

BYLAWS

NAMI NORTH CAROLINA, INC.

Revised by membership vote October 7, 2016

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ARTICLE I

Mission

The mission of NAMI North Carolina is to promote recovery and optimize the quality of life for those affected by mental illness.

ARTICLE II

Membership

Section 1. Definition – a Member is:

- (a) a person with a mental illness, or
- (b) a relative of a person with a mental illness or
- (c) a friend of a person with a mental illness, which may include supporters, associations, and professionals

Section 2. Voting Members. A voting member may be one individual or a family of individuals living in one household that is counted as one for purposes of paying dues and voting. A Member accepts the mission and shall have paid their annual dues. NAMI North Carolina will ensure that individuals joining can become members at all three levels including affiliate, state, and national.

Section 3. Local Affiliates ("Affiliates"). An Affiliate shall be a group of five or more I/FMs which has been granted status as an Affiliate of NAMI by the NAMI Board of Directors.

All applications from North Carolina for Affiliate membership in NAMI shall be endorsed by NAMI North Carolina. Failure or refusal of NAMI North Carolina to endorse favorably a membership application of a proposed Affiliate within sixty (60) days of the date of NAMI North Carolina's receipt of a copy of the application from NAMI may, at the election of the Applicant, be deemed to be a dispute resolved through the provisions of Article XIII, below.

ARTICLE III

Finance

Section 1. Dues. Members shall pay dues annually.

Section 2. Fiscal Year. The fiscal year shall begin July 1 and end June 30.

ARTICLE IV

Meetings

Section 1. There shall be an annual meeting of the members of NAMI North Carolina

Section 2. Special meetings of the members may be called by the president in concurrence with the majority of the Board of Directors or by a majority of the Board of Directors. Special meetings may also be called by petition of one-eight of the general membership.

ARTICLE V

Board of Directors

Section 1. The Board of Directors shall be comprised of twenty (20) regular directors elected by the membership and one (1) Consumer Council director elected by the Consumer Council. The Consumer Council director shall serve as the NAMI North Carolina representative to the NAMI Consumer Council. At least seventy-five (75%) of Board members shall be I/FMs (relatives of mentally ill persons or persons who themselves have experienced a mental illness). Board members must be members of NAMI North Carolina. The Board of Directors shall establish the policies of the corporation and shall have the power of the corporation between meetings of the corporation's membership unless otherwise specified in the Articles of Incorporation or these bylaws.

Section 2. Term of Service. The term of office of directors is three (3) years. Directors may not serve more than two consecutive full terms. The membership shall elect directors with the exception of the Consumer Council Director, who shall be elected by the Consumer Council.

A president of the Board of Directors serving the last year of a Directors' term will be an ex officio member for one additional year. In the case of a vacancy of one or more members of the Board of Directors, the president shall appoint the person or persons who shall fill the unexpired term or terms. In case of any vacancy of the Consumer Council director, the Executive Committee of the Consumer Council shall elect a Consumer Council member to fill the vacancy for the unexpired term.

ARTICLE VII

Directors' Meetings

Section 1. Annual Election of Officers and Executive Committee. At least 60 days prior to each annual meeting, the President shall appoint a Nominating Committee of three directors who shall present a slate of candidates who have agreed to serve as officers of the corporation. The outgoing President may serve as ex-officio on the Nominating Committee. The Nominating Committee shall present their nominations for officers to the Board members at least 30 days before the annual meeting. At the close of each annual meeting the Board of Directors shall meet and organize by electing the officers from among the directors. Elected officers who hold an employment position in management in the field of Behavioral Health or other potentially conflicting position may not be elected as President or President Elect, even if that person is a family member or an individual with lived experience with mental illness. The elected officers

and members of the Executive Committee of the corporation shall hold office until the next annual meeting or until their successors shall have been elected.

Section 2. Regular Meetings. In addition to the annual meeting, the Board of Directors shall hold three or more regular meetings annually, the times and places to be designated by the President.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by the President or any five members of the Board of Directors with at least fourteen (14) days notice served to each member. Written notice stating the place, day, and hour of the meeting and in the case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered or given, either personally, by mail, telephone or email. to each member or director of record at such address as appears on the books of the corporation not less than fourteen (14) days before the date of the meeting in the case of meetings of members or Board of Directors. Notice given by mailing or email shall be deemed given at the time such notice is postmarked. Whenever any notice is required to be given, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

Section 4. Quorum. A majority of the Board of Directors shall constitute a quorum at the annual meeting and at any interim meeting; and a majority of those present in either case shall have power to act in all matters, except as specifically provided to the contrary elsewhere in these bylaws and provided, however, that no real estate of the corporation shall be sold, leased, mortgaged, or otherwise disposed of, except by resolution approved by not less than a majority of the Board of Directors.

Section 5. Attendance. Any board member who has missed three Board meetings within a one year period without valid reason and prior notification may have his position on the Board terminated by a two-thirds vote of the Board of Directors present.

ARTICLE VIII

Committees

The Board of Directors, by resolution adopted by a majority of the directors present at a meeting at which a quorum is present, may designate certain directors to constitute an Executive Committee and other committees, each of which, to the extent authorized by law and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the corporation. The designation of any committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him or her by law.

ARTICLE IX

Officers and Duties

Section 1. The officers shall be members of the Board of Directors and shall be: President, President-elect, Treasurer, and Secretary.

Section 2. President. The President shall preside at all meetings of the corporation, the Board of Directors, and the Executive Committee. The President shall have general supervision of the affairs of the corporation under the direction of the Board of Directors and the Executive Committee. The President shall exercise such authority and perform such duties as the Board of Directors may from time to time assign. The President may not be a person who holds an employment position in management in the field of Behavioral Health or other potentially conflictual relationship with NAMI, even if that person is a family member or an individual with lived experience with mental illness.

Section 3. President-elect. In the event of the death, absence, incapacity, inability or refusal to act of the President, the President-elect shall possess all the powers and perform all the duties of the President, and shall do and perform such other duties and exercise such other authority as may be from time to time imposed upon or assigned to the President-elect by the Board of Directors. At the end of the President's service, the President-elect assumes the office of President. The President-elect may not be a person who holds an employment position in management in the field of Behavioral Health or other potentially conflictual relationship with NAMI, even if that person is a family member or an individual with lived experience with mental illness.

Section 4. Secretary. The Secretary shall attend all meetings of the Board of Directors and shall record all votes taken and assume responsibility for the taking of minutes of all proceedings. The Secretary shall see that notice of meetings is given and shall perform such other duties as are incident to the office of Secretary and as may be assigned to the Secretary by the Board of Directors or the President. The Secretary shall see that all written decisions and directives of the directors are retained.

Section 5. Treasurer.

The Treasurer shall have supervisory responsibility of all monies, securities, and other valuable properties of the corporation.

Section 6. Fidelity Bonds. The Treasurer and another person authorized to deposit and withdraw funds shall at the discretion of the Board of Directors be bonded for the faithful performance of the Treasurer's duties in such amounts, and by such surety, as the Board of Directors may require.

Section 7. Budget. The Budget, Finance & Personnel Committee and the Executive Director shall prepare an annual budget for the coming fiscal year and a financial report of the past fiscal year. The proposed budget will be submitted to the Board of Directors for approval at the last Board meeting prior to the beginning of the new fiscal year. This is usually the annual Board retreat. The approved budget will be made available to affiliates.

ARTICLE X

Revision or Amendment of Bylaws

Section 1 Revision or Amendment. Revision or amendments may be proposed by any Affiliate or any director. Any such proposed revision or amendments shall be submitted in writing to the bylaws committee not less than ninety (90) days prior to the date of the next annual meeting. Each member shall receive in writing all proposed revisions or amendments to the bylaws not less than thirty (30) days prior to the next annual meeting of the members. Proposed revisions or amendments shall be presented to the membership at such next annual meeting. A two-thirds majority of all voting members shall be required to revise or amend the bylaws.

Section 2. Interpretation of the Bylaws. When a question arises regarding the wording of the bylaws, the Bylaws Committee shall be vested with the authority to interpret the meaning of the bylaws. Interpretations of the bylaws committee shall be reported at the next regular board meeting and will take effect upon approval by a two-thirds vote of the board members present. Interpretations shall be submitted in writing and, upon approval, shall be incorporated into the bylaws in an appropriate fashion, i.e., as an appendix to or gloss of the relevant section.

ARTICLE XI

Not-for-Profit Corporation Law

Wherever not otherwise provided in the bylaws, the internal affairs of the corporation shall be governed by the procedures established in the not-for-profit corporation law of the State of North Carolina.

ARTICLE XII

Parliamentary Authority

A current edition of *Robert's Rules of Order* shall govern the conduct of business in all applicable cases that are not in conflict with these bylaws.

ARTICLE XIII

Dispute Resolution

The Board of Directors shall be vested with authority to mediate disputes among and between Affiliates and/or proposed Affiliates, and between NAMI North Carolina and Affiliates/proposed Affiliates.

ARTICLE XIV

Use of NAMI Name and Logo

The official name of this organization is NAMI North Carolina. We acknowledge that NAMI controls the use of the name and logo of NAMI and that NAMI North Carolina's use shall be in accordance with NAMI policy and that upon termination of affiliation with or charter by NAMI, the use of this name and logo by said organization shall cease.

ARTICLE XV

Nondiscrimination

NAMI North Carolina and its member Affiliates shall not discriminate against any person or group of persons on the basis of race, disability, creed, gender, religion, age or sexual orientation in the requirements for membership, its policies, or actions.

ARTICLE XVI

Independence

NAMI North Carolina is independent of other agencies and advocacy groups not affiliated with NAMI, and shall not share bylaws, articles of incorporation, or boards of directors with such other groups.

ARTICLE XVII

Indemnification of Directors, Officers and Others

1. Statement of Intent. The corporation shall indemnify the Directors and the Indemnified Officers to the maximum extent permitted by the Act.

2. Indemnification. In addition to, and not in any way in limitation of, all indemnification rights and obligations otherwise provided by law, the corporation shall indemnify and hold harmless its Directors and Indemnified Officers against all Liabilities and Expenses in any Proceeding (including, without limitation, a Proceeding brought by or on behalf of the corporation itself) arising out of their status as Directors or officers, or their service at the corporation's request as a director, officer, manager, partner, trustee, employee or agent of another foreign or domestic corporation (whether a business or nonprofit corporation), limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, or their activities in any such capacity; provided, however, that the corporation shall not indemnify a Director or an Indemnified Officer against Liabilities or Expenses that such person may incur on account of activities of such person which at the time taken were known or believed by him or her to be clearly in conflict with the best interests of the corporation. The corporation shall also indemnify each Director and Indemnified Officer for his or her reasonable costs, expenses and attorneys' fees incurred in connection with the enforcement of the rights to indemnification granted herein, if it is determined in accordance with Article VIII, Section 4 of these bylaws that the Director or Indemnified Officer is entitled to indemnification hereunder.

The Board of Directors shall have the authority to adopt such resolutions pertaining to the implementation of this Article VIII, Section 3 as it may from time to time determine, and such resolutions shall be given full effect, even though they supplement, amplify or go beyond the provisions of this Article VIII, Section 3, provided and to the extent such resolution does not violate any provision of the Act or the Articles of Incorporation. This Article VIII, Section 3 shall be construed in a manner to fully affect the purpose and intent of the resolution of the Board of Directors approving and adopting this provision.

3. Determination. Any indemnification under Article VIII, Section 3 shall be paid by the corporation in a specific case only after a determination that the Director or Indemnified Officer has met the standard of conduct set forth in Article VIII, Section 3 of these bylaws. Such determination shall be made:

- (a) by the Board of Directors by a majority vote of a quorum consisting of the members thereof not at the time parties to the Proceeding;
- (b) if a quorum cannot be obtained under Article VIII, Section 3, by a majority vote of a committee duly designated by the Board of Directors (in which designation members thereof who are parties to the Proceeding may participate), consisting solely of two or more members of the Board of Directors not at the time parties to the Proceeding;
- (c) by special legal counsel (i) selected by the Board of Directors or a committee thereof in the manner prescribed in Article VIII, Section 4(a) or 4(b); or (ii) if a quorum of the Board of Directors cannot be obtained under Article VIII, Section 4(a) and a committee cannot be designated under Article VIII Section 4(b), selected by a majority vote of the full Board of Directors (in which selection members thereof who are parties in the Proceeding may participate); or
- (d) by the members of the corporation, but Directors who are at the time parties to the Proceeding shall not vote on the determination.

The Board of Directors shall take all such action as may be necessary and appropriate to enable the corporation to pay the indemnification required by this Article VIII.

5. Advances for Expenses. The Expenses incurred by a Director or an Indemnified Officer in defending a Proceeding may be paid by the corporation in advance of the final disposition of such Proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the Director or Indemnified Officer to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the corporation against such Expenses. Subject to receipt of such undertaking, the corporation shall make reasonable periodic advances for Expenses pursuant to this Article VIII, Section 5, unless the Board of Directors shall determine, in the manner provided in Article VIII, Section 4 of these bylaws and based on the facts then known, that indemnification under this Article VIII is or will be precluded.

6. Reliance and Consideration. Any Director or Indemnified Officer who at any time after the adoption of this Article VIII serves or has served in any of the aforesaid capacities for or on behalf of the corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right, however, shall not be exclusive of any other rights to which such person may be entitled apart from the provisions of this Article VIII. No amendment, modification or repeal of this Article VIII shall adversely affect the right of any Director or Indemnified Officer to indemnification hereunder with respect to any activities occurring prior to the time of such amendment, modification or repeal.

7. Insurance. The corporation may purchase and maintain insurance on behalf of its Directors, officers, employees and agents and those persons who were or are serving at the request of the corporation in any capacity with another corporation (whether a business or nonprofit corporation), limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against or incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article VIII or otherwise. Any full or partial payment made by an insurance company under any insurance policy covering any Director, officer, employee, agent or other person identified above made to or on behalf of a person entitled to indemnification under this Article VIII shall relieve the corporation of its liability for indemnification provided for in this Article VIII or otherwise to the extent of such payment, and no insurer shall have a right of subrogation against the corporation with respect to such payment.

8. Savings Clause. If this Article VIII or any portion hereof shall be invalidated on any ground by any court or agency of competent jurisdiction, then the corporation shall nevertheless indemnify each person indemnified hereunder to the fullest extent permitted by the portion of this Article VIII that is not invalidated and also to the fullest extent permitted or required by the applicable law.