

Updated November 2016

BYLAWS  
OF  
SOUTH CAROLINA EMPLOYERS' ADVOCACY ASSOCIATION, INC.

ARTICLE 1.

CORPORATE NAME

The exclusive name of this Corporation shall be South Carolina Employers' Advocacy Association, Inc. (the "Association").

ARTICLE II.

REGISTERED OFFICE AND AGENT

§ 2.1 Registered Office. The Registered Office of the Association required by law shall be as initially designated in the Certificate of Incorporation and continuously maintained by the Board of Directors.

§ 2.2 Changes. The Board of Directors may change the Registered Office at its discretion from time to time after giving due notice of such change as required by law to the Secretary of State of South Carolina.

ARTICLE III.

FISCAL YEAR

The fiscal year of the Association shall end on midnight of December 31 of each year. The Board of Directors shall have the power to change the fiscal year.

ARTICLE IV.

PURPOSE OF THE ASSOCIATION

The Association has various purposes, including, but not limited to::

- a. To be the employers' voice in workers' compensation matters in South Carolina by advocating for employers before the Workers' Compensation Commission, the General Assembly, and other venues as appropriate.

- b. To educate and inform Association members about legislative and regulatory issues, as well as about other issues and trends in and affecting workers' compensation.
- c. To work and cooperate with other organizations which have similar interests.

In addition to the powers and authorities now or hereafter granted by law to nonprofit corporations by the State of South Carolina and subject always to these limitations, the specific objectives and purposes of the Association and the powers which it may exercise are as follows:

- a. To invest and reinvest all or any part of the Association's assets in any property, wherever located, including but not limited to, bonds, debentures, notes, secured or unsecured, stocks of corporations regardless of class, or real estate.
- b. To acquire by lease, option, purchase, gift, devise, or conveyance, or otherwise to hold, enjoy, possess, pledge, mortgage, encumber, rent, lease, sell or dispose of real property or any interest therein or do any acts incidental to or necessary to the accomplishment of any of the above as may be deemed to be in the interest of the Association.
- c. To acquire by lease option, purchase, gift, devise, or conveyance, or otherwise to, hold, enjoy, possess and pledge as security, sell, lease, transfer, or in any manner dispose of personal property of any class or description whatsoever; to retain any property, investments or securities originally received by the Association or thereafter acquired by it so long as the Directors of the Association shall consider the retention thereof desirable;
- d. To borrow money and to encumber mortgage or pledge any asset of the Association in connection with the exercise of any power vested in the Association.
- e. To do and perform all other acts and things which may be necessary or appropriate for the accomplishment of any of the stated purposes of the Association.

ARTICLE V.

MEMBERS OF THE ASSOCIATION

§ 5.1 Classes of Members. There shall be three classes of members: regular, associate, and supporting. Any issue as to a member's classification will be decided by the Board of Directors.

- a. Regular members: Any person, firm, corporation, political subdivisions or other entity which, as an employer of individuals working in South Carolina, is subject to the provisions of the South Carolina Workers' Compensation Act (the "Act"). This includes any self-insurance fund, which is defined as any group of organizations which have come together to jointly and severally self-insure their workers' compensation obligations under the Act. Individual members of a self-insurance fund are also eligible to participate as regular members.
- b. Associate members: Any person, firm, corporation, or other entity providing services in South Carolina, the purpose of whose services are to prevent workers' compensation claims or mitigate the cost of workers' compensation claims which do occur.
- c. Supporting members: Any organization, the primary purpose of which is to insure the workers' compensation obligations of other organizations through a commercial insurance transaction.

Supporting members shall not be allowed to vote or serve on the Board of Directors.

§ 5.2 Membership Approval. Any organization desiring to become a member of the Association shall apply for membership and, by a majority vote of the Board of Directors, shall be granted membership as a Regular, Associate, or Supporting member as designated by the Board of Directors.

§ 5.3 Membership Dues. All active members must pay annual membership dues. The amount of membership dues shall be set by the Board of Directors and shall be due and payable by January 1 of each year. Any member joining during the calendar year may pay dues on a pro-rated basis.

§ 5.4 Annual Meetings. The membership shall meet at least annually at a time and place to be designated by the Board of Directors. Notice of any meeting of the

membership shall be given at least thirty (30) days prior to the meeting. Members present at the meeting shall constitute a quorum.

## ARTICLE VI.

### BOARD OF DIRECTORS

§ 6.1 General Powers. All corporate powers shall be exercised by or, under the authority of, and the business and affairs of the Association shall be managed under the direction of the Board of Directors.

§ 6.2 Number, Tenure and Qualifications of Directors.

- a. The Board of Directors shall consist of the President, Vice President, Secretary, Treasurer, and up to twelve (12) additional Directors elected by the members of the Association.
- b. All board members must be representatives of Association members who are current on their dues and otherwise in good standing.
- c. There shall also be a legal-advisor appointed by vote of the Board of Directors who shall serve as an ex-officio, nonvoting member of the Board of Directors.
- d. Each elected Director shall serve for a term of four (4) years commencing on January 1 of the year following election.
- e. Each Director who serves by virtue of holding an office in the Association shall serve until such individual's tenure as an officer terminates.
- f. A director who is elected to the Board of Directors as a representative of a particular member shall cease to serve as a director and member of the Board immediately upon the termination of their representative capacity with the member organization or upon the member organization ceasing to be a member of the Association.

If any Director dies, resigns, or is removed, an interim Director may be elected by the Board of Directors to serve until the next annual meeting. Any interim Director shall have the same powers as any other duly elected member of the Board of Directors. At the next annual meeting, the membership may elect by majority vote of those present, a Director to fill the remaining unexpired term of

the Director whose term the interim Director has replaced. Nothing herein shall prohibit the interim Director from being elected to the unexpired term of the Director the individual replaced.

- § 6.3 Regular Meetings. The Board of Directors shall meet at least quarterly. The Board of Directors shall have the power to establish the time and place for holding regular meetings of the Board. The Board of Directors shall have the power in its discretion to change the time and place of such regular meetings or to make them more or less frequent.
- § 6.4 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any three (3) Directors.
- § 6.5 Notice of Meetings. Notice of any meeting shall be given at least five (5) days previous thereto either orally or in writing. Notification by electronic means, such as e-mail sent to a valid address, shall be considered appropriate written notice. A majority of the number of elected Directors in office immediately before the meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
- § 6.6 Manner of Acting. The act of the majority of the Directors present at a meeting at which a quorum is present when the vote is taken shall be the act of the Board of Directors unless the Certificate of Incorporation or these bylaws require a greater percentage.
- § 6.7 Removal of a Director or Officer. Any Director or officer may be removed from office with cause by a majority vote of the Board of Directors at a meeting at which only the removal and replacement of the Director or officer in question shall be considered.
- § 6.8 Committees. The Board may create one or more committees to assist in the conduct of the business of the Association. The President shall appoint members of the committees with the advice and consent of the Board of Directors. Each committee must have two or more members, who serve at the pleasure of the President. The provisions of this Article VI, which govern meetings, quorum and voting requirements of the Board of Directors, apply to committees and their members.

ARTICLE VII.

OFFICERS

- § 7.1 Number. The officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, each of whom shall be elected by the membership at its annual meeting.
- § 7.2. Appointment and Term of Office. The officers of the Association shall be elected for a term of two (2) years which shall commence on January 1 after their election.
- § 7.3 The President. The President shall be the principal executive officer of the Association and shall in general supervise and control all of the business and affairs of the Association. The President shall preside at meetings of the membership and the Board of Directors. The President may sign, with the Secretary or any other proper officer of the Association, thereunto authorized by the Board of Directors, deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- § 7.4 The Vice-President. In the absence of the President or in the event of the President's death, inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice-President shall perform such other duties as from time to time may be assigned to the Vice-President by the President or by the Board of Directors.
- § 7.5 The Secretary. The Secretary shall:
- a. Keep the minutes of the proceedings of the Board of Directors and the membership in one or more books provided for that purpose;
  - b. See that all notices are duly given in accordance with the provisions of these bylaws or as required by law;

- c. Be custodian of the corporate records and of any seal of the Association and if there is a seal of the Association, see that it is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized;
- d. When requested or required, authenticate any records of the Association; and
- e. In general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to the Secretary by the President or by the Board of Directors.

§ 7.6 The Treasurer. The Treasurer shall:

- a. Have charge and custody of and be responsible for all funds and securities of the Association;
- b. Receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected by the Board of Directors; and
- c. In general, perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to the Treasurer by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with such surety or sureties as the Board of Directors shall determine.

§ 7.7 Non-appropriated Funds. The officers of the Association shall have authority, by majority vote, to spend moneys not appropriated in the Association's budget for emergency purposes not to exceed a maximum amount which may be set from time to time by resolution of the Board of Directors.

§ 7.8 Delegation of Duties to Executive Director. The Board of Directors may, at its discretion, appoint an Executive Director to oversee the operations of the Association. The duties of the Executive Director shall be outlined in an agreement between the Association and the Executive Director. The agreement shall also stipulate any compensation payable to the Executive Director for services provided. Where appropriate to the operation of the Association, and with prior approval of a majority of the Board of Directors, any of the specifically

described duties of the individual officers may be delegated to the Executive Director.

#### ARTICLE VIII.

#### AMENDMENTS

These By-Laws may be amended or restated from time to time at any meeting of the membership by a majority of the members present, provided that no amendment may be voted upon unless a copy of the proposed amendment has been distributed to the membership at least thirty (30) days prior to the meeting.

#### ARTICLE IX.

#### DISSOLUTION OF THE ASSOCIATION

The Association may be dissolved and its business affairs terminated at any annual meeting of the membership if two-thirds (2/3) of the members present vote in favor of the dissolution. Notice of the meeting must state the purpose of the proposed meeting. Upon the dissolution of the Association and after all its debts and expenses have been paid, all its assets which may be legally distributed shall be distributed exclusively for the purposes of the Association in such manner as the Board of Directors shall determine.