

**By-laws of the  
North Carolina Committee  
To Defend Health Care (Doing Business as  
Health Care for All NC)**

*Revised November, 2008*

(Approved December 4, 2008)

## ARTICLE I

### Name, Mission, Objectives, Location, and Fiscal Year

#### Section 1.1. Name

The name of this organization shall be Health Care for All NC, referred to below as the Organization.

#### Section 1.2 Mission

Health Care for All NC, works to educate about and advocate for the "Right to Health Care", so that access to appropriate and affordable health care on a regular basis is assured for all North Carolinians regardless of age, sex, race/ethnicity, marital or employment status, pre-existing medical condition or geography.

#### Section 1.3 Objectives

The Organization shall remain a non-profit educational, health, and scientific organization. The objectives of the Organization are as follows:

1. To advocate that the right to health care be extended to all persons in North Carolina including the uninsured, the poor and minorities;
2. To organize support, educate, and promote discussion among health professionals, the media, policy makers and the general public on behalf of appropriate and affordable health care on a regular basis for all North Carolinians;
3. To advocate for N.C. and U.S. health policy reform through:
  - a) publishing articles analyzing medical costs and health services in medical and lay publications;
  - b) informing our members, supporters, and the general public through interviews and articles on television and radio and in newspapers, through our listservs and website, and through assistance to journalists covering state and national health policy issues;
  - c) making presentations and promoting debate in medical and other professional forums as well as in meetings of lay people;
  - d) participating in analyzing policy alternatives and making policy recommendations; and
4. To engage in other charitable and educational tax-exempt activities within the meaning of and permissible by Chapter 55A of the North Carolina General Laws and Section 501(c)(3) of the Internal Revenue Code of 1954, as now in force or hereinafter amended (the "Code"), or corresponding provisions of any subsequent federal tax laws, and for a corporation to which contributions are deductible under Section 170(c) (2) of the Code or corresponding provisions of any subsequent federal tax laws.

The Organization shall not have or exercise any power or authority either expressly, by interpretation or by operation of law, nor shall it directly or indirectly engage in any activity that would prevent the Organization from qualifying (and continuing to qualify) under Section 501(c) (3) of the Code, contributions to which are deductible for federal income tax purposes.

No substantial part of the funded activities of this Organization shall consist of carrying on propaganda or otherwise attempting to influence legislation; nor shall it in any manner or to any extent participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office; nor shall it engage in any activities that are unlawful under the laws of the United

States of America, or the State of North Carolina, or any other jurisdiction where such activities are carried on; nor shall it engage in any transactions defined at the time as "prohibited" under Section 503 of the Code, provided, however, that such activities may be carried out to the extent permitted under Section 501(h) for so long as the Corporation has elected to proceed under said Section 501(h).

This Organization shall never be operated for the primary purpose of carrying on a trade or business for profit. Neither shall the **whole**, nor any part or portion, of the assets be used, nor shall this Organization ever be organized or operated, for purposes **that are not exclusively** charitable, scientific, literary, or educational within the meaning of Section 501(c)(3) of the Code.

#### Section 1.4 Fiscal Year

The fiscal year of the Organization shall, unless otherwise decided by the Board of Directors, commence January 1 of each year and end on December 31.

## **ARTICLE II**

### Membership

#### Section 2.1 Eligibility and Voting Privileges

There shall be two classes of members, designated as Individual Members and Organizational Members.

1. Individual Members: Voting membership shall be open to all dues-paying health care professionals, including physicians, nurses, psychologists, physician assistants, and therapists, as well as students of those and other human health disciplines residing within the state of North Carolina, who support the mission and the principles of the Organization. Additionally any person residing in the state of North Carolina not a health care professional but with a demonstrated interest in health care policy whose dues are up to date and who attends meetings of the Organization or any chapter of the Organization can also be awarded and maintain voting membership.

2. Organizational Members: Any organization supporting the mission and the principles of the Organization may be admitted to organizational membership upon payment of dues. The representative designated by the member organization may attend and participate in meetings of the Organization, shall have the right to vote and to hold office in the Organization.

#### Section 2.2 Selection of Members

Any individual or organization desiring to become eligible for membership in Health Care for all NC shall submit a membership form to the offices of the Organization. Any application endorsing the Organization's Mission and Principles shall be deemed approved upon receipt by the Organization.

#### Section 2.3 Membership Dues

A schedule of dues for members shall be established, and may be modified from time to time, by the Board of Directors. The failure by a voting member to pay such dues shall result in, at the discretion of the Board of Directors, a suspension in the member's right to vote, to hold office, or otherwise to engage in any other business of the Organization.

#### Section 2.4 Powers and Rights

The members shall have such power and rights as are vested in them by law, the Articles of the Organization, or these By-laws.

## Section 2.5 Suspension or Removal

Members may be removed or suspended for cause in accordance with the following procedure:

1. A formal complaint about the behavior of a member of the Organization shall be submitted in writing, signed by the complainant, and delivered via certified mail to the President, who shall within five days deliver a copy of the complaint to the member complained of and also to each member of the Membership Committee for review.
2. The member will, simultaneous with delivery of the copy of the complaint, be notified of a right to reply within thirty days in writing to the Membership Committee, which may upon receipt of the reply choose by a two-thirds vote to:
  - a) Dismiss the complaint, or
  - b) Suspend the member for a specified period of time, or
  - c) Expel the member.
3. **Any** member so expelled or suspended shall have an **immediate right** to appeal the decision of the Executive Committee of the Board of Directors. An appeal is taken by submitting to the President a written request for a hearing on the matter before the Executive Committee. A hearing shall be scheduled for the Executive Committee meeting next following the date of the request. Following the hearing, the Executive Committee members shall, by majority vote of those present and voting, determine the final status of the expelled or suspended member according to the same three alternatives set forth in Section 2.5, paragraph 2.

Any suspended member shall not be eligible for membership before the end of the third month following the final decision to suspend. Any expelled member shall not be eligible for membership before the end of the sixth month following the final decision to expel. At the close of such period, the expelled member may re-apply to the Executive Committee for reinstatement, which may be granted at the discretion of the Committee. Neither an expelled or suspended member may be entitled to any refund of dues.

## Section 2.6 Resignation

A member may resign by delivering his/her written or oral resignation to the President of the Organization. Such resignation shall be effective upon receipt (unless specified to be effective at some other time), and acceptance thereof shall not be necessary to make it effective unless it so states. Resignation from the membership of the Organization shall constitute resignation from office, from Standing and Program Committees, and/or from the Board of Directors, where appropriate. No dues will be refunded.

## Section 2.7 Place of Membership Meetings

Meetings of members shall be held at any place within the State of North Carolina as the Board of Directors may designate.

## Section 2.8 Membership Meetings

Meetings of the membership shall be held at such times and places as are designated by the Board of Directors for the general purposes of discussion and planning organizational strategy and policy for the coming year. There shall be no fewer than one such meeting annually.

If the annual membership meeting is not held as herein provided, a special meeting of the members may be held in its place with the same force and effect as the annual membership meeting, and in such cases all

references in these By-laws to the annual membership meeting shall be deemed to refer to said special membership meeting. Any such special meeting shall be called and notice shall be given as provided in Sections 2.9 and 2.10.

### Section 2.9 Special Membership Meetings

**Special** meetings of the members may be called either by a majority of the Board of Directors or upon written application to the President of 10% of the number of members eligible to vote.

### Section 2.10 Notice of Membership Meetings

#### 1. Annual Membership Meetings

No fewer than thirty (30) days written notice of the date, time, and location of meetings shall be given to each member. The notice shall be announced via the Organization's newsletter, or by e-mail, or by postal mail. Such notice shall also be given as otherwise required by law, the Articles of the Organization, or these By-laws.

#### 2. Special Membership Meetings

Thirty (30) days written notice of the date, time, and location of special meetings of the members shall be given to each member. Said notice need not specify the purposes of the meeting unless otherwise required by law, the Articles of the Organization, or these By-laws.

#### 3. Special Requirement to Give Notice of Meetings to all Members.

In all cases, notice of a membership meeting, special membership meeting, or meeting of the Board of Directors shall be required where said meeting is convened for the purpose of amending the Articles of the Organization, or to vote on proposals for merger, consolidation, or sale of substantially all of the assets of the Organization.

### Section 2.11 Quorum

If less than five percent (5%) of the total number of voting members is present or represented by proxy at any membership meeting, then no business transacted therein shall have any force or effect in law or equity.

### Section 2.12 Action by Vote

All action required or permitted to be taken by the members shall be taken in accordance with the following procedure:

1. Where action is required by members, the Board of Directors shall direct the President to submit to the members a written explanation of the action proposed to be taken and the vote sought, together with a solicitation for the return of a proxy granting to the President the vote of the member on the matter;
2. The members shall in their discretion return a signed proxy to the President, who shall then be required to vote such proxies at the meeting wherein such vote is required.
3. The provisions for voting by proxy notwithstanding, members who do not return their proxy may appear personally and vote at the meeting wherein such vote is required. In the case of votes taken over the internet, at least 10% of the dues-paying members must participate in the voting.

### Section 2.13 Compensation

Members and member organizations shall not be entitled to receive compensation for their services as members.

## **ARTICLE III**

### Board of Directors

#### Section 3.1 Composition

The Board of Directors (“the Board”) shall consist of the officers, chairs of active local chapters, the Immediate Past President, and no more than 11 at-large members elected by the membership at the annual meeting. Chairs of standing committees are ex officio members of the Board but may not vote unless they are also officers or elected At-large Board members.

The Board of Directors shall establish a system of local chapters consistent with these By-laws, and may alter such system from time to time in the exercise of their discretion so long as the alteration does not interfere with the intent of these By-laws that all members of the Organization be fairly represented on the Board of Directors. No action to ratify the system of representation adopted by the Board of Directors shall be required to establish its validity.

#### Section 3.2 Nomination of Candidates

The Board Affairs Committee shall solicit nominations from the membership and shall propose nominees for the position of At-large Board Member to be voted upon at the annual meeting of the membership. The President shall solicit additional nominations from the floor for At-Large positions on the Board of Directors during the annual membership meeting. All such nominations from the floor must be moved and seconded.

#### Section 3.3 Number and Election

In order to ensure that the Board of Directors fairly and adequately represents the constituent members of the Organization, Directors shall be selected once the members' votes are tallied according to the following procedure:

Candidates with the highest vote count (including proxies as per Section 2.12) will be selected.

#### Section 3.4 Action by Members Required

The Board of Directors shall submit the slate of nominations for At-Large Board membership to the general membership and solicit from them proxies in accordance with the terms of Section 2.12 herein. The formal vote for election of the Board shall take place at least once every two years at the membership meeting required by Section 2.8 herein.

#### Section 3.5 Affirmative Action

The Board of Directors shall take steps necessary to promote affirmative action for women, minorities, and those at low income in elections of Board Members. Voting members will be asked to consider affirmative action, as well as regional composition requirements, in voting for At-Large Board members.

#### Section 3.6 Tenure

Membership on the Board shall be in staggered two-year terms. The term of office for each newly elected Board member shall commence at the first Directors' meeting after the election, and end just prior to the first Directors' meeting following the election of his or her successor.

### Section 3.7 Powers

The Board of Directors shall have the general direction, management, and control of all the property, business, and affairs of the Organization. It shall determine the duties, beyond those affixed by these By-laws, of all officers and agents of the Organization. In addition, the Board shall establish policies, principles, and a strategic plan for organizational activities.

### Section 3.8 Committees

The Board of Directors may elect or appoint the President's nominees for chairs of standing committees to carry on such business as the Board in the exercise of its discretion may direct. The chairs of any such committees shall remain in office at the pleasure of the Board. Committee Chairs serve for two (2) years, beginning July 1. Chairs may be re-elected or re-appointed.

The standing committees shall include a Development Committee, a Finance Committee, a Membership Committee, a Communications Committee, and a Board Affairs Committee.

### Section 3.9 Executive Committee

There shall be a standing committee called the Executive Committee, whose members shall include the officers of the Organization, immediate past president, the chairs of standing committees, and any other voting members as the Board of Directors may designate. The Executive Committee shall meet from time to time at the behest of the President to address essential business of the Organization as necessary between Board of Directors' meetings and shall make decisions and implement activities on behalf of the Organization subject to subsequent approval by the Board of Directors.

### Section 3.10 Suspension or Removal

A Board member may be suspended or removed for cause by a vote of at least two-thirds of the Board then in office. Board members may be removed or suspended for cause in accordance with the following procedure:

1. A formal complaint about the behavior of a Board member of the Organization shall be submitted in writing, signed by the complainant, and delivered to the President, who shall within five days deliver a copy of the complaint to the member complained of and also to each member of the Board Affairs Committee for review.
2. The member will, simultaneous with delivery of the copy of the complaint, be notified of a right to reply within thirty days in writing to the Board Affairs Committee, which may upon receipt of the reply choose by a two-thirds vote to:
  - a. Dismiss the complaint, or
  - b. Suspend the member from the Board for a specified period of time, or
  - c. Expel the member from the Board.
3. Any Board member so expelled or suspended shall have an **immediate right** to appeal the decision of the Board of Directors. An appeal is taken by submitting to the President a written request for a Special Meeting of the membership, called in accordance with the procedure in Section 2.9, or to have the appeal added to the agenda of the next annual meeting of the general membership, whichever comes first. At either a special or a general membership meeting the final status of the expelled or suspended member may be determined by a two-thirds vote of those present and voting, plus proxies as described in Section 2.12, according to the same three alternatives set forth in Section 3.10, paragraph 2.

Any suspended Board member shall not be eligible for Board membership before the end of the third month following the final decision to suspend. Any expelled Board member shall not be eligible for Board membership before the end of the sixth month following the final decision to expel. At the close of such period, the expelled member may re-apply to the Board Affairs Committee for reinstatement, which may be granted at the discretion of the Committee with concurrence of the Board. Neither an expelled or suspended Board member may be entitled to any refund of dues.

A failure of a Board member to attend three consecutive Board meetings shall be deemed sufficient cause to suspend or remove such Board member according to the procedures in this Section.

#### Section 3.11 Resignation

A Board member may resign by delivering his or her written resignation to the President of the Organization. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective unless it so states.

#### Section 3.12 Vacancies

A vacancy in the Board of Directors shall be filled by a simple majority vote at the Board meeting next following the date the vacancy was created. Candidates for the vacant position shall be proposed by the Board Affairs Committee. A Board member who is elected through this process shall fulfill the term remaining of the term of the member who has vacated or been removed from his or her position.

#### Section 3.13 Place of Meetings

Meetings of the Board of Directors may be held at any place within North Carolina, or may be held by telephone or internet conference in accordance with Section 3.16 herein.

#### Section 3.14 First Meeting

The first meeting of the Board of Directors shall be called for a date not more than thirty days after the annual meeting. The purposes of the first meeting are to select the committee chairs and officers whose terms are expiring and to transact such other business as may properly come before the Board. The then Immediate Past President shall notify the Board members of the time and place of the first meeting (before the end of the fiscal year).

#### Section 3.15 Regular Meetings

Regular meetings of the Board of Directors will be held at least every three months. In addition, special meetings of the Board may be called by the President or by a majority of the Board.

#### Section 3.16 Notice

Notice of each meeting of the Board of Directors shall be e-mailed to each Board member, addressed to his or her usual business or home e-mail address, not less than one week before the date on which the meeting is to be held. Such notice need not specify the purposes of the meeting unless otherwise required by law, the Articles of Organization or these By-laws, or unless there is to be considered at the meeting contracts or transactions by the Organization with interested persons or amendments to these By-laws.

#### Section 3.17 Quorum

A simple majority of the number of active Board members shall constitute a quorum. A majority of the quorum at any meeting of the Board shall decide any vote or action of the Board, unless otherwise provided by law, the

Articles of the Organization, or these By-laws. Whether or not a quorum is present, any meeting may be adjourned by a majority of the votes cast upon the question, and the meeting may be held as adjourned without further notice.

#### Section 3.18 Action by Vote

When a quorum is present at any meeting, a majority of the Board members present and voting shall decide any questions including election of officers, as provided in Section 3.17, unless otherwise provided by law, the Articles of Organization, or these By-laws. Voting may be by proxy.

#### Section 3.19 Waiver of Notice

Whenever notice of a meeting is required, such notice need not be given to any Board member if a written waiver of notice executed by the Board member before or after the meeting is filed with the records of the meeting or to any Board member who attends the meeting without protesting prior thereto or at its commencement the lack of notice to him or her. A waiver of notice need not specify the purposes of the meeting unless such purposes were required to be specified in the notice of such meeting.

#### Section 3.20 Action by Consent

Any action required or permitted to be taken at any meeting of the Board members may be taken without a meeting if all the Board members consent to the action. Such consents shall be treated for all purposes as a vote at a meeting.

#### Section 3.21 Telephone/Internet Conference Meetings

A meeting of the Board members may take place by telephone or internet conference provided that the Board members are notified of said telephone conference in accordance with Section 3.16 or 3.19. Any action required or permitted to be taken at a meeting of the Board members may be taken at such telephone/internet conference meeting of the Board members provided that a quorum as specified in Section 3.17 is present for and participates in such telephone conference meeting.

#### Section 3.22 Compensation

Board members shall not receive compensation for their services as Board members but may be reimbursed for reasonable expenses incurred in the performance of their duties, funding permitting, as determined by the Treasurer of the Organization. A Board member may not serve as an employee of the Organization.

### **ARTICLE IV**

#### Officers

The officers of the Organization shall be 1) President and Board Chair, Vice President and Program Chair, Treasurer, Recording Secretary, Corresponding Secretary, and Immediate Past President.

#### Section 4.1 Election

The President, Vice President, Treasurer, Recording Secretary and Corresponding Secretary shall be elected once every two years by the Board at their first meeting following the annual membership meeting. The Board shall elect the President, Vice President, Treasurer, Recording Secretary and Corresponding Secretary among the current, paid up members of the Organization. Nominations for positions as officers may be submitted by the Board Affairs Committee, but the Board need not be limited to such nominees when electing officers.

### Section 4.2 Tenure

The term of office for each of the officers shall be two years. An officer may serve repeat terms in the same office.

### Section 4.3 President

The President shall be the Chair of the Board and the chief presiding and principal volunteer officer of the Organization and, subject to the control of the Board members, shall have general charge and supervision of the affairs of the Organization. The President shall preside at all meetings of the Board and at all meetings of the state membership.

Duties of the President shall be the following:

1. To prepare agendas for meetings of the members, the Executive Committee and Board of Directors;
2. To participate as an ex-officio member of all standing committees;
3. To sign all records and documents whereunto his or her signature shall be lawfully required.
4. To supervise, on behalf of the Board, the Executive Director.

### Section 4.4 Vice President

The Vice President shall be the Chair of Programs and assume the duties of the President in the event that the President is absent or otherwise incapacitated. As Chair of Programs the Vice President supports the activities of the program committees and may convene the chairs of program committees from time to time in person, via telephone conference or virtually for the purpose of coordinating the activities of their respective committees.

### Section 4.5 Treasurer

The Treasurer shall be the chief financial officer of the Organization and Chair of the Finance Committee. He or she shall be in charge of its financial affairs, funds securities, and valuable papers. The Treasurer shall keep, or cause to be kept, full and accurate records thereof, which shall be the property of the Organization. He or she shall have such other duties and powers as designated by the Board.

### Section 4.6 Recording Secretary

The Recording Secretary shall record and maintain, or cause to be recorded and maintained, records of all proceedings of the members and the Board in a book or series of books kept for that purpose within the State of North Carolina at the principal office of the Organization. Such book or books shall also contain records of all meetings of the founders and the original or attested copies of the Articles of Organization, articles in amendment of said articles, and By-laws and names of all members or Board members and the address of each. If the Secretary is absent from any meeting of members or the Board, the President shall choose a temporary Recording Secretary to exercise the duties of the Recording Secretary at the meeting.

### Section 4.7 Corresponding Secretary

The Corresponding Secretary shall be the Chair of the Communications Committee and responsible for organizing and updating databases and listservs of members, donors, volunteers, coalition partners, policy-makers and others with whom the Organization has a regular need to communicate. All internal and external

communications, including the Newsletter, legislative alerts, membership and development solicitations, and renewal requests shall be coordinated by the Corresponding Secretary.

#### Section 4.8 Immediate Past President

The Immediate Past President shall be a member of the Executive Committee and Board of Directors entitled to notice of and to be present at all meetings of the Board of Directors, Executive Committee, and the membership.

#### Section 4.9 Suspension or Removal

An officer may be suspended or removed with cause by a vote of at least two-thirds of the Board members then in office present and voting at any special meeting of the Board members called for such purposes or at any regular meeting of the Board. An officer may be removed with cause only after reasonable notice and an opportunity to be heard. There is no appeal, and the decision of the Board is final. No dues may be refunded to the suspended or removed officer. Removal from office automatically results in removal from the Board of Directors and Executive Committee. Removal from office does not automatically result in suspension or expulsion from membership, except as provided for in Section 2.5.

#### Section 4.10 Resignation

An officer may resign by delivering his or her written resignation to the President. The President may resign by submitting his or her written resignation to the Board. Such resignation shall be effective upon receipt (unless specified to be effective at some other time) and acceptance thereof shall not be necessary to make it effective unless it so states.

#### Section 4.11 Vacancies

If the office of any officer becomes vacant, the Board may elect a successor from among the dues-paid membership. The Board Affairs Committee may propose nominees for the vacant position(s), but the Board need not be limited to such nominees in selecting a successor. Each such successor shall hold office for the unexpired term, and until his or her successor is elected and qualified and in each case unless he or she sooner dies, resigns, is removed, or becomes disqualified.

#### Section 4.12 Compensation

Officers shall not be compensated for services rendered as an officer of the Organization. Officers shall be entitled to receive reimbursement for reasonable expenses incurred in the performance of their duties, funding permitting, as determined by the Board of Directors, funds permitting as determined by the Treasurer of the Organization. An officer may not serve as a paid employee of the Organization.

## **ARTICLE V**

### Chapters

The Board of Directors shall set forth in writing a procedure for establishing local chapters, whose terms and conditions must include but shall not be limited to the following:

#### Section 5.1 Formation

A chapter must include at least three paid up members of the Organization who shall:

1. Submit to the President or the Board of Directors a signed petition signifying their intention to conduct the Chapter organization and business in accordance with these by-laws; and
2. Propose a name specifying their chapter's geographic designation; and
3. Be approved by a majority of the Board of Directors present and voting at a regular or special Board meeting.

#### Section 5.2 Other Stipulations

1. Each Chapter may adopt its own local By-laws provided that such by-laws are consistent with these by-laws and a copy is delivered to the Recording Secretary of the Organization.
2. The Board of Directors may dissolve any Chapter by a two-thirds vote for any of the following reasons:
  - a) Violation of the Organization's Articles of Organization and By-laws, including any lawful amendment thereto;
  - b) Violation of Federal laws and regulations governing the Organization's 501(c)(3) status;
  - c) Violation of any Federal, State or Local law.
  - d) A determination by the Board that the chapter advocates a position or conducts activities that are incompatible with the principal position or activities of the Organization.

### **ARTICLE VI**

#### Deposits, Checks, Loans, Contracts, Etc.

##### Section 6.1 Deposit of Funds

All funds of the Organization not otherwise employed shall be deposited in such banks, trust companies, or other reliable depositories as the Board of Directors from time to time may determine.

##### Section 6.2 Checks, Etc.

All checks, drafts, endorsements, notes and evidence of indebtedness of the Organization, and all endorsements for deposits to the credit of the Organization, shall be signed by such officer or officers, agent or agents of the Organization and in such manner as shall be determined by the Board of Directors.

##### Section 6.3 Loans

No loans or advances shall be contracted on behalf of the Organization, and no note or other evidence of indebtedness shall be issued in its name, unless and except as authorized by the Board of Directors. Any such authorization may be general or confined to specific instances, and may include authorization to pledge, as security for loans or advances so authorized, any and all securities and other personal property at any time held by the Organization.

##### Section 6.4 Contracts

Any officer or representative specially authorized by the Board of Directors may, in the name of and on behalf of the Organization, enter into those contracts or execute and deliver those instruments that are specifically authorized by the Board.

##### Section 6.5 Recordable Instruments

Any recordable instrument purporting to affect an interest in real estate executed in the name of the Organization shall be executed by the President and the Treasurer. So executed, said instruments shall be binding on the Organization in favor of a purchaser or other person relying in good faith on such instruments notwithstanding any inconsistent provisions of the Articles of Organization, these By-laws or resolutions or votes of the Organization.

#### 6.6 Representation of other organizations

The President or the Recording Secretary of the Organization is authorized to vote, represent, and exercise on behalf of the Organization all rights incident to any and all shares of any other organization or organizations held in the name of this Organization. The authority granted to said officer to vote or represent on behalf of this Organization any and all shares held by this Organization in any other organization or organizations may be exercised either by such officers in person or by any other person authorized to do so by proxy, agreement or by power of attorney duly executed by said officers, a copy of which is filed with the Secretary of the Organization.

#### Section 6.7 Bonding of Officers and Employees

The Treasurer and such other officers and employees handling funds for the Organization shall be bonded in such amounts as are determined by the Board of Directors at the expense of the Organization.

### **ARTICLE VII**

#### Personal Liability

##### Section 7.1 Personal Liability

The members, Board members, and officers of the Organization shall not be personally liable for any debt, liability or obligation of the Organization. All persons, corporations or other entities extending credit to, contracting with or having any claim against the Organization may look only to the funds and property of the Organization for the payment of any such contract or claim or for the payment of any debt, damages, judgment, or decree, or for any money that may otherwise become due or payable to them from the Organization.

### **ARTICLE VIII**

#### Conflict of Interest

##### Section 8.1 Conflict of Interest

No contract or other transaction of the Organization shall in the absence of fraud be affected or invalidated by the fact that any member, Board member, or officer of the Organization or any corporation, firm, or association of which he or she may be a director, officer, stockholder, or member may be a party to, or may have an interest pecuniary or otherwise in, provided that the nature and extent of his or her interest was disclosed to or known by the entire membership before acting on such contract or other transaction.

### **ARTICLE IX**

#### Indemnification

##### Section 9.1 Right of Indemnification

The Organization shall indemnify and reimburse out of the organizational funds, funding permitting as determined by the Treasurer of the Organization, any person (or the personal representative of any person) who at any time serves or shall have served as a Board member, officer, employee, or other agent of the Organization, or who serves or shall have served at its request as a Board member, officer, employee, or other agent of another organization in which it has an interest, whether or not in office at the time, against and for any and all claims and liabilities to which he or she may be or become subject by reason of such service and against and for any and all expenses necessarily incurred in connection with the defense or reasonable settlement of any legal or administrative proceedings to which he or she is made a party by reason of such service, except with respect to any matter as to which he or she has been adjudicated in any proceeding not to have acted in good faith in the reasonable belief that his or her action was in the best interests of the Organization. In effecting such indemnity and reimbursement, the members of the Organization may enter into such agreements and direct the officers of the Organization to make such payment or payments and take such other action (including employment of counsel to defend against such claims and liabilities) as may in their judgment appear to be reasonably necessary or desirable. Such indemnification or reimbursement shall not be deemed to exclude any other rights or privileges to which such person may be entitled.

#### Section 9.2 Indemnification in Advance of Final Disposition of Action

Indemnification of the persons specified in Section 9.1 may include payment by the Organization of expenses incurred in defending a civil or criminal action or proceeding upon receipt of an undertaking by the person indemnified to repay such payment if he or she shall be adjudicated to be not entitled to indemnification under this by-law or under Chapter 55 of the General Laws of North Carolina.

#### Section 9.3 Insurance

The Organization shall have power to purchase and maintain insurance on behalf of any person who is or was a Board member, officer, employee, or other agent of the Organization as a Board member, officer, employee, or agent of another organization in which it has an interest against any liability incurred by him or her in any such capacity or arising out of his or her status as such whether or not the Organization would have the power to indemnify him or her against such liability.

### **ARTICLE X**

#### Amendments

These by-laws may be altered, amended, or repealed in whole or in part by a majority vote of the Board of Directors subject to ratification by two thirds of the paid up members present and voting at the annual membership meeting.

Action by the members is required to ratify any vote of the Board of Directors to alter, amend, or repeal the By-laws in whole or in part. Action by the members shall be obtained in accordance with the procedure described by Section 2.1 ("Action by Vote") herein, at either a special meeting or the annual meeting.

The failure of the members to ratify the vote of the Board to alter, amend, or repeal the by-laws in whole or in part shall void the change ab initio.