

BY-LAWS
OF
NORTH CAROLINA BAIL AGENTS ASSOCIATION, INC.

ARTICLE I

NAME AND LOCATION

SECTION 1. The name of this nonprofit corporation shall be: NORTH CAROLINA BAIL AGENTS ASSOCIATION, INC., hereafter referred to as the "Association."

SECTION 2. The principle office of this corporation shall be located in the city of Raleigh, County of Wake, State of North Carolina.

SECTION 3. Other locations for the transaction of business shall be located at such places as the Board of Directors approves by a two-thirds vote at a regular or special meeting.

ARTICLE II

MEMBERSHIP

SECTION 1. Qualifications. Any person licensed as a bail bondsman or runner in North Carolina and who desires to make application for membership shall do so by submitting an application to the Association. An active member is a member who has met the qualifications for membership and who has paid their membership dues in full to the Association.

SECTION 2. Annual Meeting. The annual meeting of the members of the Association shall be held at a location approved by the Board of Directors by a two-thirds vote at a regular or special meeting. Notice and location of such meeting must be announced in the Association's newsletter at least ten (10) days prior to the meeting.

SECTION 3. Special Meetings. Special meetings of the membership of the Association may be called by resolution of Two-Thirds vote by the Board of Directors or by a majority of the active members of the Association or by the President of the Association and notice thereof shall be given at least seventy-two (72) hours before the time for holding such special meeting. Notice of such meeting shall be given in writing stating the date, time and place of the special meeting. Notice must specify the purpose of the special meeting and only the issues stated in the notice can be the subject of discussion at the meeting.

SECTION 4. Quorum. The presence of ten percent (10%) of the active members shall be necessary to constitute a quorum of the members at any meeting. In case there is not a quorum present on the day fixed for a meeting, the members present shall adjourn the meeting until a quorum is obtained.

SECTION 5. Voting. Each active member of this Association as defined in Article I of these Bylaws present at the meeting shall have one (1) vote upon all questions presented for action at any meeting of the members. The use of a telephone or similar device by a member shall not constitute a member being present at a meeting of the members. A member shall not be allowed to vote or counted as present for the purposes of a quorum by proxy, mail, facsimile, telephone or other similar device. Cumulative voting shall not be allowed in the voting of directors. An active member may not vote by voting agreement.

SECTION 6. Officer of Meetings. The President shall preside at all meetings of the members and Board of Directors. In his absence, the next officer in the following order shall preside: Vice-President, Secretary, Treasurer.

SECTION 7. Rules of Order. The Rules contained in Robert's Rules of Order shall govern the meetings of the Association in all cases where they are not inconsistent with these By-Laws or other special rules of order.

ARTICLE III

DIRECTORS

SECTION 1. Number and Authority. The Board of Directors may consist of up to eighteen (18) members, of which sixteen (16) of these Directors shall be elected as outlined in these By-Laws. The two most recent presidents may serve as Directors. No two or more persons out of the same bail bond agency and or professional bondsman and runner shall serve as a board member at one given time.

SECTION 2. Regular Meetings. Regular meetings of the Board of Directors shall be held no less than two times a year.

SECTION 3. Special Meetings. Special meetings of the Board of Directors may be held at any time or place upon the call of the President, either oral or written, and notice thereof shall be given in oral or written form to include but not limited to fax or email.

SECTION 4. Salary. No salary shall be paid to the Directors or Officers of the Association.

SECTION 5. Quorum. At meetings of the Board of Directors (9) nine members of the Board shall be necessary to constitute a quorum. A member of the Board of Directors may participate in a special or regular meeting of the Board of Directors

by telephone or other similar electronic device, except as provided in Article IV, Section 1.

SECTION 6. Election of Directors. Each Director shall hold office for a term of two (2) years, or until his successor shall be elected. Each of the Directors shall be elected by the general membership. Each active member may cast one vote per each Director position available in the applicable election. Nominations for the Board of Directors shall be submitted by active members to the Nominating Committee. No nomination may be made from the floor, unless there are not enough nominations made in advance to fill the slate. No member may be nominated to the board during the first two years of licensure. The Nominating Committee shall determine whether a nomination is in compliance with these By-Laws. The Nominating Committee shall then submit the nominations to the active members for the election of Directors.

ARTICLE IV

EXECUTIVE COMMITTEE

SECTION 1. Officers Designated. The officers of this Association shall be President, Vice President, Secretary, Treasurer, and the Immediate Past-President and shall constitute the Executive Committee. These officers shall be elected from the eighteen (18) Directors by a majority of the Board members voting and shall hold office for the term of two (2) years and until their respective successors are duly elected and qualified. The Director elected to the position of President shall have two years of prior service on the board as a Director. The Director elected to the position of Vice President shall have one year of prior service on the board as a Director. Executive Committee elections shall be held at a meeting of the board of directors one month following the annual meeting with those board members who are physically present eligible to vote.

SECTION 2. Duties of President. The President shall preside at all meetings and shall have general charge of and control over the affairs of the Association. The President shall name any necessary committees and appoint the Chairman of these committees. The President may make suggestions to the Board, but only vote in case of a tie.

SECTION 3. Duties of Vice President. The Vice President shall perform such duties as may be assigned to him by the Board of Directors. In case of the death, disability, or absence of the President, the Vice President shall perform all the duties of the President.

SECTION 4. Duties of Secretary. The Secretary shall have responsibility for the records of the minutes of the proceedings of meetings of members and of Directors, and shall give notice as required in these By-Laws of all meetings. The Secretary shall have access to all books, papers, and records of the Association.

SECTION 5. Duties of Treasurer. The Treasurer shall report to the membership and Board as to the financial status of the Association and shall have access to all financial records.

ARTICLE V

EXECUTIVE DIRECTOR

SECTION 1. Duties and Obligations of Executive Director. The Executive Director shall attend all meetings of the Executive Committee, Board of Directors, general membership and any other meetings of the Association. The Executive Director shall be responsible for making all arrangements for these meetings including but not limited to banquet facility reservations and notices to the members of the meeting. The Executive Director's place of Business shall be the Association's official mailing address. The Executive Director shall distribute a quarterly newsletter to the members of the Association, informing members of relevant news and information concerning the Association. The Executive Director shall keep accounts of all money of the Association received or disbursed, make such reports and shall deposit all money and valuables in the name of and to the credit of the Association in such banks and depositories as the Board of Directors shall designate. The Executive Director shall also be responsible for the billing and collection of all dues or assessments. The Executive Director shall perform all other duties as outlined in the Association Management Agreement.

ARTICLE VI

MISCELLANEOUS

SECTION 1. Funds of Association. All funds of this Association, or under its charter, deposited in any bank or other place of deposit shall be deposited to the credit of the Association in its corporate name. Checks withdrawing funds of the Association from the bank deposits shall be made by the President or Executive Director. All bonds, notes, and other evidences of indebtedness, mortgages, deeds, and contracts of this association, shall be signed in its name by the President, or Vice-President, and attested by the Secretary. No such instrument shall be valid without being so signed, unless otherwise stated by the Board.

SECTION 2. Vacancies in Office. In case of the death, disability, resignation or otherwise of one or more of the Officers or Directors, the Board of Directors shall appoint persons from the membership to fill vacancies for the unexpired term. Any officer may be removed from office either with or without cause at any time by the affirmative vote of twelve (12) members of the Board.

SECTION 3. Amendment. These By-Laws may be amended, repealed, or altered in whole or in part at any annual, regular, or special meeting of the Association by a two-thirds vote of the Board of Directors. These By-Laws may

be amended, repealed, or altered in whole or in part at any annual, regular, or special meeting by a two-thirds vote of the active members.

SECTION 4. Code of Ethics. The Board of Directors shall adopt a Code of Ethics. Copies of a proposed Code of Ethics or changes therein must be mailed to the members at least thirty (30) days prior to a regular meeting of the Board of Directors.

SECTION 5. Budget and Dues. The Board shall establish a budget. The Board shall maintain dues schedule on an annual basis.

ARTICLE VII

INDEMNIFICATION

SECTION 1. Indemnification. The Association shall indemnify, to the fullest extent permitted by the North Carolina Nonprofit Corporation Act, as such Act exists now or may hereafter be amended, its Directors, officers, employees and agents who are made a party to any proceeding by reason of their office for acts or omissions performed in their official capacity.

ARTICLE VIII

LIMITATION OF LIABILITY

SECTION 1. Limitation of Liability. The liability of any Director , officer or employee in any proceeding brought by members (or a member) of the Association in the right of the Association or on behalf of the members (or a member) of the Association, unless otherwise provided by the laws of the State of North Carolina, shall be limited to One Hundred Dollars (\$100.00) for any damages assessed against a Director or officer arising out of any single transaction. If an individual is both a Director and an officer, the limitation on liability stated above shall be the total aggregate amount of liability to which such person may be subject. However the liability of a Director or officer shall not be limited as provided in this Article VIII of these Bylaws if the Director or officer engaged in willful misconduct or a knowing violation of the criminal law.