

Proposed Amendments incorporated in Restated Bylaws (06-13-17)

**Association Executives of North Carolina, Inc. (AENC)
Bylaws**

ARTICLE I - Name and Location

- **SECTION 1** - The name of this organization shall be the Association Executives of North Carolina, Inc. (AENC), a non-profit corporation incorporated in the State of North Carolina.
- **SECTION 2** - Offices of AENC shall be located in North Carolina and/or in such other locations as may be determined by the Board of Directors (Board). Provided that AENC has offices as required by law, AENC may maintain a virtual office.

ARTICLE II - Purpose

- **SECTION 1** – Pursuant to its Articles of Incorporation, the purposes of AENC shall be to promote and improve professionalism and effectiveness of trade, service and professional associations. To that end, AENC’s purposes shall also be:

To promote the association profession by providing opportunities for career and leadership development, attainment of work-skills proficiency, adoption of and adherence to the highest standards of ethical and professional conduct, and collegial interaction and exchange within its membership.

To work to expand, strengthen and encourage diversity within the talent pool of association professionals.

To advance public understanding of the importance of trade, service and professional associations relative to the formation of sound public policy and economic vitality in North Carolina.

To provide opportunities that promote mutually supportive and beneficial relationships between association professionals and providers of goods and services, meeting and accommodation operators, government officials, convention and visitors bureaus and others who support or otherwise provide for the needs of associations.

ARTICLE III - Membership and Membership Categories

- **SECTION 1** - Association Professional Member: Association Professional Membership shall be available to those individuals (a) who are employed by a professional, trade, technical, educational, service, philanthropic, or business association, or other similar membership societies with a common professional or business interest, including organizations that are tax exempt under Sections 501(c)(6) or 501(c)(3) of the Internal Revenue Code (collectively, for the purposes of this section, hereinafter referenced as “an

association”), or (b) who are employed by an association management company that is retained or otherwise engaged for hire by an association on an on-going basis to provide general association management functions. .

This category of membership shall not exclude representatives of such organizations as an integrated state bar association or other professional society with a licensing function; however, it is not intended to include such organizations such as cooperative buying or selling groups or political committees or labor groups.

• **SECTION 2 - Other Membership Categories shall include:**

(a) Affiliate member: Affiliate membership shall be available to any individual, who has an interest in associations or who provides goods and services to associations, or who is employed by an organization that has an interest in associations or that provides goods and services to associations but who does not otherwise qualify for Association Professional Membership. Persons employed by convention centers, visitors’ bureaus, accommodation operators, and entertainment operators are eligible for Affiliate Membership.

(b) Life, Retired and Honorary Members: Life, Retired and Honorary Membership may be conferred at such times and under such terms as the Board shall determine.

• **SECTION 3 - Termination of Membership:** The Board of Directors may, upon majority action, terminate the membership of any member for nonpayment of dues, or for cause. “For cause” includes a violation of these Bylaws or any Code of Conduct adopted by the Board of Directors and published to the membership, the following procedure shall apply prior to any termination of membership for “cause” as defined below. An alleged violation shall be reported in writing to the President. Upon receipt of the alleged violation, the President shall appoint a special committee (which shall not include any current member of the Board of Directors or officer) to investigate the alleged violation and to report to the Board of Directors with a recommendation that the alleged violation be dismissed as unfounded, frivolous or trivial, or that the charge be presented to the Board of Directors for hearing and determination on the merits of the charge. The Board of Directors may accept or reject such recommendation in whole or in part, and may determine to conduct a hearing or to not conduct a hearing. If a hearing is conducted, the member accused of the alleged violation shall be afforded due process of law, including written notice of the charge, and at least 15 days written notice of the date, time and place of the hearing, and shall be apprised of the members’ right to legal counsel, the right to examine evidence, the right to cross examine witnesses, the opportunity to refute the charge, the right to present evidence and the right to make legal and factual arguments before the Board of Directors. After the hearing, the Board of Directors shall render a final decision, and the accused members shall be provided with notice of the decision.

• **SECTION 4 - Terms and Conditions of membership:** The Board of Directors shall specify the terms and conditions of membership not inconsistent with these Bylaws, including form of application for membership. To become a member, the membership application must first be approved and the dues must be paid.

• **SECTION 5 - Special Membership Continuation for Association Professional Members:** Association Professional Members who become separated from employment and who are actively seeking employment in North Carolina which would qualify the individual for membership, may continue to hold AENC membership with full benefits and privileges until expiration on the current membership year but is automatically deemed to have resigned from any office held and, upon payment of full dues, may continue such membership for one (1) additional year but may not hold elected office during that year.

• **SECTION 6 - Ownership of Membership:** AENC is an individual membership association. When dues are paid by the employing organization, ownership of such membership is determined by the chief executive officers of that organization. When membership is transferred from one individual to another person within that organization, the employing organization is charged a nominal transfer fee to process this change. Dues paid by the employer gives the organization the right to determine if the membership remains with the organization or with the individual upon termination of the individual's employment.

• **SECTION 7 - Membership Privileges:** In general, membership privileges include the right to vote, to hold office, and to serve as a Director. Association Professional Members are eligible to vote, to hold office, and to serve as a Director. Affiliate Members are not eligible to vote or to hold office, but may serve as a Director (and may vote as a Director on matters before the Board of Directors). Life, Retired and Honorary Members are not eligible to vote, to hold office, or to serve as a Director.

ARTICLE IV - Dues

• **SECTION 1 - Establishment of Dues:** Dues, if any, for all classes of membership shall be established by the Board.

• **SECTION 2 - Dues are renewable annually upon receipt of an invoice.**

• **SECTION 3 - Refunds:** Dues are not refundable once paid. No dues shall be refunded to any member whose membership terminates, or for any other reason.

ARTICLE V - Membership Meetings, Voting, Quorum

• **SECTION 1 - Annual Business Meeting:** The Annual Business Meeting of AENC shall be held at such place and on such dates as may be determined by the Board.

• **SECTION 2 - Special Meetings:** Special meetings of AENC may be called by the Board at any time, or shall be called by the President of AENC and held within thirty (30) days after the receipt of written requests signed by the holders of at least ten (10%) percent of votes entitled to be cast by Association Professional members which request(s) describe the purpose or purpose for which the meeting is to be held. The business to be transacted at any special meeting shall be stated in the notice thereof, and no other business may be

considered at that time. Notice of a special meeting shall be sent not less than ten (10) days prior to the meeting. At least ten (10%) percent of the votes entitled to be cast shall be represented at a special meeting of the members to constitute a quorum.

• **SECTION 3 - Notice of Meetings:** Written notice of any Business Meeting of AENC at which official AENC business is to be transacted shall be mailed by first class mail to the last known address of each member entitled to vote not less than ten (10) days before the date of the meeting, or if the notice is sent by other than first class mail, no fewer than thirty (30) days, nor more than sixty (60) days' Notice of such meetings may also be provided in the same manner to members that are not entitled to vote.

• **SECTION 4 - Voting:** At all Business and Special meetings of AENC, each Association Professional Member shall have one (1) vote and must be present to vote, except as provided in Section 5. Unless otherwise specifically provided by these Bylaws, a majority vote of those Association Professional Members present and voting shall govern. Voting by proxy is not permitted.

• **SECTION 5 - Voting by Electronic, Facsimile or Mail:** Proposals to be offered to the members for an electronic, facsimile or mail vote, excepting election ballots, shall first be approved by the Board. On any electronic, facsimile or mail vote, a majority of those voting shall determine the action.

• **SECTION 6 - Quorum of Members:** At a Business Meeting of members, a quorum shall consist of any Association Professional Members present.

• **SECTION 7 - Cancellation of Meeting:** The Board may cancel an Annual Business Meeting with cause; provided that AENC shall conduct a meeting of the members at least annually.

SECTION 8 - Use of Electronic Process: AENC shall be authorized to use electronic process to provide notice to all members and to receive electronic votes from members entitled to vote (the term "members" include, for purposes of this Section, members of the Board of Directors), to the extent allowed by this Section and authorized by law, and effective as to members who consent to the use of electronic process for such purposes. This Section shall apply whether or not other provisions in the Bylaws specifically allow or provide for electronic process for notice of meetings or for voting transactions. The use of electronic mail ballots by members, the use of electronic transmission of written consents of all directors in lieu of a meeting, and the use of electronic transmission of written consents of all members in lieu of a meeting are expressly permitted. Consent to the use of electronic process may be provided in any membership renewal form or by other means. The Secretary shall maintain a list of all members and the email address provided by that member for the use of electronic process, and shall update the list as consent is provided or is withdrawn. AENC shall be entitled to use the email address provided to it for use of electronic process until such time as the member provides notice of any change in email address in a writing mailed by first class mail to the Secretary at AENC's address. Any withdrawal of consent previously given shall be in writing mailed by first class mail to the Secretary at AENC's address. Any member who withholds consent or withdraws consent

previously given must be provided with notice by means other than electronic notice. Any member who fails to consent to the use of electronic process or who later withdraws previously given consent and thereafter casts a vote pursuant to the use of electronic process shall be deemed to consent to the use of electronic process for that vote. Notwithstanding any other provision in the Bylaws, the use of a proxy to vote by electronic process is not permitted. Notwithstanding any other provision in the Bylaws, notice of any meeting the purpose of which is to consider and take action upon the following subject matter shall be provided by first class mail: director conflict of interest, determination and authorization of indemnification, notice to members of amendments to Articles of Incorporation, notice to members of amendments to Bylaws, articles of merger, sale of assets other than in the ordinary course of business, or dissolution. This Section shall be interpreted to allow the use of electronic process to give notice and for voting by members to the fullest extent allowed by law, including without limitation the North Carolina Nonprofit Corporation Act and the North Carolina Uniform Electronic Transactions Act. The Board of Directors is authorized to adopt a web-based or other electronic-based method of voting which allows members to cast votes electronically, or may use email, among other methods. Any electronic voting system adopted by the Board of Directors may be used in conjunction with, but not in lieu of, regular or special meetings at which votes may be cast in person. If electronic voting is to be utilized, the Board of Directors shall clearly identify in the meeting notice that electronic voting will be available, the method by which the member voting can access the voting option and cast the member's vote, and the date and time by which the electronic voting option will close. For purposes of determining a quorum, any votes cast electronically will count toward determining whether or not a quorum was present. The Board of Directors may take action by voting electronically as follows: (i) written consent of all Directors to action without a meeting of all Directors may be obtained through the electronic submission of consent; (ii) any other action of the Board of Directors taken by electronic vote shall be ratified at the next Board of Directors meeting or otherwise ratified by written consent of all Directors to action without a meeting.

ARTICLE VI - Officers

- **SECTION 1 - Officers:** The officers of AENC shall be a President, President-elect, Secretary/ Treasurer, and Immediate Past President.
- **SECTION 2 - Qualifications for Office:** Any Association Professional member in good standing shall be eligible for nomination and election to any office of AENC.
- **SECTION 3 - Nomination and Election of Officers:** The Nominating Committee shall prepare and submit to the members no less than thirty (30) days in advance of the Annual Business Meeting a nomination for President-elect and a nomination for Secretary /Treasurer of AENC (the "elective offices" or the "elected officers"). Other nominations for the elective offices may be made from the membership from the floor during the Annual Business Meeting, provided the nominee is in attendance at the meeting and accepts the nomination in person, and shall be seconded. Any person nominated by the Nominating Committee shall have given prior consent to the Committee. All elected officers are elected by the members of AENC entitled to vote. Those candidates for President-elect and

Secretary/Treasurer receiving a majority of the votes cast by Association Professional Members present at the Annual Business Meeting shall be elected.

- **SECTION 4 - Term of Office:** Each elected officer shall take office on January 1 of the year following when the election is held and shall serve for a term of one (1) year or until a qualified successor is duly elected and installed. Each officer shall serve concurrently as a member of the Board and as a member of the Executive Committee while that individual is serving as an officer. The President-elect shall become the President upon the completion of the term or vacation of office by the current President, and shall serve for a term of one (1) year or until a qualified successor is duly elected and installed.

- **SECTION 5 - Re-election:** No elected officer who has served one full term shall be eligible for reelection to the same office, until at least one year has elapsed.

- **SECTION 6 - Vacancies-Removal:** Vacancies in any office may be filled by the Board for the balance of the term thereof upon recommendation of the Nominating Committee. The Board, by two-thirds vote of all its members, may remove any officer from office with or without cause; removal of an officer does not also constitute removal from the position of Director

- **SECTION 7 - Representation:** Only one representative from an organization or association may serve as an officer or as a member of the Board at any given time, except that a person serving as Immediate Past President is not considered an officer for the purposes of this Section

ARTICLE VII - Duties of Officers

- **SECTION 1- President:** The President shall be the chief elected officer of AENC and serve as Chair of both the Board of Directors and the Executive Committee, and preside over all meetings of the members. With the consent of the Board, the President shall appoint chairs and members of all standing and non-standing committees enumerated in the Bylaws, and may establish and appoint members to advisory panels. The President serves as an ex-officio, voting member of all standing committees and advisory panels. The President shall perform such other duties as are necessarily incident to the office of President or that may be prescribed by the Board.

- **SECTION 2 - President-elect:** The President-elect shall be a voting member of the Executive Committee and shall perform such duties as are delegated or assigned by the President or the Board of Directors and shall perform the duties of the President in the absence of the President. Upon the President's removal, resignation or other vacation from office, the Board of Directors may elect the President-Elect to complete the term of office of the President.

- **SECTION 3 – Secretary/Treasurer:** The Secretary/Treasurer shall ensure the orderly, timely and appropriate safekeeping of all official documents and records of AENC, shall oversee the custody of all funds, property and securities of AENC, shall be authorized to

endorse checks, notes and other obligations on behalf of AENC and shall deposit the same to the credit of AENC at such bank or depository as the Board may designate. The Secretary/Treasurer shall oversee the keeping of the minutes of all the meetings of the Board and may sign, with the President, in the name and on behalf of AENC, any contracts or agreements authorized by the Board of Directors, and when so authorized or ordered by the Board. The Secretary/Treasurer also may affix AENC's seal.

ARTICLE VIII - Board of Directors

• **SECTION 1 - Authority and Responsibility:** The governing body of AENC shall be the Board of Directors. The Board shall have supervision, control and direction of the affairs of AENC, its committees and publications; shall determine its policies or changes thereto; and shall actively promote its objectives and supervise the disbursement of its funds. The Board may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of the powers granted, delegate certain of its authority and responsibility to the Executive Committee.

SECTION 2 - Composition, Number and Term: The Board of Directors shall include the President, President-elect, Secretary/Treasurer, and Immediate Past President, each of whom shall serve a one (1) year term; between five (5) to seven (7) elected Association Professional Members, with the exact number to be determined and staggered by the Board of Directors from year to year, who shall each serve terms of three (3) years, so that one to three directors shall rotate off the Board each year; and four (4) Affiliate Members who shall serve terms of two (2) years.

• **SECTION 3 - Re-election:** No member of the Board of Directors who has served a full three (3) year term shall be eligible for re-election until at least one (1) year has elapsed, with the exception of those Board members being elected to officer positions.

• **SECTION 4 – Nominations and Election Procedure:** The Nominating Committee, acting in accordance with Article VI, Section 3, shall present one nominee for each seat on the Board or for each elected office which is vacant or is about to expire. No member of the Nominating Committee is eligible to be nominated for any position.

• **SECTION 5 - Quorum of the Board:** At any meeting of the Board of Directors, a majority of the Association Professional members of the Board shall constitute a quorum for the transaction of business and for voting.

• **SECTION 6 - Meetings of the Board:** A regular meeting of the Board of Directors shall be held no less than one (1) time during each administrative year at such time and at such place as the Board may prescribe. Notice of all such meetings shall be given to the Directors not less than five (5) days before the meeting is held. Special meetings of the Board may be called by the President of the Board or at the signed written request of any three (3) Directors, by notice mailed, delivered or electronically transmitted to each member of the Board of not less than seventy-two (72) hours before the meeting.

• **SECTION 7 - Voting:** Voting rights of a Director may not be delegated to another nor exercised by proxy.

• **SECTION 8 - Voting by Conference Call:** In lieu of a board meeting, action may be taken by the Board pursuant to a telephone conference call (for which specific prior notice is given), and any such action of the Board shall be reported at the next regular meeting of the Board.

• **SECTION 9 - Absence:** Any elected officer or director who shall have been absent from two (2) consecutive regular meetings of the Board of Directors without notification and explanation may be removed by the Board of Directors and upon such action the vacancy shall be filled as provided by these Bylaws.

• **SECTION 10 - Vacancies and Removal:** Any vacancy occurring on the Board of Directors between annual meetings shall be filled by the Board. The Board may seek the recommendations of the Nominating Committee. Officers and directors so elected to fill a vacancy shall serve the unexpired term of their predecessors.

• **SECTION 11 - Compensation:** Directors and elected officers shall not receive any compensation for their services.

• **SECTION 12 - Indemnification:** The Association shall indemnify any past or present director, officer or employee of the Association against liabilities and reasonable litigation expenses, including attorney's fees, incurred by him/her in connection with any action, suit or proceeding in which he/she is made or is threatened to be made a party by reason of being or having been such director, officer or employee, all to the extent required by North Carolina General Statutes Chapter 55A (the North Carolina Nonprofit Corporation Act), or to the extent that such obligation to indemnify is covered by any applicable contract or policy of insurance purchased by the Association and subject to the terms and conditions of such contract or policy of insurance; provided that the Association shall have no obligation to indemnify any such director, officer or employee if in such action, suit or proceeding he/she shall be adjudged to have acted in bad faith or to have been liable or guilty by reason of willful misconduct in the performance of any duty, or if the Association is prohibited from indemnifying such director, officer or employee by the North Carolina Nonprofit Corporation Act. Nothing in this Section shall prohibit the Association from voluntarily indemnifying any director, officer, employee or authorized volunteer on a case-by-case basis. For purposes of these indemnification provisions, the Executive Director or Chief Executive Officer, as the case may be, shall be an officer.

ARTICLE IX - Standing Committees

• **SECTION 1 - Executive Committee:** The Executive Committee may act in the place of the Board of Directors between Board meetings on all matters, except those specifically reserved to the Board by these Bylaws. A written report of all actions taken by the

Executive Committee shall be provided to the members of the Board at the next meeting of the Board.

- The Executive Committee shall consist of the President, President-elect, Secretary/Treasurer, and Immediate Past President. The Executive Director, or Chief Executive Officer, as the case may be, shall serve as an ex-officio non-voting member of the Committee but has no right to attend any Executive Committee meeting.
- The President shall call such meetings of the Executive Committee as the business of AENC may require, or a meeting shall be called by the President on request of three (3) members of the Executive Committee. A majority of the Executive Committee shall constitute a quorum at any duly called meeting of the committee.

SECTION 2 – Nominating Committee: The President shall appoint, subject to the approval of the Board, a Nominating Committee which shall consist of the Immediate Past President who shall serve as Chair, one (1) Association Professional Members, one affiliate member who is not currently serving on the Board, and the President-Elect.

SECTION 3 – Finance Committee: The President shall appoint, subject to the approval of the Board, a Finance Committee which shall consist of the Secretary/Treasurer, who shall act as chair, and no less than three (3) other Association Professional Members. The members shall elect a Vice Chair from among the members of the Committee to preside in the absence of the Chair. The Finance Committee shall, in consultation with the CEO, provide financial oversight for the organization, including but not limited to development and presentation to the Board for consideration an annual budget, monitoring of internal controls and accountability policies, determining long-range financial goals, and conduct other business as may be necessary under the purpose of the Committee or as assigned by the President.

ARTICLE X – Non-Standing Committees

- **SECTION 1 – Non-standing committees** (which includes an advisory panel) may be established and appointed by the President, subject to approval by the Board for any purposes determined to be of importance to the accomplishment of the goals and objectives of the association. The mission, members, schedule, date or condition of dissolution and other qualifications shall be enumerated by the Board. The Board of Directors may terminate a non-standing committee at any time. A non-standing committee has no authority to act on behalf of the Board or to bind AENC in any way.

ARTICLE XI - Executive and Staff

- **SECTION 1 - Appointment:** The Board shall employ an Executive Director or Chief Executive Officer upon such terms and conditions as specified by the Board. The Executive Committee is delegated the authority to determine the ongoing compensation and other

financial arrangements of the Executive Director or Chief Executive Officer's employment. As used in these Bylaws, the terms "Executive Director" and "Chief Executive Officer" are used interchangeably and carry the same meaning unless the context indicates otherwise.

• **SECTION 2 - Authority and Responsibility:** The Executive Director shall manage and direct all activities of AENC subject to the policies of the Board and through the direction of the President. The Executive Director shall have the responsibility for the day-to-day operations of the association's offices, including the responsibility to hire, train, supervise, coordinate, and terminate the professional staff of the association, as well as the responsibility for all staffing and salary administration within the guidelines and budget established by the Board.

SECTION 3 – Personnel Matters: The Executive Director shall have supervisory authority over all association employees, contractors, vendors, suppliers or others engaged by AENC to provide services. Should an individual under the supervision of the Executive Director have grave concerns relative to any unlawful, unethical, or tortious conduct of the Executive Director or other person or persons within the operational and administrative scope of AENC, they may submit to the President or Executive Committee or both correspondence outlining their grave concerns and provide to the extent practicable evidence supporting the basis of their concerns. The President or Executive Committee or both shall take action deemed appropriate relative to such correspondence.

ARTICLE XII – Finance

• **SECTION 1 - Fiscal Year:** The fiscal year of AENC shall be January 1 through December 31, effective January 1, 2019.

• **SECTION 2 - Budget:** With recommendations of the Secretary/Treasurer, the Board of Directors shall adopt an annual operating budget covering all activities of AENC.

• **SECTION 3 - Financial Reports:** AENC will annually retain the services of a CPA who will be engaged by and report to the Board, and who shall provide such services as the Board requests from time to time. The Secretary/Treasurer shall furnish the Board timely financial reports.

ARTICLE XIII - Dissolution

AENC shall use its funds only to accomplish the objectives and purposes specified in these Bylaws and not inconsistent with its purpose as stated in its Articles of Incorporation, and no part of said funds shall inure or be distributed to the members of AENC. On dissolution of AENC, the Board of Directors shall distribute any funds remaining to one or more regularly organized charitable, educational, scientific or philanthropic organizations of its choice which are recognized as tax-exempt by the Internal Revenue Service, all as permitted or required by state or federal law.

ARTICLE XV - Antitrust Compliance

• **SECTION 1 - Policy:** It is the undeviating policy of AENC to comply strictly with the letter and spirit of all federal and state trade regulations and antitrust laws.

Any activities of AENC or AENC-related actions of its staff, officers or members which violate these regulations and these laws are detrimental to the interest of AENC and are unequivocally contrary to AENC policy.

• **SECTION 2 - Implementation:** Implementation of the antitrust compliance policy of AENC shall include, but shall not be limited to, the following:

(a) Minutes of the Board of Directors meetings shall be distributed to the members of the Board and the Secretary shall cause a copy to be filed in the permanent records of AENC.

(b) Minutes of regular, special and annual AENC meetings shall be distributed to the members of the Board and the Secretary shall cause a copy to be filed in the permanent records of AENC.

(c) All AENC activities or discussions shall be avoided which might be construed as tending to: (1) raise, lower or stabilize prices; (2) encourage boycotts; (3) foster unfair trade practices; or in any way violate federal or state trade regulations or antitrust laws.

(d) AENC members, officers or employees who participate in conduct which is contrary to AENC antitrust compliance policy shall be subject to disciplinary measures, up to and including termination of membership.

ARTICLE XVI - Rules of Order

The rules contained in the current edition of "Robert's Rules of Order" shall govern the conduct of meetings of AENC in all cases to which they are applicable and in which they are not inconsistent with the Bylaws and any special rules AENC may adopt.

ARTICLE XVII - General Provisions

• **SECTION 1 - Amendments to Bylaws:**

These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted by (i) the Board of Directors; and (ii) a two-thirds (2/3) majority of the voting members of the Association present at any regular or special meeting called for such purpose or by a majority of the votes entitled to be cast, whichever is less.

Upon receipt of a written petition signed by not less than ten percent of the Association's Professional Members, the Board of Directors shall consider proposed bylaw amendments suggested by such members.

• **SECTION 2 - Effective Date of Bylaws:** Bylaw amendments shall be effective upon adoption unless otherwise provided.

Approved: May 7, 1996

Amended: May 5, 1998

Amended: November 12, 1999

Amended: May 2, 2000

Amended: February 8, 2002

Amended: June 9, 2003

Amended: November 7, 2003

Amended: June 9, 2008

Amended: June 14, 2010

Amended: _____, 2017