

**WEAVERVILLE BUSINESS ASSOCIATION, INC.
A NORTH CAROLINA NON-PROFIT CORPORATION**

BY-LAWS OF THE CORPORATION

**ARTICLE I
Name and Location**

The name of this organization shall be the WEAVERVILLE BUSINESS ASSOCIATION, INC. The principle place of business of this organization shall be in the County of Buncombe, State of North Carolina.

**ARTICLE II
Formation**

This organization was formed under the laws of the State of North Carolina as an incorporated non-profit association by the proper filing of the Articles of Incorporation on December 21, 2009 with an effective date of January 1, 2010.

**ARTICLE III
Purpose**

The purpose of this Association is to:

1. Promote the sustainable growth of the Town of Weaverville while preserving its small-town atmosphere.
2. Promote better business practices and to promote the welfare of those engaged in independent business in the Town of Weaverville and surrounding communities in the State of North Carolina; and
3. Acquire, preserve and disseminate information of educational, informational and scientific value pertaining to all aspects of business; and
4. Work for the development and progress of business in the Town of Weaverville and surrounding communities and to work with individuals, organizations, and governmental agencies toward the achievement of a stronger business community in the Town of Weaverville and surrounding communities; and
5. Act in liaison with other professional organizations and individuals and government agencies for excellence in the field of business in the Town of Weaverville and surrounding communities; and

6. Foster constructive and progressive legislation relative to the business community in the Town of Weaverville and surrounding communities; and

7. Promote the civic pride in the Town of Weaverville and to channel this pride toward the support of civic and charitable functions within the Town of Weaverville and surrounding communities; and

8. Preserve and promote the free enterprise system by assisting individuals, businesses, associations, etc. in participating in the business community and our economic system in the Town of Weaverville and surrounding communities; and

9. Generally operate as a non-profit business organization for the benefit of the business owners of the Town of Weaverville and surrounding communities.

Nothing in these bylaws, nor any other establishing document of the Association, shall in any manner create, encourage, promote, contribute to or continue any practice or activity which can be considered an establishing of fixed prices or collusion of services, products, or commodities, whether by the controlling of supply and demand or by any private agreement or understanding of any form to control fees, charges, prices, costs or the value of such services, products, or commodities.

ARTICLE IV Membership

1. Classes of Membership; Admission. The Association shall have the following classes of membership:
 - a) **REGULAR MEMBERSHIP.** Regular Members may be elected to the Association by a majority vote of the Board of Directors. Regular Members shall consist of properly elected for-profit businesses that are located or doing business within the corporate limits or zoning district of the Town of Weaverville. It is the obligation of each Regular Member to designate the individual who holds the Member's one voting right. All Regular Members shall hold equal voting rights.
 - b) **AFFILIATE MEMBERSHIP.** Affiliate Members may be elected to the Association by a majority vote of the Board of Directors. Affiliate Members shall consist of properly elected for-profit businesses not located within the corporate limits or zoning district of the Town of Weaverville, and individuals and non-profit organizations whose principals are supportive of the goals and purposes of the Association. Affiliate Members shall have no right to vote or hold office.

Submission of an application for Membership shall be made in such manner and form as

prescribed by the Board of Directors and accompanied by all requisite dues, fees, or other charges. Action taken on the application may include, but shall not be limited to, admission as Regular Member, admission as Affiliate Member, admission to a provisional membership status pending additional requirements, or denial of the application. The decision rendered shall be communicated to the prospective Member and, if such decision is a denial of membership, shall be in writing. Denial of membership shall be subject to appeal to the full Board of Directors by written notice to the President of the Association. The Board of Directors shall then conduct a hearing on the denial on ten (10) days written notice to the prospective Member and otherwise in accord with the procedures for a hearing on expulsion of a Member as set out below.

Membership and membership interests are not transferable without the written consent of the Board of Directors.

2. Meetings of Members. The Members of the Association shall meet at such place within Buncombe County, North Carolina, preferably in the Weaverville area, as shall be designated in the notice of the meeting or agreed upon by a majority of Members entitled to vote. The President of the Association, or in the President's absence or inability to act, the President-Elect, shall preside over all meetings of the Membership, and shall appoint a recording secretary to make a record to be filed with the minutes of proceedings of the Association. The Members shall meet at least annually for the transaction of such business as may properly be brought before the meeting, which meeting may be held together with any Board of Directors meeting. Any special meeting of the Membership may be called at any time by action of the Board of Directors or Executive Committee, or upon written request of Regular Members (other than Provisional Members) having not less than twenty-five percent (25%) of the votes entitled to be cast at a meeting. Written, printed, or electronic mail sent and received pursuant to North Carolina General Statute §66-325 that provides a written statement of the transmitted notice stating the time and place of the meeting shall be delivered not less than five (5) nor more than thirty (30) days prior to the date of the meeting. Attendance by a Member at a meeting shall constitute a waiver of notice of such meeting, except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called. Each Member is encouraged to attend at least one meeting per calendar year.

Each Regular Member of the organization shall be entitled to one vote for each matter taken to a vote at membership meetings. All questions with respect to the authority of persons to vote or participate in meetings shall be determined by the moderator at such meeting.

3. Quorum. Twenty five percent (25%) of all Regular Members in good standing, represented by their respective delegates in person or by written proxy shall constitute a quorum at meetings of Members. Affiliate Members, Provisional Members, or their delegates, are not counted towards a quorum for any purpose. A majority of the Regular Members present at any meeting, whether or not a quorum is present, may adjourn the meeting from time to time without notice, other than announcement at the meeting, until a quorum shall attend, and the Regular Members in attendance at any meeting at which a quorum is present at the opening of the

meeting may continue to do business until adjournment regardless of the withdrawal of Regular Members, leaving less than a quorum. Any other business which requires a majority vote for passage of any act shall mean a majority vote of Regular Members actually present and voting at such action, and shall not require a majority of all Regular Members of the Association. In any vote to adopt, amend, or repeal a By-Law or the Articles of Incorporation, a supermajority vote of two-thirds (2/3) of the members present shall be required for passage.

4. Informal Action or Use of Electronic Communications Media by Members. Action taken by a majority of Regular Members without a meeting is nevertheless Membership action if written consent to the action in question is signed by all Regular Members through their respective delegates and filed with the minutes of proceedings of the Association, whether done before or after the action is so taken.

5. Expulsion of Member and Termination of Membership; Resignation. A Regular or Affiliate Member may be expelled, and its membership terminated, from the Association only in a fair and reasonable manner and carried out in good faith, such as for good cause, including but not limited to nonpayment of dues and/or noncompliance with eligibility requirements. Prior to taking action on expulsion of a Member and termination of membership, the Board of Directors (or any Executive Committee formed by the Board of Directors) shall investigate the reasons for such expulsion and termination, and shall conduct a hearing upon fourteen (14) days prior written notice to the Member, which notice shall state the grounds for expulsion and termination (or may in the sole discretion of the hearing body place the Member on probationary status subject to required or recommended remedial action as stated in the notice). The Member may be represented by the hearing by counsel and shall be entitled to present evidence as to why it should not be expelled and its membership not terminated; otherwise, attendance at the hearing shall be limited to the Member, members of the Board of Directors, and their legal representatives, and any required witnesses (who may be sequestered at the direction of the Board). The decision rendered to the Member shall be in writing and, if rendered by an Executive Committee, shall be final unless the Member against whom the decision is rendered gives written appeal of the decision to the President of the Association within thirty (30) days after the Executive Committee decision is rendered, in which case the expulsion and termination shall become final upon the affirmative vote of not less than a two thirds (2/3) majority vote of Board of Directors present at any annual meeting or special meeting called for that purpose. Expulsion of a Member and termination of membership pursuant to such a vote shall take effect on the date of such vote or upon expiration of any right to appeal. Any dues actually paid by a Member for a period of time subsequent to such a vote of expulsion and termination shall be refunded to the expelled Member.

The resignation of a Member may be made at any time. Such resignation does not relieve the resigning Member from any obligation, commitment or liability to the Association made or determined prior to the resignation.

ARTICLE V

Directors

1. Constitution and General Powers. The Association shall have a Board of Directors, elected by the Regular Members of the Association at an annual membership meeting held in June of each calendar year. The business and affairs of the Association shall be managed on behalf of the Members by the Board of Directors or by such Executive Committee as the Board of Directors may establish pursuant to these bylaws, and according to the North Carolina Non Profit Corporation Act, as amended from time to time.

2. Number, Term and Qualification. The Board of Directors shall consist of the President, President-Elect, Treasurer, Secretary, and three Directors to be elected from the Regular Members. The President shall serve as Chairperson of the Board and shall moderate all board meetings. Any vacancy in the Board of Directors may be filled by a majority vote of the Regular Members in attendance at a Special Meeting called for that purpose. Those officers serving as Directors of the Association shall serve staggered two-year terms, holding office until their successor is duly elected and takes office. Any other Officers appointed by the board shall serve one-year terms. Officers and Directors are eligible to succeed themselves. A Director need not be a resident of the Town of Weaverville or a surrounding community, but s/he must be a representative of a Regular Member of the organization and agree to attend to his/her duties as an Officer or Director. If an Officer or Director is unable to fulfill his/her duties, a vacancy shall be declared by a majority vote of the remaining Directors.

3. Reimbursement of Directors. The Board of Directors may provide for the payment of all reasonable documented expenses incurred by Directors in attending regular and special meetings of the Board.

4. Quorum. At any regular or special meeting of the Board of Directors a quorum shall consist of 50% of the Directors. No meeting of the Board of Directors shall take place unless all Directors have been given notice of such meeting.

5. Executive Committee. The Board of Directors may appoint an Executive Committee which shall have and may exercise all the authority of the Board of Directors in the management of the Association, except it shall not authorize any direct or indirect transfer of money or property, or incur any indebtedness, to or for the benefit of Directors, officers, or transferees in liquidation (other than creditors) of the Association; shall not approve the dissolution, merger, sale, pledge, or transfer of all or substantially all of the Association's assets; shall not elect, appoint, or remove Directors, or fill vacancies on the Board of Directors or on any of its committees; and shall not adopt, amend, or repeal the Articles of Incorporation or bylaws.

6. Other Committees. The Board of Directors may from time to time create special or *ad hoc* committees for the discharge of particular duties. The President shall serve *ex officio* as a member of all committees, and in the absence of the President the President-Elect shall serve

instead. It shall be the duty of each committee to select from among its membership a chair and a recording secretary, to keep minutes of each committee meeting for presentation to the Board of Directors within a reasonable time after the meeting is held, to be filed with the minutes of the proceedings of the Association.

7. Meetings of Directors. Regular meetings of the Board of Directors shall be held in June of each calendar year at a time and place to be determined by action of the Board of Directors or Executive Committee in advance of the meeting. If any annual meeting shall not be held, a substitute annual meeting may be called in the same manner as a special meeting in accordance with this Article. Special meetings of the Board of Directors may be called by or at the request of the President or Executive Committee, or any two (2) Directors. The President or, in the absence or inability to act of the President, the President-Elect, shall preside over all meetings of the Board of Directors.

8. Notice of Meetings. Regular annual meetings of the Board of Directors may be held without notice if held as determined by action of the Board of Directors previously taken, otherwise the person or persons calling a special meeting of the Board of Directors shall, at least five (5) days before the meeting, give notice to all voting Directors by any usual means of communication. Such notice shall specify the purpose for which the meeting is called and, whenever an amendment to the Articles of Incorporation or By-Laws is to be approved in a regular or special meeting, shall contain or be accompanied by a copy or summary of the amendment. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

9. Supermajority Vote. Except as otherwise provided in this Article, the act of the majority of the Directors present at a meeting at which a quorum is declared shall be the act of the Board of Directors. The vote of a two thirds (2/3) majority of the Directors present at a meeting at which a quorum is present shall be required to remove a Director, remove a Member upon appeal from the decision of an Executive Committee, or to adopt a resolution dissolving the Association. A vote of two-thirds (2/3) majority of the Directors present at a meeting at which a quorum is present shall be required to send a vote to the membership to adopt, amend, or repeal a By-Law or the Articles of Incorporation.

10. Actions Without Meetings. Any action required or permitted to be taken by the Board of Directors or any Committee thereof may be taken without a meeting if all members of the Board or Committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent thereto by the members of the Board or Committee shall be filed with the minutes of the proceedings of the Board or Committee. Members of the Board of Directors or any Committee thereof may participate in a meeting of the Board or Committee by means of a conference telephone or communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting and shall qualify for quorum declaration.

ARTICLE VI Officers

1. Association Officers. The Officers of the Association shall be a President, a President-Elect, a Treasurer, and a Secretary. Each Officer will be elected from representatives of Regular Members at each annual meeting of the Association, and take office upon election. Prior to the annual meeting, the President will appoint a nominating committee who shall offer nominees at the annual meeting, but other nominations may be made from the floor, provided the person nominated has consented to serve. All Officers may be elected to succeed themselves. Disqualification or removal of a Director automatically disqualifies the Director from service as an Officer. The Board of Directors may fill any vacancy in any office occurring for whatever reason for the remainder of the vacant position's term, except in the event of a vacancy in the office of President, in which event the President-Elect shall fill the remainder of the President's Term without diminishing the length of term for which the President-Elect was to originally serve. Any Officer or agent elected or appointed by the Board of Directors may be removed by the Board at any time with or without cause.

2. Compensation and Reimbursement of Officers. No compensation for officers or members of the Board of Directors shall be provided unless approved by vote of the members.

3. President. The duties of the President shall be to preside at all meetings of the Board of Directors and over the meetings of members of the Association, and s/he shall perform the duties usual and incident to such office, including the power to execute documents and contracts. The President shall appoint such committees as may be necessary for the proper management of the affairs of the Association; shall be an *ex-officio* member of all Committees; and shall perform such other duties and have such other powers as the Board of Directors may designate.

4. The President-Elect shall perform the duties and have the powers of the President during the absence, disability, or death of the President, and shall also have the power to execute documents and contracts of the Association and shall perform such other duties and have such other powers as the Board of Directors may designate. The President-Elect shall be the sole nominee for President the succeeding year, and while serving as President-Elect, shall prepare for service as President the following year.

5. The Treasurer shall have the custody of all the funds and securities of the Association, and deposit the same in the name of the Association in such bank or banks as the Directors may elect, in an institution which qualifies for protection under the Federal Deposit Insurance Corporation. The Treasurer shall sign all checks, drafts, notes, and orders for the payment of money, and shall pay out and dispose of same under the direction of the Board of Directors. Disbursements for items not in an approved budget shall be made only upon the approval of a majority of the Board of Directors. The Treasurer shall at all reasonable times

exhibit books and accounts to the Board of Directors.

6. The Secretary shall issue notices for all Board and general membership meetings, keep minutes of such meetings, have charge of the Association's corporate seal and the corporate books, sign with the President such instruments as require such signature; and make such reports and perform such other duties as are incident to this office or are properly required by the Board of Directors.

ARTICLE VII Committees

The President shall appoint all standing and special committees of the organization as may be established by the Board of Directors.

The Board shall serve the as a general committee for the organization and shall exercise all Committee functions unless otherwise provided.

ARTICLE VIII Dues

Initial dues for each Regular Member shall be \$50.00 for the initial six month period, or any part thereof, until the following January, at which time the dues shall be \$100 per year. Initial dues for each Affiliate Member shall be \$25.00 for the initial six month period, or any part thereof, until the following January, at which time the dues shall be \$50 per year. At each annual meeting, annual dues for membership in the organization shall be approved by majority vote of the membership, and shall be preceded by the Board of Directors' recommendation of the amount for dues for the coming year. The Board of Directors may from time to time recommend a special assessment over and above the annual dues, but any such assessment must be approved by majority vote of the members in attendance at a duly called special meeting for which the call of meeting provided notice of the recommended special assessment.

ARTICLE IX Indemnity

Unless otherwise prohibited by law, any Officer or Director, or Former Officer or Director, or any person who has served at the request of the Association, whether for profit or not, who acted in good faith, reasonably believed that the conduct in question was in the Association's best interest, or had no reason to believe his or her conduct was unlawful, shall be indemnified by the Association against expenses actually and necessarily incurred by such person or persons in connection with the defense of any action, suit or proceeding in which such person or persons is made a party by reason of being or having been such Director or Officer, except in relation to matters and proceeding in which it is alleged that such person acted in bad faith or is found liable or guilty by reason of willful misconduct or gross negligence in the performance of

his or her duties. Nothing in this Article shall indemnify any Director in connection with any proceeding in which the Director is adjudged to be liable to the Association, or is charged with improper personal benefit when adjudged liable on the basis of that the personal benefit was improperly received by the Director. The Association shall indemnify a Director who is wholly successful in the defense of any proceeding involving his or her actions as Director for expenses actually incurred in connection with such proceeding.

ARTICLE X

Distribution of Assets Upon Dissolution

Upon dissolution of the organization, all assets of the organization shall become the property of the Town of Weaverville to be used for purposes promoting business opportunities, better business environments, and improving quality of life in and around Weaverville.

ARTICLE XI

General Provisions

1. Principal and Registered Office. The initial principal office of the Association shall be located at 5 Blueberry Ridge, Buncombe County, Asheville, North Carolina 28804. The registered office of the Association required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office. The initial registered office of the Association is 5 Blueberry Ridge, Buncombe County, Asheville, North Carolina, 28804.

2. Other Offices. The Association may have offices at such other places, either within or without the State of North Carolina, or may change the location of the principal or registered office, as the Board of Directors may designate or as the affairs of the Association may require from time to time.

3. Contracts, Loans, Checks, and Deposits. The Board of Directors or Executive Committee may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the Association, and such authority may be general or confined to specific instances. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors or Executive Committee. Such authority may be general or confined to specific instances. All checks, drafts or other orders for the payment of money, issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by the Board of Directors or Executive Committee. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors or Executive Committee may select, so long as such institution has the backing of the Federal Deposit Insurance Corporation, or similar backing.

4. Seal. The Association's corporate seal shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed the word

"SEAL"; and such seal is adopted as the corporate seal of the Association.

5. Fiscal Year. Unless otherwise ordered by the Board of Directors, the fiscal year of the Association shall be from January 1 through December 31 of each calendar year. The Board shall direct the preparation of an annual budget at least one month prior to the subsequent fiscal year to be approved by the members entitled to vote. A vote on each fiscal-year budget shall be made within a reasonable time by the voting membership.

CERTIFIED BY:

Paul Tierney, Secretary

**WEAVERVILLE BUSINESS ASSOCIATION, INC.
A NORTH CAROLINA NON-PROFIT CORPORATION**

FIRST AMENDMENT TO BY-LAWS OF THE CORPORATION

- I. Article IV is hereby amended by removing paragraph 1. in its entirety and replacing it with the following new paragraph 1.:

***ARTICLE IV
Membership***

1. *Classes of Membership; Admission. The Association shall have the following classes of membership:*
- a) *REGULAR MEMBERSHIP. Regular Members may be elected to the Association by a majority vote of the Board of Directors. Regular Members shall consist of properly elected for-profit businesses that are located or doing business within the mailing ZIP codes of 28787 (Weaverville), 28709 (Barnardsville) and 28701 (Alexander). It is the obligation of each Regular Member to designate the individual who holds the Member's one voting right. All Regular Members shall hold equal voting rights.*
- b) *AFFILIATE MEMBERSHIP. Affiliate Members may be elected to the Association by a majority vote of the Board of Directors. Affiliate Members shall consist of properly elected for-profit businesses not located within the US mailing ZIP codes identified for Regular Membership, and individuals and non-profit organizations whose principals are supportive of the goals and purposes of the Association. Affiliate Members shall have no right to vote or hold office.*

Submission of an application for Membership shall be made in such manner and form as prescribed by the Board of Directors and accompanied by all requisite dues, fees, or other charges. Action taken on the application may include, but shall not be limited to, admission as Regular Member, admission as Affiliate Member, admission to a provisional membership status pending additional requirements, or denial of the application. The decision rendered shall be communicated to the prospective Member and, if such decision is a denial of membership, shall be in writing. Denial of membership shall be subject to appeal to the full Board of Directors by written notice to the President of the Association. The Board of Directors shall then conduct a hearing on the denial on ten (10) days written notice to the prospective Member and otherwise in accord with the procedures for a hearing on expulsion of a Member as set out below.

Membership and membership interests are not transferable without the written consent of the Board of Directors.

In all other respects, the remaining provisions of Article IV remain unchanged and in full force and effect.

2. Article VIII is hereby amended by removing it in its entirety and replacing it with the following new Article VIII:

ARTICLE VIII
Dues

Initial dues for each Regular Member and each Affiliate Member shall be \$50.00 for the initial six month period, or any part thereof, until the following January, at which time the dues shall be \$100 per year. At each annual meeting, annual dues for membership in the organization shall be approved by majority vote of the membership, and shall be preceded by the Board of Directors' recommendation of the amount for dues for the coming year. The Board of Directors may from time to time recommend a special assessment over and above the annual dues, but any such assessment must be approved by majority vote of the members in attendance at a duly called special meeting for which the call of meeting provided notice of the recommended special assessment.

CERTIFIED BY:

Paul Tierney, Secretary

**WEAVERVILLE BUSINESS ASSOCIATION, INC.
A NORTH CAROLINA NON-PROFIT CORPORATION**

SECOND AMENDMENT TO BY-LAWS OF THE CORPORATION

- I. Article IV is hereby amended by removing paragraph 1. in its entirety and replacing it with the following new paragraph 1.:

Article IV

1. *Classes of Membership; Admission. The Association shall have the following classes of membership:*
- a) *REGULAR MEMBERSHIP. **Regular Members** may be elected to the Association by a majority vote of the Board of Directors. Regular Members shall consist of properly elected for-profit businesses that are committed to fostering a thriving business community in the greater Weaverville and surrounding areas. It shall be the Board of Director's sole and absolute discretion as to which businesses qualify for Regular Membership. It is the obligation of each Regular Member to designate the individual who holds the Member's one voting right. All Regular Members shall hold equal voting rights.*
 - b) *AFFILIATE MEMBERSHIP. **Affiliate Members** may be elected to the Association by a majority vote of the Board of Directors. Affiliate Members shall consist of properly elected individuals and non-profit organizations whose principals are supportive of the goals and purposes of the Association in the Board of Director's sole and absolute discretion. Affiliate Members shall have no right to vote or hold office.*

Submission of an application for Membership shall be made in such manner and form as prescribed by the Board of Directors and accompanied by all requisite dues, fees, or other charges. Action taken on the application may include, but shall not be limited to, admission as Regular Member, admission as Affiliate Member, admission to a provisional membership status pending additional requirements, or denial of the application. The decision rendered shall be communicated to the prospective Member and, if such decision is a denial of membership, shall be in writing. Denial of membership shall be subject to appeal to the full Board of Directors by written notice to the President of the Association. The Board of Directors shall then conduct a hearing on the denial on ten (10) days written notice to the prospective Member and otherwise in accord with the procedures for a hearing on expulsion of a Member as set out below.

Membership and membership interests are not transferable without the written consent of the Board of Directors.

In all other respects, the remaining provisions of Article IV remain unchanged and in full force and effect.

CERTIFIED BY:

Maureen McDonald, Secretary