

**BY-LAWS OF
NORTH CAROLINA CHESS ASSOCIATION, INC.**

I. CORPORATE OFFICES

1. Principal Office. The principal office of the Corporation shall be located at the office of the President during his term.

2. Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina shall be located at P.O. Box 1123, Weaverville, Buncombe County, North Carolina. The registered agent at such address shall be Wilder Wadford.

3. Other Offices. The Corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine or as the affairs of the Corporation may require.

II. CORPORATE PURPOSES

The purposes and objectives of the Corporation shall be as set forth in the Corporate Charter, in particular:

(a) To broaden and develop chess as an art and recreation, and as a significant element of culture in the State of North Carolina. The Corporation will work toward this end by instruction of the public on chess subjects useful to the individual for the purpose of improving or developing his intellectual, analytical, memory and literary capabilities. The Corporation will conduct public discussion groups, forums, panels, lectures and other forms of public education in schools and in other public places. The Corporation will cooperate with chess clubs, schools and other groups and institutions throughout North Carolina in teaching chess and conducting tournaments.

(b) To initiate programs, to conduct tournaments and matches, and to employ methods that will tend to promote the literary and educational benefits to be derived from the game of chess.

(c) To promote the education of chess among children and use of chess in school, home, and community and to develop recognition among educators and the general public of the educational values of the discipline of chess for children.

(d) To receive donations from the general public to enable the Corporation to further develop the educational benefits of chess through exhibitions, seminars, training programs, matches, and tournaments, and to give appropriate awards to successful participants.

(e) To carry on any lawful business calculated, directly or indirectly, to promote the interests of the Corporation, or to enhance the value of its properties by virtue of any powers and rights which are now or which may hereafter be conferred upon corporations organized under the laws of the State of North Carolina applicable thereto including the powers included in NCGS 55A-15.

(f) To engage in any lawful activity of which non-profit corporations may be organized under the laws of the State of North Carolina

III. MEMBERS

1. Generally Any person is eligible to become a member of the Corporation upon application. There shall be no discrimination in membership on grounds of race, sex, gender, sexual orientation or religion. Membership shall only be barred for reasons of immoral character or abuse of membership privileges.

2. Classes.

(A) LIFE – Anyone who pays 20 times the current dues rate of a regular member (in a lump-sum payment) shall receive a life membership. All life members shall receive all privileges of a regular membership for life.

(B) REGULAR – Anyone who pays the current dues rate per annum is a regular member of the Corporation. He shall have the privilege of entering all Corporation sponsored events for which he is eligible, to vote in meetings of the Corporation as provided in these By-laws, to serve as an elected or appointed officer of the Corporation unless ineligible.

(C) JUNIOR – Anyone 18 years of age or younger shall become a Junior member of the Corporation at no charge. They shall be entitled to all privileges of regular membership except for voting privileges and shall not be eligible for an elected office.

3. Residency Requirements. Directors and officers shall be residents of North Carolina at the time of election and in every other case where residency is required by the By-laws, the Board of Directors shall use the following definition: Residency shall mean living in a particular locality in North Carolina with intent to remain in said locality. Factors to be considered are living in a particular locality in North Carolina for more than six months, voter registration, possession of North Carolina Driver's License, payment of taxes in North Carolina, and subdivisions thereof and actual, continuous dwelling in a locality in North Carolina. The Board of Directors at their discretion, may waive the necessity of some or all of the above factors except the six-month residency requirement which shall be mandatory. Servicemen in the U.S. Armed Forces stationed in North Carolina and students attending North Carolina Schools shall be deemed residents by adequate proof of residing in North Carolina for more than six months. All determination of residency shall be made by a majority vote of the Board of Directors and their decision shall be final and conclusive. Provided, however, the Board retains the right to make special exceptions to the above requirements when the geographical residential location of the Director and Officer changes during the Director or Officer tenure to a contiguous out of state location which is in reasonable close proximity to the North Carolina State line and which does not adversely affect the Director or Officer's ability to carry the duties of those offices.

IV. MEETINGS OF MEMBERS

1. Annual Meeting. The annual meeting of the members shall be at such place within the state of North Carolina as the notice from the Board of Directors of same shall direct. This will be for the purpose of electing directors/officers of the Corporation and for the transaction of such other matters as may be properly brought before the meeting.

Said meeting shall take place each year in conjunction with the Championship Tournament.

2. Special Meetings. Special meetings of the members may be called at any time by a majority vote of the directors/officers or by any member pursuant to the written request of the membership of not less than twenty five percent (25%) of all the members entitled to vote at such meeting. No business other than that specified in the notice for the meeting shall be transacted.

3. Notice of Meetings. Notice stating the time and place of meetings shall be published on the Corporation Web site not less than ten days before the date thereof.

4. Quorum. Ten percent (10%) of the members entitled to vote, represented in person or by proxy, shall constitute a quorum for the annual and special meetings. In the event a quorum shall not be present, the members present in person or by proxy may adjourn the meeting to a future date not more than fourteen (14) days from the date of the noticed meeting, provided that at such adjourned meeting ten percent (10%) of the members entitled to vote, in person or proxy, shall constitute a quorum and any business may be transacted which might have been transacted at the original meetings. Those present at a meeting at which a quorum is present may continue to do business until adjournment, even if there is a withdrawal of members to leave less than a quorum. A quorum for removal of a director/officer shall be fifty percent (50%) of the membership.

5. Voting and Proxies. Every member shall be entitled to one vote, which vote may be his personally or by proxy duly authorized. Proxies shall be in writing in proper form as determined by the Board of Directors and shall be filed with the Secretary of the Corporation. Except in the election of directors/officers, the vote of a majority of the members voting on any matter shall be the act of the members unless the vote of a greater number is required by law, by the Corporate Charter, or by the By-laws of the Corporation. Voting on all matters shall be by voice vote or by a show of hands unless demand is made by a member for a ballot vote prior to the taking of the vote.

6. Informal Action. Action taken by a majority of the members without a meeting is nevertheless Member action if written consent to the action in question is signed by two-thirds of the members and filed in the Corporate Minute book, whether done before or after the action so taken.

V. DIRECTORS/OFFICERS

1. Power. The business and affairs of the Corporation shall be managed by the Board of Directors/Officers or by such Executive Committees or officers as the Board may establish in accordance to these By-laws.

2. Number and Term. The number constituting the Board of Directors shall be four (4) with one (1) additional special Director appointed by the President, who must be a former President, First or Second Vice President in that order of preference, said latter special Director shall have the obligation and duty to be the tie breaker for the Board in the event of the following: either an amendment to these By-Laws or a proposed amendment to the Charter. Each director/officer shall hold office until his death, resignation, removal, disqualification or until his successor is elected or appointed and qualifies, the first occurring such event. Directors must be residents of North Carolina at

the time of election and at least 18 years of age. The term of the Director shall be for a two year period. The four directors shall be designated as: (1) Director/Chairman of the Board/President of the Corporation, (2) Director/First Vice-President of the Corporation, (3) Director/Second Vice-President, Scholastic Coordinator, and (4) Director/Secretary of the Board and Secretary/Treasurer of the Corporation. and. Each director shall have one vote and in the event of a deadlock the President shall be entitled to an additional vote to break the deadlock.

3. Election. Except as provided elsewhere in the By-laws, the directors/officers shall be elected every two years at the annual meeting of members and those persons receiving the highest number of votes for each director/officer shall be deemed to have been elected. If any member so demands, or at the discretion of the President, the election of directors shall be by ballot.

4. Removal. Any director/officer may be removed from office, with or without cause, by a two-thirds vote of members entitled to vote at an election of directors/officers, provided a quorum for removal as recited in Article IV is present. Upon removal at a duly called meeting, new directors/officers may be elected or appointed as provided in these By-laws at the same meeting. A director/officer so elected shall hold office for the unexpired term of the removed director/officer.

5. Chairman. The duly elected Director/Chairman of the Board and President of the Corporation shall preside at the meetings and perform such other duties as may be directed by a majority of the Board of Directors/Officers.

6. Compensation. The Board of Directors may reimburse directors/officers for all expenses reasonably incurred in the performance of their duties, including the right to indemnification as provided in NCGS 55A-17.1, 17.2 and 17.3.

7. Executive Committees. The Board of Directors may designate one or more directors to constitute an Executive Committee, which committee shall have and may exercise all the authority of the Board of Directors in the management of the Corporation, to the extent provided in the resolution of the Board of Director's designating the Executive Committee.

“8. Vacancies. Except for the office of the President, whenever any vacancy shall occur in the Board of Directors/Officers, the same may be filled by a majority vote of the remaining members of the Board at any meeting which shall be called for that purpose. The person so elected shall hold office until a successor shall have been elected by the members in accordance with these By-laws. In the event of deadlock, the Chairman shall be entitled to an additional vote to break the deadlock. If the office of the President becomes vacant, then the First Vice-President, with majority approval by the remaining Directors qualified to vote, shall hold the President's office until a successor shall have been elected by the members in accordance with these By-laws. Directors qualified to vote on filling the vacancy of the office of the President with the First Vice President shall be the Second Vice-President, the Secretary/Treasurer and the special Director. In the event of deadlock, the special Director shall be entitled to an additional vote to break the deadlock. If the First Vice-President shall refuse to assume the office or if the

Directors qualified to vote shall disapprove, then the office shall be filled by a majority vote of all Directors except for the member who was or is holding the office of the President and if there is deadlock then the special Director shall be entitled to an additional vote to break the deadlock.”

VI. MEETINGS OF DIRECTORS

1. Annual Meeting. The annual regular meeting of the Board of Directors shall be held immediately after and at the same place as the annual meeting of members. In addition, the Board of Directors may provide the time and place for the holding of additional regular meetings.

2. Special Meetings. Special meetings of the Board may be called by or at the request of the President or any director.

3. Notice of Meetings. Annual or other regular meetings of the Board may be held as needed. The Director or Directors calling a special meeting of the Board shall give notice thereof (including the date of mailing or cabling) in person, or by mail, e-mail, telephone, facsimile or cable at least five (5) days before the date thereof. Such notice need not specify the purpose for which the meeting is called. Attendance at a meeting shall constitute waiver of notice unless such attendance is expressly and solely for the purpose of raising objection to the calling of the meeting.

4. Quorum. A majority of the directors fixed by these By-laws shall constitute a quorum. In the event a quorum shall not be present the directors present may adjourn the meeting to a future date not more than fourteen (14) days from the date of the noticed meeting, provided that at such adjourned meeting a majority of directors shall constitute a quorum and any business may be transacted which might have been transacted at the original meeting. Those present at a meeting at which a quorum is present may continue to do business until adjournment, even if there is a withdrawal of enough directors to leave less than a quorum.

5. Voting. Except as otherwise provided in these By-laws each director shall have one vote, and the vote of a majority of the number of directors present at a meeting of which a quorum is present shall be the act of the Board of Directors. In the event of deadlock, the Chairman shall be entitled to an additional vote to break the deadlock.

6. Informal Action. Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the directors and filed in the Corporate Minute Book, whether done before or after the action so taken.

VII. OFFICERS

1. Number Term. The officers of the Corporation shall consist of a President; First Vice-President; Second Vice-President, Scholastic Chess; Secretary/Treasurer; and such Assistant Vice-presidents; Assistant Secretaries; Assistant Treasurers; and other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person, except the offices of President and Secretary. The term of the officers shall be for a period of two years from the time of election.

2. Election. Officers of the Corporation shall be elected as provided in Article V, Sections 2, 3, 4, and 8. Each officer shall hold office for two years or until his successor is elected and qualifies, the first occurring such event. Officers must be residents of North Carolina.

3. Removal. Officers may be removed from office, as provided in Article V, Section 4.

4. Compensation. The Board of Directors may reimburse officers for all reasonable expenses incurred in the performance of their duties, including the right to indemnification as provided in NCGS 55A-17.1, 17.2, and 17.3.

5. Duties. The duties of officers shall be as follows:

(A) President: The President shall preside at all meetings of the Board of Directors and members and present at each annual meeting a report of the condition of the business of the Corporation; cause to be called regular and special meetings of the members and directors in accordance with these By-laws; appoint and remove, employ and discharge, and fix the compensation of all employees, subject to the approval of the Board of Directors; execute conveyances, subject to approval of the Board of Directors; oversee the operation of an informative Web site that serves as a communication vehicle to the members; execute conveyances, contracts and agreements lawfully authorized by the Board of Directors or the members; maintain and file all books, records, reports, statements and other documents required by law; sign or cause to be signed by duly authorized officers or employees all notes, drafts, checks and other orders for the payment of money; enforce these warrants and other orders for the payment of money; enforce these By-laws and see that all lawful orders and resolutions of the Board of Directors are carried out; perform all the duties incidental to the office of President and which are or may be required by law, and generally, see that the officers, managers and employees of the Corporation perform their duties; perform and attend to such other lawful duties and functions as may be prescribed by the Board of Directors.

(B) First Vice-President: The First Vice-President shall, in the order of their election, perform the duties and exercise the powers of the office of President in the absence or disability of the president; and in addition, perform and attend to such duties and functions as may be prescribed by the Board of Directors.

(C) Second Vice-President: The Second Vice-President /Scholastic Coordinator shall, in the order of their election, perform the duties and exercise the powers of the office of the First Vice-President in the absence or disability of the First Vice-President; and in addition, perform and attend to such duties and functions as may be prescribed by the Board of Directors.

(D) Secretary/Treasurer: The Secretary/Treasurer shall (and during his absence or disability the Assistant Secretary/Treasurer who may be appointed by the Board) shall keep the minutes of meetings of the Board of Directors and members in appropriate books; give and serve all notices of the Corporation; be the custodian of the corporate seal and attest to the affixing of same by order of the Board of Directors or the President; keep and maintain the Corporation's books; perform all duties incidental to the office of Secretary/Treasurer; perform and attend to such other lawful duties and functions as may

be prescribed by the President or the Board of Directors. The Secretary/Treasurer shall (and during his absence or disability the Assistant Secretary/Treasurer) shall have the care and custody of and be responsible for all the funds and securities of the Corporation, and he shall deposit all such funds in the name of the Corporation in such bank, banks, or vaults as the Board of Directors shall designate, subject to these corporate resolutions as may be adopted from time to time designating others to perform these duties, the Secretary/Treasurer shall sign, make, and endorse in the name of the Corporation all checks, drafts, and orders for the payment of money and pay out and dispose of same and issue receipts; he shall keep and preserve all paid checks, notes, acceptances, and other evidences of expenditures; render a statement of the financial condition of the Corporation at such regular meetings of the Board of Directors and at the annual meeting of members and at such other times as shall be required by the Board; keep at the office of the Corporation books of accounts of all the Corporation's business and transactions and such other books of account as the Board of Directors may require; perform all the duties incidental to the office of Treasurer; and attend to such other lawful duties and functions as may be prescribed by the President or the Board of Directors.

3. USCF Affiliation. The Corporation shall be the State Chapter of the United States Chess Federation for North Carolina. The President and First Vice-President shall be empowered to appoint USCF voting members and alternate voting members as specified by the USCF based on service to the organization.

VIII. GENERAL PROVISIONS

1. Fiscal Year. The Board of Directors shall have the power and authority to fix the fiscal year of the Corporation by duly made resolution. Unless the Board of Directors shall so fix the fiscal year otherwise, the fiscal year shall end on December 31 each year.

2. Amendments. The By-laws may be amended or repealed and new By-laws may be adopted by the affirmative vote of a majority of the directors then holding office at any regular or special meeting of the Board of Directors; provided however, that the Board of Directors shall make no provision, without member action, altering the number of directors from that stated in the charter; staggering the term of a director; limiting the power of the Board; or prescribing different quorum or voting requirements for member or director action as required.

3. Dissolution or Liquidation. Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of any remaining assets in accordance with the purposes of the Corporation, or to such organization, or organizations, organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization, or organizations, under Section 501(c)(3) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States Internal Revenue Law or the North Carolina Non-Profit Corporation laws, as may be applicable, as may be determined by the Board.

IX. SPECIAL PROVISIONS

1. Scholastic Chess Scholastic Chess (chess in North Carolina public, private or home schools) is perhaps the most important aspect of this organization. Chess is an

intellectually stimulating game that can improve study habits and concentration in and outside the classroom. To this end a scholastic chess committee of those parties interested in scholastic chess are charged with implementing scholastic chess in North Carolina. The scholastic chess committee shall promote chess in north Carolina schools and shall report its workings annually at the business meeting. In addition, the committee, with the advice and consent of the members of the Board of Directors, shall be held responsible for organizing and running the Scholastic Championship set forth in this Article. The committee may also sponsor other tournaments as it sees fit.

2. Tournaments

(A) Corporation Control – The Board of Directors is authorized to determine the dates, locations, schedules, entry fees, time limits, prizes, special conditions, and tournament directors for all Corporation tournaments.

(B). Championship Tournament – The Championship Tournament will be held annually on such date as may be most convenient at the discretion of the Directors and may be open to all as determined by the majority vote of the Board of Directors, but titles can be won only by residents of North Carolina. The top North Carolina player shall be declared North Carolina Champion. If two or more players tie for top North Carolina player then those players shall be declared Co-Champions. If three players or more tie for top North Carolina player, then the two players with the most tie-breaking points using the USCF order of tie breaks shall be the top two finishers to be invited to the Invitational Tournament.

(C). Invitational Tournament – The Invitational Tournament will take place annually. The President shall extend invitations to: (1) the defending Invitational Champion, (2) the top two finishers (via tiebreaks) who are North Carolina residents in the most recent State Championship (3) the three highest-rated active members as determined by the Board of Directors within the calendar year not otherwise qualified. If the said procedure does not produce the required entrants, the President shall continue to invite Corporation members active within the calendar year in order of rating until the total number of required entrants are obtained.

(D). Scholastic Championship – The Scholastic Tournament shall take place annually before the first weekend in May, unless the Second Vice-President/Scholastic Coordinator, with the support of the Board of Directors, shall have due reason to alter the date. The winner of the K-12 section shall represent the state at Denker Tournament of High School Champions. The Board, in its discretion, may financially assist the Denker representative, which is strongly urged to in order support a primary mission of the Corporation.

(E). All Girls Open - The All Girls Open shall take place annually before June 1. The winner shall represent the state at the Susan Polgar National Invitational for Girls. The Board, in its discretion, may financially assist the Polgar representative, which is strongly urged to in order support a primary mission of the Corporation.

(F) Denker and Polgar Replacements - If the Scholastic Tournament or the All Girls Open are not held, the Board may select the state's representatives in their discretion, striving to send the most competitive player available.

(G) Other Tournaments – The Corporation may sponsor other tournaments upon the approval of the majority of the Board of Directors.

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

***AMENDED AND RESTATED CHARTER
OF
THE NORTH CAROLINA CHESS ASSOCIATION***

THE UNDERSIGNED, non-profit corporation, for the purpose of amending and restating its charter, in accordance with the provisions of Section 55A-36 and 37.1 of the North Carolina Non-Profit Corporation Act, does hereby set forth:

1. The name of the corporation is: NORTH CAROLINA CHESS ASSOCIATION.

2. At a regularly convened meeting of the members of the corporation held on the 3rd day of September, 1988, the following Amended and Restated Charter was adopted:

a. Name: The name of the Corporation is: NORTH CAROLINA CHESS ASSOCIATION.

b. Period: The period of duration of the Corporation shall be perpetual.

c. Purposes: The purposes for which the Corporation is organized are:

(i) To broaden and develop chess as art and recreation as a significant element of culture in the State of North Carolina. The Corporation will work toward this end by instruction of the public on chess subjects useful to the individual for the purpose of improving or developing his intellectual, analytical memory and literary capabilities. The Corporation will conduct public discussion groups, forums, panels, lectures and other forms of public education in schools and in other public places. The Corporation will

cooperate with chess clubs, schools, and other groups and institutions throughout North Carolina in teaching chess and conducting tournaments.

(ii) To initiate programs, conduct tournaments and matches and to employ methods that will tend to promote the literary and educational benefits to be derived from the game of chess.

(iii) To promote the education of chess among children and use in school, home and community and to develop recognition among educators and the general public of the educational values of the discipline of chess for children.

(iv) To receive donations from the general public to enable the Corporation to further develop the educational benefits of chess through exhibitions, seminars, training programs, matches and tournaments and to give appropriate awards to successful participants.

(v) To carry on any lawful business calculated, directly or indirectly, to promote the interests of the Corporation, or to enhance the value of its properties by virtue of any powers and rights which are now or which may hereafter be conferred upon corporations organized under the laws of the State of North Carolina applicable thereto.

(vi) To engage in any lawful activity for which corporations may be organized under the laws of the State of North Carolina.

d. Members: The Corporation shall have members which may be divided into such classes as shall be provided in the By-laws. All members shall be accepted, appointed, elected, or designated in the manner provided in the By-laws. The Corporation will not discriminate as to membership on the basis of race, religion, age, sex, national and ethnic origin.

e. Directors: The Directors of the Corporation shall be elected or appointed in the manner and for the terms provided in the By-laws.

f. Net Earnings: No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions for services rendered and to make payments and distributions in furtherance of Corporate purposes, except that awards made in the course of the Corporation's educational and promotional program shall not be so construed. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to participate in, or intervene in, including the publishing or distribution of statements, any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions in these articles, the Corporation shall not carry on any other activities not permitted to be carried on: (a) by Corporations exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law or (b) by a Corporation contributions to

which are deductible under Section 170 (c) (2) Internal Revenue Code of 1954 or the corresponding provisions of any future United States Internal Revenue Law.

The Corporation is organized exclusively for educational purposes, including for such purposes, the making of distributions to organizations that qualify as exempt. Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of any remaining assets in accordance with the purposes of the Corporation, or to such organization or organizations, organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States Internal Revenue Law as the Board of Directors shall determine.

g. Registered Office and Agent: The address of the registered office of the Corporation in the State of North Carolina shall be at 38 North Main Street, P.O. Box 1123, Weaverville, Buncombe County, North Carolina, 28787. The name of the registered agent at such address shall be Wilder Wadford.

h. Number of Directors: The number constituting the Board of Directors shall be five (5) and the names and addresses of the persons who are to serve as the directors are:

3. The Corporation has members with voting rights. A quorum was present at the meeting held on the above date, and the said Amended and Restated Charter received at least two-thirds (2/3) of the votes entitled to be cast by members present or presented by proxy at such meetings.