

BYLAWS
OF
THE HILTON HEAD REFERALL NETWORK GROUP

ARTICLE I
NAME

The name of this non-profit corporation shall be The Hilton Head Referral Network (the "Organization").

ARTICLE II
OBJECT IVES AND ORGANIZATION

Section 1. OBJECT IVES. The objectives of the Organization shall be:

a. to provide a forum for professionals to meet and to appraise Members' attributes in an effort to encourage referrals for both business and personal development in a professional and ethical manner; and

b. to have one Member from each business category represented in the Organization at any given time.

Section 2. ORGANIZATION. The Hilton Head Referral Network Group shall be self-governing, non-profit, non-partisan, non-sectarian and non-discriminatory. It shall be incorporated as a non-profit corporation and operate in the State of South Carolina.

Section 3. FISCAL YEAR. The fiscal year of the Organization shall be January 1 through December 31.

Section 4. FINANCIAL PURPOSES AND POWERS. The financial purposes and powers of the Organization shall be to:

a. conduct its affairs, carry on its operations, have offices and exercise the powers of a non-profit corporation granted under South Carolina law;

b. have an exercise all powers necessary or convenient to affect any or all of the purposes for which the corporation is organized;

c. make contacts and incur liabilities related to the normal operations and activities of the Organization;

- d. purchase property and assets;
- e. sell, convey, mortgage, pledge, lease, exchange, transfer or otherwise dispose of all or any part of its property and assets; and
- e. make donations for the public welfare or for charities, educational or similar purposes.

ARTICLE III
MEMBERSHIP, VOTING, QUORUM, PROXIES

Section 1. ELIGIBILITY. Any person who applies for membership, fulfills the requirements of membership set forth in Article III, Section 2 below, and is accepted for membership in the Organization shall be a "Member". Any person who is a member of the Organization shall be deemed to have consented to be a member of the Organization and shall be referred to herein as "Member".

Section 2. REQUIREMENTS FOR MEMBERSHIP.

a. APPLICATION. Applicants for Admission shall attend two (2) meetings as a guest, prior to Admission. Application for Admission shall be submitted in writing on the standard application form. The Application shall include the applicant's complete name, employer's name, business address, residence address, business telephone, residence telephone, business category applying for membership, fax number and e-mail address, if applicable. Applicants shall submit payment for annual dues, prorated if necessary, with an Application for Admission. Applications for Admission shall be reviewed by Members of the Organization at the second meeting of each month. If the Applicant for Admission has no conflicts with any current Member, an invitation for membership will be extended by the Membership Director to the Applicant on the first meeting of the following month. If an application is rejected by the Organization, the annual dues payment submitted by the Applicant shall be returned to Applicant within thirty (30) days of the final decision regarding the application.

b. CHANGE OF PROFESSION. If a Member leaves his/her current profession and moves into a new profession which is already represented in the Organization, the Member changing professions will be required to terminate his/her membership with the Organization.

Section 3. VOTING. Each Member shall have one vote.

Section 4. QUORUM. Except as otherwise provided in Article III, Section 5 and elsewhere in these Bylaws, the presence in person or by proxy of thirty-three percent (33%) of Members shall constitute a quorum.

Section 5. PROXIES. Votes may be cast in person or by proxy. Proxies must be signed, dated and filed with the Secretary of the Organization before the appointed time of each meeting. Ballot proxies

may be used for annual elections and shall be given directly to the appointed Chairman of the Nominating Committee.

Section 6. MAJORITY VOTE. The vote of a majority of the Members present at a meeting at which a quorum shall be present shall be binding upon all Members for all purposes.

ARTICLE IV
RESPONSIBILITIES AND MEETINGS

Section 1. RESPONSIBILITIES. Members of the Organization will have, among other duties, the responsibility of electing the Board of Directors at the Annual Meeting of the Organization. Except as otherwise provided, decisions and resolutions of the Organization shall require approval by a majority of Directors.

Section 2. PLACE OF MEETINGS. Meetings of the Organization shall be at such place, convenient to the Members, as determined by the Board of Directors.

Section 3. TIME AND DATE OF REGULAR MEETINGS. Meetings of the Organization shall be held twice a month at a time and place determined by the Board of Directors. To provide adequate focus upon membership activities, the first meeting of each month will be dedicated to increasing membership. The second meeting of each month will be dedicated to the business of the Organization including the review and approval or rejection of any pending membership applications.

Section 4. ATTENDANCE AT REGULAR MEETINGS. All members shall be required to attend at least four (4) regular meetings of the Organization per quarter, provided, however, that the Board of Directors in its discretion may grant a member a leave of absence.

Section 5. RECORD DATE. The Board of Directors shall fix a record date for determining Members entitled to notice of and Members entitled to vote at each annual or special meeting. Such record date shall be at least ten (10) but not more than thirty (30) days before the meeting.

Section 4. ANNUAL MEETINGS. An Annual Meeting of the organization shall be held at the call of the Board of Directors once a year. The Agenda for the Annual Meeting shall be submitted to each member with Notice of the Annual Meeting. At such meetings there shall be elected by ballot of the Members a Board of Directors in accordance with the requirements of Section 3 of Article V of these Bylaws. Members may also transact such other business of the Organization as may properly come before them.

Section 5. SPECIAL MEETINGS. It shall be the duty of the Secretary to call a special meeting of the Members as directed by resolution of the Board of Directors, at the request by a majority of the Members, or otherwise as may be required under South Carolina law. A notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 6. NOTICE OF MEETINGS. It shall be the duty of the Secretary to deliver by hand delivery or mail a notice by first class or registered mail of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member, at least fifteen (15), but not more than forty-five (45) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

Section 7. ADJOURNED MEETING. If any meeting of the organization cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than seven (7) days from the time the original meeting was called.

Section 8. ORDER OF BUSINESS. Robert's Rules of Order newly Revised shall govern the proceedings of the Organization in all cases not provided for in these Bylaws. The order of business at all meetings of the Organization shall be as follows:

- (a) Roll Call.
- (b) Proof of Notice of Meeting or Waiver of Notice.
- (c) Reading of Minutes of Preceding Meeting.
- (d) Reports of Officers.
- (e) Reports of Committees.
- (f) Election of Inspectors of Election.
- (g) Election of Directors.
- (h) Unfinished Business.
- (i) New Business.

The order of business at a Special Meeting of the Organization shall include items (a) through (d) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

Section 9. MEMBERS' LIST. After a record date for a notice of a meeting has been fixed by the Board of Directors, a complete list of Members shall be prepared by the Secretary. This Member's list shall list the Members and shall include the addresses and number of votes each Member is entitled to vote at the meeting. Such list shall be maintained in the office of the Association beginning the day after notice is given of the meeting for which the list was prepared and continuing through the meeting.

ARTICLE V

BOARD OF DIRECTORS

Section 1. NUMBER AND QUALIFICATION. The affairs of the Organization shall be governed by a Board of Directors (hereinafter referred to as the "Board") comprised of not less than five (5) persons or more than nine (9) persons, but regardless of number shall include all Officers and the immediate past President.

Section 2. VOTING, GENERAL POWERS AND DUTIES. Each Board member shall have one (1) vote. The Board shall have the powers and duties necessary for the administration of the affairs of the Organization and may do all such acts and things as are not by law, or by these Bylaws authorized by the Articles of Incorporation and Section 33-31-801(c) of the South Carolina Code.

Section 3. TERM OF OFFICE. The members of the Board of Directors shall hold office for a one (1) year term until their successors have been elected and hold their first meeting. No Board member shall serve more than eight (8) consecutive years on the Board of Directors. Any and all of said Board members shall be subject to replacement, in the event of resignation or death, in the manner set forth in Section 11 of this Article.

Section 4. DUTIES. The duties of the Board of Directors shall be to:

- a. conduct all business of the Organization;
- b. prepare a written annual report and submit recommendations at the annual meeting of the Members;
- c. ratify by a majority vote appointments of committee chairpersons made by the Vice President of the Organization;
- d. recommend to the President of the Organization the establishment of committees, as may be deemed necessary;
- e. receive grievances from Members regarding the professional conduct of Members and respond accordingly in the Board's sole discretion, including discontinuing the Membership of any Member failing to meet appropriate professional standards of conduct;
- f. review attendance issues and, if necessary, discontinue the Membership of any Member failing to comply with attendance requirements; and
- g. attend quarterly meetings of the Board of Directors without missing more than two (2) consecutive meetings.

Section 5. ORGANIZATIONAL MEETING. The first meeting of a newly elected Board shall be held within twenty (20) days of election at such place as shall be fixed at the meeting at which such Board members were elected by the Organization.

Section 6. REGULAR MEETINGS. Regular meetings of the Board may be held on a quarterly basis at such time and place as shall be determined by the President. Notice of regular meetings of the Board shall be given by the Secretary or other designated person, to each Board member, personally by hand delivery or by first-class registered or certified mail, telephone, or facsimile, at least seven (7) days

prior to the day named for such meeting. Board members may participate in Board meetings via telephone or other electronic audio means.

Section 7. SPECIAL MEETINGS. Special meetings of the Board may be called by the President on three (3) days notice to each Board member, given personally or by mail, telephone or facsimile, which notice shall state the time, place (as hereinabove provided), and the purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least two (2) Board members.

Section 8. WAIVER OF NOTICE. Before or at any meeting of the Board, any member of the Board may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof unless upon arriving at the meeting, the Director objects to lack of notice and does not thereafter vote for or assent to the objected-to action. If all members are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. BOARD QUORUM. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business, and acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. Board Members may participate in any meeting through the use of any communication by which all Board Members so participating may hear each other simultaneously and by doing so, shall be deemed to be present at the meeting. If, at any meeting of the Board, there is less than a quorum present, the majority of the Board members present may adjourn the meeting to another time. At any such adjourned meeting any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 10. REMOVAL OF MEMBERS OF THE BOARD. The President may recommend removal of a Board Member for excessive absence. Any member of the Board whose removal has been proposed to the Board of Directors shall be given an opportunity to be heard at the next meeting of the Board of Directors. A majority of the Board of Directors must approve removal of a Director. The Board of Directors shall fill any vacancy pursuant to Section 11 below. No Board member shall continue to serve on the Board if during the term of office, he shall cease to be a Member.

Section 11. VACANCIES. Vacancies in the Board of Directors caused by reason other than the removal of a member of the Board by a vote of the Organization shall be filled by vote of the majority of the remaining members of the Board, even though they constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Organization.

Section 12. LIABILITY OF THE BOARD OF DIRECTORS. To the extent permitted by the laws of the State of South Carolina, the Officers and the members of the Board of Directors shall not be liable to the Owners or the Association for any mistake of judgment, ordinary negligence, or otherwise, so long as the mistake is not the result of their own individual willful or wanton misconduct, gross

negligence or bad faith. The Owners shall, to the extent permitted under the laws of the State of South Carolina, indemnify and hold harmless each of the Officers and the members of the Board of Directors against all liability to others arising out of actions made by the Officers or the Board of Directors on behalf of the Organization unless any such action shall have been made in bad faith or of law. It is intended that the members of the Board of Directors and Officers shall have no personal liability with respect to any action made by them on behalf of the Organization.

Section 13. JOINDER BY WRITTEN CONCURRENCE. A member of the Board may join by written concurrence in any action taken at a meeting of the Board by signing and concurring in the minutes of that meeting, but such concurrence shall not be used for the purposes of creating a quorum.

Section 14. REIMBURSEMENT. Members of the Board of Directors shall be reimbursed by the Organization for any reasonable expenses incurred by the Directors on behalf of the Organization.

ARTICLE VI OFFICERS

Section 1. DESIGNATION. The principal officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer and a Membership Director, all of whom shall be elected by and from the Board. The Board may appoint an Assistant Treasurer and Assistant Secretary, and such other officers as, in their judgment, may be necessary ("subordinate officers"). Such subordinate officers need not be members of the Board of Directors.

Section 2. ELIGIBILITY. All officer candidates must have been a member in good standing of the Organization for at least one (1) calendar year. Candidates for President shall have served as an officer or director for at least two (2) terms. Candidates for Vice President shall have served as an officer or director for at least one (1) term.

Section 3. ELECTION OF OFFICERS. The officers of the Association shall be elected annually by the Board at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 4. TERM OF OFFICE. Officers shall take office immediately after installation and shall serve through the ensuing fiscal year or until their successors have been elected and installed. All officers shall be eligible to serve two (2) consecutive terms in the same office.

Section 5. PRESIDENT. The President shall be the chief executive officer of the Organization and shall preside at all meetings of the Association and of the Board. The President shall interpret policies and procedures, coordinate the activities of all Officers and Committees, serve as the administrative head of the Organization, exercise general supervision of all the business affairs of the Organization and serve as an *ex officio* member on all standing committees. The President shall have all of the general powers

and duties which are usually vested in the office of President of the Organization to assist in the conduct of the affairs of the Organization.

Section 6. VICE PRESIDENT. The Vice President shall be the standing chairperson of the Membership, Networking and Special Events Committees. Additionally, the Vice President shall take the place of the President and perform the duties of the President when the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him/her by the Board.

Section 7. SECRETARY. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the organization. The Secretary shall keep a record of members' attendance at all meetings of the organization. The Secretary shall record the results of all votes of the Membership and Board of Directors. The Secretary shall maintain official copies of all legal documents and the corporate book of the Organization. The Secretary shall prepare correspondence of the Organization as directed by the Board of Directors. The Secretary shall perform such other duties as shall from time to time be imposed upon him/her by the Board and shall, in general, perform all the duties incident to the office of the Secretary.

Section 8. TREASURER. The Treasurer shall have responsibility for Organization funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Organization. The Treasurer shall be responsible for making disbursements on behalf of the Organization, provided that any disbursement exceeding \$200.00 must be approved by two Board members and receive the approval of a majority of the Members present at the meeting where the expenditure was proposed. The Treasurer shall be responsible for collecting all dues, fees and other income and for the deposit of all monies and other valuable effects in the name, and to the credit, of the Organization in such depositories as may from time to time be designated by the Board. The Treasurer shall prepare the annual budget for the Organization. The Treasurer shall prepare and submit in written form a monthly financial report to the Board of Directors and an annual financial report to the Members at the Annual Meeting. The Treasurer shall be responsible for filing on behalf of the Organization any necessary state or federal documentation. The Treasurer shall, in general, perform all the duties incident to the office of the Treasurer.

Section 9. MEMBERSHIP DIRECTOR. The Membership Director shall maintain the membership roster for the Organization and shall distribute copies of the Bylaws and a New Member Binder to each new member of the Organization upon acceptance of membership. Additionally, the Membership Director shall assist the Secretary with Member attendance issues.

Section 10. REMOVAL OF OFFICERS. The President may recommend removal of an Officer for excessive absence. Any Officer whose removal has been proposed to the Board of Directors shall be given an opportunity to be heard at the next meeting of the Board of Directors. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed either with or without cause, and

his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 11. VACANCIES. If a vacancy occurs in the office of President, the Vice President will fill the unexpired term. If a vacancy occurs in any other elected office, it shall be filled upon recommendation by and majority vote of the Board of Directors even if they constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next annual meeting of the Organization. Assuming any office and completing an unexpired term for any period shall not affect a Member's eligibility to run for that office in the succeeding year.

Section 12. INDEMNIFICATION OF OFFICERS. Officers shall be indemnified to the extent provided for in Section 12 of Article V.

ARTICLE VIII DUES AND FEES

Section 1. AMOUNT. At the last quarterly meeting of each fiscal year, the Board of Directors shall establish the amount of annual dues and meeting fees for the succeeding year.

Section 2. TERM. The annual dues shall cover a fiscal year of the Organization.

Section 3. POLICIES. The Board of Directors shall set policies regarding the annual dues, meeting fees, reservations, and other matter pertaining to same.

Section 4. EXEMPTION. The Treasurer of the Organization shall be exempt from paying any dues and meeting fees in exchange for fulfilling the duties of the office.

ARTICLE IX NOTICES

Whenever under the provisions of these Bylaws notice is required to be given to the Board of Directors or the Members, it shall not be construed to mean personal notice; but such notice may be given in writing, by first class, registered or certified mail, by depositing the same in a post office or letter box, in a postage sealed wrapper, addressed to a Member at such address as appears on the books of the Organization, or as otherwise provided in these Bylaws. Notice shall be deemed given as of two (2) days after the date of mailing.

ARTICLE X AMENDMENTS TO BYLAWS

Section 1. SPONSORSHIP. A Member who proposed an amendment must have sponsorship of at least one (1) member of the Board of Directors or of at least ten percent (10%) of the current membership of the Organization, which sponsorship shall be evidenced in writing.

Section 2. PRESENTATION TO MEMBERS. Upon satisfying the sponsorship requirement set forth in Article X, Section 1 above, the proposed amendment shall be presented in writing to the Members of the Organization.

Section 3. APPROVAL. After the proposed amendment is presented to the Members of the Organization, at the next meeting of the Organization, the proposed amendment will be voted upon by the Members. To be approved, an amendment must receive an affirmative vote of two-thirds (2/3) of the Members entitled to cast votes at a duly called meeting.

Section 4. RECORD. A copy of every Amendment approved by the Members shall be kept with these Bylaws.

ARTICLE XI DISSOLUTION

Upon the dissolution of the Organization, the assets of the Organization, after all claims against those assets have been satisfied, shall be contributed to charitable organizations.

Dated this _____ day of _____, 2003.

SIGNED, SEALED AND DEL IVERED
IN THE PRESENCE OF:

The Hilton Head Referral Network Group

Witness

By:
Barbara Blackburn, President

Witness

Attest:
Chantal Horup, Secretary