be prohibited.

## **Article IX Amendment**

These Bylaws may be amended or repealed and new Bylaws may be adopted. The proposed new Bylaws shall be submitted by the Board of Directors to the Members. The Members may adopt, amend, restate or

repeal the Bylaws by a vote of two-thirds (2/3rds) of the votes entitled to be cast at a Meeting or a majority of the total votes of the Association.

## **ARTICLE X Political Action**

The Association does not endorse candidates and stays neutral in all political races. Campaign signs and campaign tables are not permitted at the Association's social functions or meetings and campaign messages are not permitted in mass communications sent out by the Association. The Association may host Candidate Forums from time to time in which all candidates running for office may be permitted to speak to the Members and candidates are welcome to attend any public meeting of the Association and meet with the Members individually.

## **ARTICLE XI General Provisions**

**11.1 Parliamentary Authority.** Robert's Rules of Order, Newly Revised, shall govern the conduct of Association proceedings when not in conflict with these Bylaws, the Articles, the Act, or any statutes of the State of North Carolina applicable thereto. The Chairman of the meeting shall have the authority to appoint a parliamentarian.

**11.2 Compliance with the Act; Conflict; Severability.** These Bylaws are established in compliance with the Act, as amended. Should any of the terms, conditions, provision, paragraphs, or clauses of these Bylaws conflict with any of the provisions of said Act, the provision of said Act shall control unless the Act permits these Bylaws to override the Act, in which event these Bylaws shall control. If any term, provision, limitation, paragraph, or clause of these Bylaws, or the application thereof to any person or circumstance, is judicially held to be invalid, such determination shall not affect the enforceability, validity, or effect of the remainder of these Bylaws, or the application thereof to any other person or circumstance.

### **11.3 Notices.**

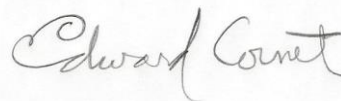
**11.3.1** Unless expressly provided to the contrary by the Act, notices required under these Bylaws shall be in writing and shall be either: (a) hand-delivered, in which case notice will be deemed to have been given upon receipt, or (b) mailed prepaid by United States mail or by a commercial overnight mail service to the mailing address of the intended recipient, such address being the address on file with the sender or the address designated by the recipient in writing, in which case notice will be deemed to have been given when sent, or (c) sent by facsimile to a facsimile phone number of the recipient on file with the sender, in which case notice will be deemed to have been given when sent, or (d) Sent by any other electronic means, including by electronic mail over the Internet, to an electronic mailing address designated in writing by the recipient, in which case notice will be deemed to have been given when sent.

**11.3.2** Each party hereto shall be responsible for notifying the other of any change in its address within fifteen (15) days of such change.

**11.3.3** All notices to the Association shall be hand-delivered or mailed to the Association's mailing address stated in either the Association's correspondence or publications, or in the corporate records of the North Carolina Secretary of State.

**11.3.4** If any date upon which action is required under these Bylaws shall be a Saturday, Sunday or legal holiday, the date for such action shall be extended to the first regular business day after such date which is not a Saturday, Sunday or legal holiday.

These Bylaws were ratified by the Membership of the Association on October 24, 2019.

A handwritten signature in cursive script that reads "Edward Cornet". The signature is written in black ink on a light-colored background.

Signature of the Secretary of the Association

Amendment History:

First Amendment – March 27, 2014

Second Amendment – October 22, 2015

First Restatement – December 13, 2016

Second Restatement – September 27, 2018

Third Restatement - April 10, 2019

Fourth Restatement – October 24, 2019