

AMERICAN BACKFLOW PREVENTION ASSOCIATION

Bylaws of the Carolina's Chapter American Backflow Prevention Association, Inc.

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Article I - General

Section 1.01 International Organization

The American Backflow Prevention Association, a Texas not-for-profit corporation, (hereinafter identified as "the Association") is an international body, which is organized into regions and local chapters. The **Carolinas** Chapter shall be organized under the authority of the Association as specified in 1.02 and shall be subordinate to and subject to the authority of the Association.

Section 1.02 **Carolinas** Chapter

The **Carolinas** Chapter, American Backflow Prevention Association, Inc. (hereinafter identified as "the Chapter") shall be organized as a local chapter in accordance with Article II of the Association's bylaws within the geographical boundary of the States of **North Carolina and South Carolina**. The Chapter shall be organized within Region **3** of the Association.

Section 1.03 Bylaws

These bylaws and all subsequent revisions thereto shall be consistent with the Articles of Incorporation and bylaws of the Association and shall be approved by the Association and its national counsel prior to adoption by the Chapter.

Section 1.04 Incorporation

The Chapter shall be incorporated as a domestic, non-profit Corporation within the State of **North Carolina**.

Section 1.05 Office

The Board of Directors shall determine the headquarters address of the Chapter. The address of the Chapter office is **5100 Brookshire Blvd. Charlotte, NC 28216**, and its agent at such address is **Ruth E. Pluchinsky**. The Chapter may change the address and/or location of the office or appoint a new agent, or both, in each case by resolution adopted by the Board of Directors and by statement filed in the office of the Secretary of State in the State of **North Carolina**.

Section 1.06 Fiscal Year and Operating Year

The fiscal and operating year of the Chapter shall begin on the first day of January in each year.

Article II - Membership

Section 2.01 Qualifications

All candidates for membership and all members shall have a recognizable interest in the furtherance of the objectives of the Association and Chapter and shall carry on their business or profession in a fully ethical manner and in conformity with generally accepted principles of conduct. All Chapter members shall also be members in good standing of the Association, but not all Association members need to be members of a Chapter.

Section 2.02 Categories of Members

The Chapter membership shall consist of:

- (1) Individual Member: A person who qualifies under Section 2.01 above, and who commits his/her allegiance to the Association and Chapter for a specified period of time.
- (2) Honorary Life Member: An individual who is honored as an Honorary Life Member by the Association and resides within the boundaries of the Chapter. An Honorary Life Member shall have all the rights and privileges of an Individual Member and shall be exempt from paying dues at the Chapter level.
- (3) Honorary Chapter Member: An individual whose knowledge, accomplishments and service to the field of cross-connection control within the boundaries of the Chapter entitle him/her to special recognition. This membership can only be granted by the Board of Directors. The Honorary Chapter Member shall be exempt from paying Chapter dues, but not Association dues. The Board may authorize payment of the Association dues of an Honorary Chapter Member.

The Board of Directors may establish other categories of membership through the amendment of these bylaws, but not inconsistent with the categories of membership of the Association.

Section 2.03 Dues and Fees

The Chapter may levy dues and fees upon the members in such amounts and for such periods as may be determined by resolution of the Board of Directors, said resolution to be approved by the Chapter membership.

Dues and fees shall be payable at such times and by such methods of collection as the Board of Directors may prescribe.

Article III - Membership Meetings and Elections

Section 3.01 Regular Meetings

The Chapter shall conduct a regular meeting of the membership at least once a year. At such meetings, such business as may properly be brought before the Chapter membership shall be transacted. Notice of regular meetings shall be given to all members, not less than thirty (30) days before the time at which the meeting is to be held. Each such notice shall state the time, place and matters of special interest to be conducted.

Section 3.02 Special Meetings

Special meetings shall be held at the call of the President, by a majority of the Board of Directors, or by 51% of the membership. Notices shall be as for regular meetings and shall contain the purpose for such meetings. No business other than that specified in the notice of meeting shall be transacted at any special meeting.

Section 3.03 Conduct of Meetings

Each meeting shall be chaired by the President, or in his/her absence, the Vice President.

Section 3.04 Actions of the Membership

Any action requiring approval of the membership may be taken at a regular or special meeting, or may be acted upon by mail ballot. To be considered approved, said action shall require a two thirds majority vote of the members voting on the issue.

In the case of a mail election, all members shall receive a ballot for the action to be taken. The President shall tabulate the results of the balloting covered by this section.

Section 3.05 Elections

Elections of At-Large Directors and Officers may be conducted at a regular or special meeting of the membership, or by mail. At a membership meeting, the Board of Directors shall appoint a member in good standing of the Chapter to serve as the official teller for the election. A mail election may be conducted in lieu of conducting the election at a membership meeting. In this case, all ballots shall be mailed to the Association's Regional Director for tabulation. In each case, in order for a candidate to be elected he must receive a simple majority of the votes cast for his particular office.

Article IV - Board of Directors

Section 4.01 Powers and Duties

The Board of Directors shall have the power and shall act to establish and/or change the policies for the conduct, management, and direction of the business of the Chapter, except those powers specifically reserved or granted by law or these bylaws to the members of the Chapter, so long as such policies and direction do not conflict with the policies and direction of the Association, which determination shall be at the sole discretion of the Association's Board of Directors. Powers and activities of the Board of Directors shall be consistent with the Articles of Incorporation, Bylaws, and adopted resolutions of the Association and the Chapter.

Section 4.02 Composition

The Board of Directors shall be composed of:

- (1) Four (4) Directors - two (2) from North Carolina, two (2) from South Carolina
- (2) The Officers of the Chapter

All of the above members shall be voting members of the Board of Directors.

Section 4.03 Regular Meetings

The Board of Directors shall hold regular meetings a minimum of two times per operating year, with one of these meetings being held in conjunction with a Chapter membership meeting. All regular meetings of the Board of Directors shall be open to the Chapter membership. Such meetings shall be held at such place as the Board of Directors may designate within or outside the State of **North Carolina**.

Section 4.04 Special Meetings

Special meetings of the Board of Directors shall be held whenever called by the President or by a majority of the Directors. Written notice of each such meeting shall be given at least five (5) days but not more than twenty (20) days before the time such meeting is to be held. Each notice shall state the time, place, and purpose or purposes of said meeting. No business other than that specified in the notice of meeting shall be transacted at any special meeting.

Section 4.05 Electronic Meetings

Special meetings of the Board of Directors may be held by electronic means (such as e-mail or other Internet communication systems, telephone conferences, video conferences, facsimile, etc.) subject to Section 4.06.

Section 4.06

Quorum and Manner of Acting

A quorum shall be defined as five members of the Board of Directors. Should the office of Secretary and the office of Treasurer be combined as one office (Secretary/Treasurer) a quorum shall be defined as four members of the Board of Directors. A quorum shall be required for the Board of Directors to conduct a meeting.

Each member of the Board of Directors shall be entitled to one vote. Any action by the Board of Directors requires a majority vote of a quorum of the Board members to be considered approved, except those actions which require approval by the membership as specified in these bylaws. The Directors shall act only as a Board and individual members of the Board of Directors shall have no power except that of an individual member of the Chapter.

Section 4.07

Resignations

Any member of the Board of Directors may resign at any time by giving written notice to the Chapter President (or, in the case of the President notice shall be given to the Vice President). Any such resignations shall take effect at the date of receipt of such notice or at such time specified in the notice. Unless specified therein, the acceptance of resignation shall not be necessary to make it effective.

Section 4.08

Removal

Any member of the Board of Directors may be removed by the authority, which elected or appointed said member, whenever it is the judgment of that authority that the best interests of the Chapter will be served thereby.

Section 4.09

Vacancies in Office

If the President fails to complete a term of office, the Vice President shall become President. A new Vice President shall be elected by the Chapter membership to complete the term. If the Vice President fails to complete a term of office, then a new Vice President shall be elected by the Chapter membership to complete the term. If the Secretary or Treasurer, or an At-Large Director fails to complete a term, the Board of Directors shall appoint a replacement to complete the term.

Section 4.10

Expenses and Salary

No salary or other compensation shall be payable for services as an At-large Director or Officer. Expenses for meeting attendance or other necessary business of the Chapter may be considered for reimbursement by the Board of Directors provided such expenses meet the following criteria:

- (1) The expenses are in the best interest of the Chapter.
- (2) The expenses are coordinated with the Treasurer prior to commitment.
- (3) The expenses are frugal, legitimate, and receipts are furnished.

Article V - At-Large Directors

Section 5.01 Qualifications

Each At-Large Director of the Board of Directors shall be a member in good standing of the Association and Chapter.

Section 5.02 Election

At-Large Directors shall be elected in the same manner and at the same time as the Officers of the Chapter, pursuant to Section 3.05.

Section 5.03 Terms of Office

The terms of office for At-Large Directors shall be approximately two (2) years, except during the first year of existence one (1) At-Large Director, as selected by the Board, shall serve for only one (1) year. Each At-Large Director shall be limited to 2 consecutive terms.

Article VI - Officers

Section 6.01 Designation of Officers

The Officers of the Chapter shall be a President, Vice President, Secretary, and Treasurer, (or Secretary-Treasurer). The Officers shall perform the functions designated by these bylaws, and such other functions as may be assigned by the Board of Directors.

Section 6.02 President

The President, under the Board's direction, shall have general supervision over the activities and operations of the Chapter. The President shall sign, execute and acknowledge, in the name of the Chapter, those instruments authorized by the Board of Directors. The President shall preside over all meetings of the Chapter and, in general, shall perform all duties incident to the office of the President.

Section 6.03 Vice President

The Vice President shall assist the President in the performance of his duties, shall chair meetings of the Chapter during the absence of the President, and shall assume the office of the President in the event of his departure or incapacitation before completion of his term.

Section 6.04 Secretary

The Secretary shall properly maintain all records and reports of the Chapter as required by law and the Association. The Secretary shall have the responsibility for providing that notices required by these bylaws be issued, and shall prepare the minutes of all Chapter meetings and Board of Directors meetings, and shall furnish Officers and Directors with a copy of minutes of each meeting. The Secretary, in general, shall perform all duties incident to the office of Secretary.

Section 6.05 Treasurer

The Treasurer shall provide for the custody of the funds or other property of the Chapter and shall keep or see to the keeping of a separate book account of the same; shall collect and receive or provide for the collection and receipt of monies earned by or in any manner due to or received by the Chapter; and shall deposit or see to the deposit of all funds of the Chapter in such banks or other places of deposit as the Board of Directors may from time to time direct and designate. In addition, the Treasurer shall, whenever so required by the Board of Directors, and at a minimum quarterly, render an account showing all transactions as Treasurer, and the financial condition of the Chapter, and in general, shall perform all duties incident to the office of the Treasurer.

Article VII - Committees

Section 7.01

Committees

From time to time, the President, with the concurrence of the Board of Directors, may appoint committees as the business of the Chapter may require, each of which shall hold office for such period, have such authority and perform such duties as the President may prescribe.

Article VIII - Contracts, Checks, Deposits and Funds

Section 8.01 Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the Chapter, in addition to the officers so authorized by these bylaws to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Chapter, and such authority may be general or confined to specific instances.

Section 8.02 Checks, Drafts, Etc.

All checks, drafts, or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Chapter, shall be signed by such officer or officers, agent or agents of the Chapter and in such manner as shall from time to time be determined by resolution of the Board of Directors, or such instruments shall be signed by the Treasurer, and countersigned by the President or Vice-President of the Chapter.

Section 8.03 Deposits

All funds of the Chapter shall be deposited to the credit of the Chapter in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 8.04 Gifts

The Board of Directors may accept on behalf of the Chapter any contribution, gift, bequest or devise for the general purpose or for any special purpose of the Chapter.

Article IX - Books and Records

Section 9.01

Books and Records

The Chapter shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Chapter may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

Article X - Indemnification

Section 10.01

Indemnification

To the extent not inconsistent with the law of the State of North Carolina, every person (and the heirs and personal representatives of such person) who is or was a director or officer of the Chapter shall be indemnified by the Chapter against all liability and reasonable expense that may be incurred by him in connection with or resulting from any claim, action, suit or proceeding

(a) if such director or officer is wholly successful with respect thereto or (b) if not wholly successful, then if such director or officer is determined to have acted in good faith, in what he reasonably believed to be the best interests of the Chapter and, in addition, with respect to any criminal action or proceeding, is determined to have had no reasonable cause to believe that this conduct was unlawful.

The termination of any claim, action, suit or proceeding, by judgment, settlement (whether with or without court approval), conviction, plea of guilty or plea of nolo contendere (or its equivalent) shall not create a presumption that a director or officer did not meet the standards of conduct set forth in this Section.

As used in this Section, the terms "claim, action, suit or proceeding" shall include any claim, action, suit or proceeding and all appeals thereof (whether brought by or in the right of this Chapter, any other corporation or otherwise), civil, criminal, administrative or investigative, or threat thereof, in which a director or officer of the Chapter (or his heirs and personal representatives) may become involved, as a party or otherwise:

- (a) By reason of his being or having been a director or officer of the Chapter or of any corporation which he served as such at the request of the Chapter, or
- (b) By reason of his acting or having acted in any capacity in a partnership, association, trust or other organization or entity where he served as such at the request of the Chapter, or
- (c) By reason of any action taken or not taken by him in any such capacity, whether or not he continues in such capacity at the time such liability or expense shall have been incurred.

As used in this Section, the terms "liability" and "expense" shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines or penalties against, and amounts paid in settlement by or on behalf of, a director or officer.

As used in this Section, the term "wholly successful" shall mean (a) termination of any action, suit or proceeding against the person in question without any finding of liability or guilt against him, (b) approval by a court, with knowledge of the indemnity herein provided, of a settlement of any action, suit or proceeding, or (c) the expiration of a reasonable period of time after the making of any claim

or threat of an action, suit or proceeding without the institution of the same, without any payment or promise made to induce a settlement.

Every person claiming indemnification hereunder (other than one who has been wholly successful with respect to any claim, action, suit or proceeding) shall be entitled to indemnification (a) if special independent legal counsel, which may be regular counsel of the Chapter or other disinterested person or persons, in either case selected by the Board of Directors, whether or not a disinterested quorum exists (such counsel or person or persons being hereinafter called the "referee"), shall deliver to the Chapter written findings that such director or officer has met the standards of conduct set forth herein, and (b) if the Board of Directors, acting upon such written finding, so determines. The person claiming indemnification shall, if requested, appear before the referee and answer questions which the referee deems relevant and shall be given ample opportunity to present to the referee evidence upon which he relies for indemnification. The Chapter shall, at the request of the referee, make available facts, opinions or other evidence in any way relevant to the referee's findings which are within the possession or control of the Chapter.

The rights of indemnification provided in this Section shall be in addition to any rights to which any such director or officer may otherwise be entitled. Irrespective of the provisions of this Section, the Board of Directors may, at any time and from time to time, approve indemnification of directors, officers, employees or other persons to the full extent permitted by the law of the State of North Carolina, whether on account of past or future transactions.

Expenses incurred with respect to any claim, action, suit or proceeding may be advanced by the Chapter (by action of the Board of Directors, whether or not a disinterested quorum exists) prior to the final disposition thereof upon receipt of any undertaking by or on behalf of the recipient to repay such amount unless he is entitled to indemnification.

The Board of Directors is authorized and empowered to purchase insurance covering the Chapter's liabilities and obligations under this Section and insurance protecting the Chapter's directors, officers, members and employees.

Article XI - Amendment of Bylaws

Section 11.01 Amendment

These bylaws may be amended by the membership as specified in Section 3.04.

Section 11.02 Procedure

Procedure for amendment of these bylaws shall be as follows:

- (1) The Board of Directors may propose amendments to these bylaws by resolution setting forth the proposed amendment and directing that it be submitted to the Association's Board of Directors for approval and then submitted for adoption by the members; or
- (2) Five (5) members may set forth a proposed amendment by petition to the Secretary and subsequently, after approval by the Association's Board of Directors, to the membership for an adoption vote.

Article XII – Dissolution of a Chapter

Section 12.01 Dissolution of a Chapter

Chapters of the American Backflow Prevention Association are set forth in Section 12.03 of the American Backflow Prevention Association Bylaws. This Section establishes conditions and procedures under which a Chapter may dissolve.

Section 12.02 Dissolution by the American Backflow Prevention Association

Minimum requirements for a viable Chapter have been established in Section 12.03 of the American Backflow Prevention Bylaws. In the event that a Chapter does not meet the minimum requirements as established in Section 12.03, the American Backflow Prevention Association may take actions to dissolve the Chapter as set forth in Section 12.04.1 of the American Backflow Prevention Bylaws.

Section 12.03 Dissolution by Carolina’s Chapter Members

Any current Carolina’s Chapter member, at their own expense, may generate a petition to dissolve the Carolina’s Chapter as set forth in Section 12.04.2 of the American Backflow Prevention Association Bylaws.

Section 12.04 Dispersement of Carolina’s Chapter Funds

In the event that the Carolina’s Chapter is dissolved then the assets of the Chapter shall be distributed by the American Backflow Prevention Association in a manner that is consistent with Article II of the American Backflow Prevention Association Bylaws, and approved by the American Backflow Prevention Association Board of Directors. It is the intent that the Chapter funds would be used within the local Region.

Article XIII – Effective Date

Section 13.01

Effective Date

The Bylaws for the Carolina's Chapter of the American Backflow Prevention Association were approved on MARCH 8, 2006, by the Board of Directors of the Carolina's Chapter to become effective on MARCH 8, 2006, upon approval by the Association.

Bob Klumpner President

Kathy Riley Vice President

Steve Hill Secretary

Ronald W. ... Treasurer

77 Johnson Jr (SC) Director

Mac Merritt (NC) Director

Robert B. ... (SC) Director

Dann ... (NC) Director