

ARTICLES OF INCORPORATION

OF

SELF STORAGE ASSOCIATION of SOUTH CAROLINA, Inc.

1. The name of the Corporation is Self Storage Association of South Carolina, Inc.
2. This Corporation is a not-for-profit member services corporation, which is a mutual benefit corporation.
3. The street address of the initial registered office of the Corporation in the State of South Carolina is PO Box 2054, Lexington, SC 29071. The initial registered agent of the Corporation at such address is Janet Jordan.
4. This initial principal office of the Corporation is located at PO Box 2054, Lexington, SC 29071.
5. The name and address of the Incorporator is Janet Jordan, PO Box 2054, Lexington, SC 29071.
6. In addition to the purposes described in the South Carolina Nonprofit Corporation Act, the Corporation is organized for the following purposes:
 - A. To unite the membership in a non-for-profit Association of persons, partnership, corporations, limited liability companies, real estate investment trusts and other entities actively engaged in or interested in, the self storage business;
 - B. To develop and encourage high standards of business conduct by those in engaged in the self storage industry.
 - C. To develop through research, discussion and exchange of information, better standards for the development and operation of self storage facilities.
 - D. To provide a forum for education of members in the general public.
 - E. To provide opportunities for members to increase their knowledge of the self storage business and to improve their individual capabilities.
 - F. To provide leadership on issues of concern to members of the Corporation.
 - G. To do any and all things that are lawful and appropriate to further these purposes which are found necessary or convenient as permitted by the laws of the State of South Carolina.

To further such purposes, the Corporation is empowered to hold any property, or any undivided interest therein, without limitation as to amount or value; to dispose of any such property and to invest, reinvest, or deal with the principal or income in such a manner as, in the judgment of the Directors, will best promote the purposes of the Corporation, without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received, these Articles of Incorporation, the Bylaws of the Corporation, or any applicable laws, to do any other act of thing incidental to or connected with the foregoing purposes or in advancement thereof, but not the pecuniary profit or financial gain of its Directors or officers except as permitted under the South Carolina Nonprofit Corporation Act.

No part of net earnings of the Corporation shall inure to the benefit of any member, trustee, officer of the Corporation or any private individual, except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes, and no member, trustee, officer of the Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

Upon dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to one or more charitable, religious, scientific, testing for public safety, literary, or educational organizations of other nonprofit business organization which would then qualify under the provisions of Section 501(c)(3) or 501(c)(6) of the Internal Revenue code and its

Regulations as they now exist or as they may be hereafter amended, or to the federal government, or to a state or local government, for a public purpose.

7. The Corporation shall be a membership corporation without certificates or shares of stock. The designation of classes of membership, the election or appointment of members, and the qualifications and rights of the members shall be as set forth in the Bylaws. The Bylaws may contain provisions, not inconsistent with the foregoing, setting forth the rights, privileges, duties and responsibilities of the members. The Corporation may suspend the voting rights of a member for failure to comply with the rules or Bylaws of the Corporation.
8. The business and affairs of the Corporation shall be conducted, managed and controlled by the Board of Directors. The Board of Directors shall consist of not less than five (5) members of the Corporation, the exact number to be specified by the Board of Directors from time to time. Members of the Board of Directors shall be elected in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided in the Bylaws. The Board of Directors shall have the authority to amend the Bylaws, as provided therein.
9. The Board of Directors shall elect such officers as it may determine from time to time. The officers, and their qualifications and duties shall be prescribed in the Bylaws of the Corporation. The officers shall be elected by the Board of Directors and shall have all of the rights and duties of a member of the Board of Directors, but their number shall not be counted toward the minimum number of Board of Directors.
10. The Bylaws of the Corporation may be amended by two-thirds (2/3) vote of the Board of Directors. Members of the Corporation shall be informed annually of any amendments to the Bylaws.
11. To the full extent permitted by law, the Corporation shall indemnify and hold harmless each Director, officer, employee, fiduciary and agent of the Corporation, in accordance with and subject to the limitations contained in South Carolina Nonprofit Corporation Act.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Incorporation.

BYLAWS

Of the

SELF STORAGE ASSOCIATION of SOUTH CAROLINA, INC.

**BYLAWS OF
SELF STORAGE ASSOCIATION of SOUTH CAROLINA, INC.**

ARTICLE 1. NAME

The name of the Association shall be Self Storage Association of South Carolina, Inc., which shall be referred to as the “Association.”

ARTICLE 2. OFFICES

2.01. *Principal office.* The principle office of the Association in the State of South Carolina shall be located in the town of Charleston, County of Charleston, South Carolina. The Association may have such other offices, either within or without the State of South Carolina, as the Board of Directors may determine or as the affairs of the Association may require from time to time. The Board of Directors shall be referred to in the bylaws as the “Board.”

2.02. *Registered office and agent.* The Association shall have and continuously maintain in the State of South Carolina a registered office, and as required by the South Carolina Nonprofit Corporation Act. The registered office may be, but not need to be; identical with the principal office of the Association in the State of South Carolina, and the address of the registered office may be changes from time to time by the Board.

ARTICLE 3. PURPOSES

The purposes of the Association shall be:

- (a) To enhance the quality of the self storage industry in South Carolina.
- (b) To provide for members to increase their knowledge of the self storage industry through education, research, discussion and exchange of information.
- (c) To provide leadership in South Carolina on issues the affect the self storage industry.
- (d) To impact the standard of conduct in the self storage industry in South Carolina.
- (e) To do any and all things that are appropriate to further these purposes.
- (f) To provide information and materials for the benefit of the Members.

ARTICLE 4. MEMBERSHIP

4.01. *Membership categories.* The Association shall have two categories of members: (a) Operator Members, and (b) Associate Members.

4.02. *Definition of categories.* The definition of the various categories and their respective reporting obligations are as follows:

- (a) An “Operator Member” is a person, partnership, corporation, or other entity that has any ownership interest in or directly manages a self storage facility located in South Carolina. Each Operator Member shall provide the Association with a list of the names and locations of all self storage facilities in South Carolina which are owned or operated in whole or in part by the operator. Membership dues and fees will be set from time to time by the Board of Directors and shall be based on the number of locations each Operator Member has an ownership interest in or directly manages. These dues and fees may be capped at a certain amount, as determined from time to time by the Board of Directors.

(b) An “Associate Member” is a person, partnership, corporation, or other entity that does not qualify as an Operator Member, but may be a vendor that provides services or products to the self storage industry in South Carolina, or otherwise shares an interest in the self storage industry and seeks to perpetuate the goals of the Association. Any Associate Member who has connections to facilities operating within the state of South Carolina shall provide the Association with a list of names and addresses of all locations. Membership dues and fees will be set from time to time by the Board of Directors and shall be a flat fee per individual member.

4.03. *Application for membership.* A qualified applicant may be tentatively approved for membership upon payment of such dues and fees as the Board may set, until the Board approves the membership at the next regular meeting of the Board of Directors.

4.04. *Members subject to bylaws.* All members of the Association are subject to the regulations set forth in these bylaws, and as they may be amended from time to time.

4.05. *Voting rights.* Each member shall be entitled to one vote on each matter submitted to vote of the members. Each partnership or corporate member shall appoint one individual who shall represent and vote for that matter.

4.06. *Voting.* Members entitled to vote may do so in person or by proxy in writing, dated and filed with the Board. A proxy is revocable at any time before it has been exercised.

4.07. *Voting by mail.* Whenever a question arises on which members shall vote, the Board may call a special meeting for such purpose or may submit the question to the members for a vote by Mail, facsimile, email or any other digital means approved by the Board. The question shall be decided by the majority of votes received at the office designated on the ballot at the close of business on the twenty-first day after the date of mailing by First Class Mail. Should the twenty-first day fall on a holiday or day in which mail is not delivered, the time for acceptance shall be extended to the next business day. The majority of mail vote shall be as binding the Association as if the vote had been taken at a duly called meeting. A member may vote by fax to the offices of the Association if the Board authorizes voting by mail. At the discretion of the President, a vote may be called by facsimile, email or any other digital means approved by the Board. In this circumstance, seven calendar days notice before the vote will be given to the membership, via a posting on the website, and the question shall be decided by the majority of votes received at the email address, facsimile number or digital system designated in the original correspondence at the close of business on the third business day after the date of email or when the ballots of three fourths of all members have been received, whichever is earlier.

4.08. *Transfer of memberships.* A membership in this Association is not transferable or assignable.

4.09. *Loss of good standing status.* A member must be in good standing at all times in order to exercise rights and privileges of membership, including the right to vote, serve on Task Forces or the Board, hold office, use the Association logo, purchase or receive Association publications, or purchase or use copyrighted Association forms. Failure to pay any sum to the Association for 30 days after the due date shall automatically cause loss of good standing for the member’s membership. The Association shall promptly deliver to a member by mail, facsimile, email or any other digital means approved by the Board a receipt for any payment that pays all of the member’s dues and fees indicating that the member is now in good standing. All members are expected to pay their dues and fees on time and no notice is required to be sent to members that fail to do so. It is not meant that other such notices are not allowed but only that they are not required.

4.10. *Restoration of lost good standing status.* If a member is no longer in good standing because of nonpayment of monies due to the Association, the member’s good standing status shall be automatically

restored, retroactively, if the member pays all sums due to the Association, including any late fees, within 60 days from the due date of the earliest amount owed to the Association.

4.11. *Termination.* The Board, by affirmative vote of two-thirds of all the members of the Board, may terminate a member for cause, but not earlier than five days after the appropriate hearing held upon not less than 15 days' prior written notice to the member, by regular mail, certified mail, facsimile or email, such notice to include the reasons for the termination. The member shall have the opportunity to be heard orally or in writing at the hearing. Violation of these bylaws, unethical practices, or conduct inconsistent with the purposes of the Association shall be sufficient cause for termination. **Nonpayment of dues by the first of January each year shall result in immediate termination of membership and shall NOT require any notice or hearing.**

4.12. *Reinstatement of terminated membership.* If a member is terminated for any reason other than nonpayment of dues and upon written request by a former member, the Board may, by affirmative vote of three-fourths of all members of the Board, reinstate such former member to membership upon payment of the reinstatement fee (plus all amounts due to the Association) according to the reinstatement fee schedule set by the Board and on such other terms as the Board may deem appropriate. If a member is terminated for nonpayment of dues that member may rejoin by paying the current year's dues plus all amounts due to the Association without the requirement of a vote by the Board.

ARTICLE 5. MEMBERSHIP MEETINGS

5.01. *Annual meeting.* There shall be an annual meeting of the members for the transaction of business that may come before the meeting. The annual meeting shall be held in October of each and every year or at such time and place as the Board determines.

5.02. *Special meeting.* Special meetings of the members shall be called by the President, by 2/3 of the Board, or upon the written and signed request of the members holding in the aggregate not less than five percent of the combined voting power of all members.

5.03 *Place of meeting.* The Board may designate any place within or outside the State of South Carolina for any annual meeting or for any special meeting called by the Board. If all or a three fourths majority of the Directors meet in person, by proxy, telephonically or any other digital means approved by the Board or if a quorum of the members consent to the holding of the meeting, such meeting shall be valid without call or notice, and at such meeting, any corporation action may be taken.

5.04. *Notice of meetings.* Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered either personally, by mail, email, telephonically, facsimile, by posting a notice on the Association website or by any other means approved by the Board, to each member entitled to vote at such meeting, not less than 10 days (or, if mailed by first class or registered mail, 30 days) nor more than 60 days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. In case of a special meeting or when required by statute or these bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the members at their addresses as they appear on the records of the Association, with postage prepaid. If delivered by email, telephonically, facsimile, by posting a notice on the Association website or by any other means approved by the Board, the notice is deemed to be delivered when it is sent or posted to the Association website.

5.05 *Mail vote by members.* Any action which may be taken or which is required by law to be taken at a meeting of the members, may be taken by a mail vote of the membership if the mail vote is called for by a majority of the Board and if the notice of the mail ballot sets forth each action to be voted on and is mailed to the membership at least 30 days prior to the deadline for turning in ballots. All solicitations for votes by written

ballot shall: (a) indicate the number of the response needed to meet the quorum requirements, (b) state the percentage of approvals necessary to approve each matter other than election of Directors, and (c) specify the time by which a ballot must be received by the corporation in order to be counted. Notwithstanding the foregoing, the Directors shall be elected by either mail ballot or by in person, written ballot at the Annual Meeting of the Association membership, except for vacancies which occur between elections and which are filled by Board appointment. When voting, the Association membership is encouraged to consider past service to the Association, geographical representation, minority diversity, and the need to train new leaders for the future, and the need for experience and continuity of leadership, along with the candidate's other qualifications. When ballots are received in person, mailed, sent by facsimile, email or any other digital means approved by the Board, the membership shall be informed of the foregoing in a cover letter by the President.

5.06. *Quorum.* At any meeting of the membership, 10% of the membership at the time of the meeting or a quantity of the membership, to be determined, at the time of the meeting, by the President or presiding officer with the consent of the Board, shall constitute a quorum for the transaction of business. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting from time to time without further notice. The President or presiding officer shall determine the existence of a quorum and this determination shall be considered definitive.

5.07. *Proxies.* At any meeting of membership, a member entitled to vote may vote by proxy executed in writing by the member or by the member's duly authorized attorney-in-fact. No proxy shall be valid for more than a single meeting of the Board or for a maximum of 30 days. A proxy may be revoked by the member executing it anytime before it has been exercised.

ARTICLE 6. BOARD OF DIRECTORS

6.01. *Board of Directors powers.* The Board of Directors shall manage the property, affairs and activities of the Association. The Board shall have the power to establish dues and assessments, determine the proper disbursement of Association funds, interpret the meaning of the bylaws, and make statements of policy, positions and exercise authority necessary for the direction, supervision or control of the Association.

6.02. *Number and qualifications of Directors.* The number of Directors shall be no fewer than 5 and no more than 13. The number of the initial Board of Directors shall be nine (9). Each Director shall be an Associate Member or Operator Member (or an officer, Director, or employee thereto) in good standing with the Association. No two or more Directors shall be members under the same Associate or Operator Membership entity nor shall two or more Directors derive primary employment from the same business at any one time; if this situation occurs, all but one Director shall resign, effective immediately. If no Directors deriving primary employment from the same business at any one time resign, Directorships shall be terminated immediately, without further notice, for all Directors from that entity. If disputed, primary employment shall be determined by a 2/3 majority vote of the Board. The officers shall be elected by the Board of Directors and are required to be a member of the Board of Directors. Both Operator Members and Associate Members may serve on the Board of Directors; provided, however, that no more than two Associate Members may serve as Directors at any one time. The President of the Association shall automatically be a Director for three (3) years following his service as President. At all times during their term, a Director must be actively involved in the operation or ownership of a business that is working directly in or with the Self Storage industry. If this involvement is discontinued during the Director's term, it will be automatically terminated following a nine month probationary period during which direct and active involvement must be reestablished. This period may be waived at the election of the Director who is no longer actively involved in the Self Storage industry.

6.03. *Term of office.* The term of office for a Director shall be for three years. The Board shall be elected in October of each year. There shall be a joint meeting of the prior Board and the newly elected Board in November of each year. Any business transacted at this joint meeting shall be voted on by the old Board only.

The Board's term of office shall begin immediately following the adjournment of the joining meeting. Officers shall be elected at the Annual meeting immediately preceding the election of Board of Directors. Any seats that remain unfilled after the election of Officers and Board of Directors can be filled by appointment by the President, with the approval of the Board, at any point during the year. To the extent practical, each year the terms of one-third of the Directors shall expire. A Director may be elected to succeed him or herself. The name and basic information of all Board of Directors and officers will be posted to the Association website along with the start and end dates of their current terms.

6.04. *Nomination and election of Directors.* Any member in good standing, as well as the Nominating Task Force, may make nominations for Directors. The Board shall communicate to the membership the Nominating Task Force's recommendations for election among those who are nominated. Nominations may be made in writing, facsimile, email, at a regular meeting of the membership or by any other digital means approved by the Board. Written ballots shall be sent by First Class Mail, facsimile, email, or any other digital means approved by the Board, to the members in good standing at the members' last recorded addresses. Ballots shall be returned to the office set forth by the Directors within 21 days following the mailing or posting. Each member may cast one vote for each vacancy on the Board. For example, if there are 5 nominees and only 3 vacancies on the Board to be filled, each member of the Association may vote for up to 3 nominees, but not more. Cumulative voting is not allowed. Nominees receiving the highest number of votes shall fill the longest terms which are vacant. Ballots shall be tabulated and certified as determined by the Board. The results of the election shall be announced at the Association's next membership meeting or through the written communication to the membership.

6.05. *Resignation of a Director.* A Director may resign at any time by giving written notice to the Board. The resignation shall take effect at the time specified or, if no time is specified, at the time of acceptance by the Board. A Director who resigns from the Board for reasons other than personal health, family illness, or family death is not eligible for reelection or appointment to the Board for a period of 5 years from the date of resignation without unanimous approval of the Board or a 2/3 majority vote of the members voting at the annual membership meeting, reinstating his eligibility to stand for nomination, election, and service on the Board.

6.06. *Removal of a Director.* A Director elected by the members may be removed by the members with or without cause, but only by the affirmative vote of a majority of the members entitled to vote at a meeting called for the purpose of removing the Director, the notice of which must state that the purpose, or one of the purposes, of the meeting is removal of the Director. A Director is automatically removed and disqualified when they have not attended three meetings of the Board in a six month period or not attended five meetings of the Board in a twelve month period. This removal and/or disqualification is effective as of the date a written notice, by mail, email or facsimile, is sent to the Director at the direction of the Board or the President or the Interim President. The execution of this notice is at the sole discretion of a simple majority of the Board or the President or the Interim President, on a case by case basis. If the President or Interim President shall elect to execute such a notice, this action shall be reviewable by the Board only when the affected Director shall petition the Board, in writing, for such a review. All such removal and/or disqualifications shall be noticed to the Board at the next meeting. If a Director is removed under the authority of this section, or if a Director ceases to meet the qualifications of the Directors set forth in Section 6.02, the Director may not be elected to the Board for a period of five years from the effective date of the Director's removal or disqualification unless without unanimous approval of the Board or a 2/3 majority vote of the members voting at the annual membership meeting, reinstating his eligibility to stand for nomination, election, and service on the Board.

6.07. *Vacancies.* Any vacancy occurring in the Board, and any Directorship to be filled by reason of an increase in the number of Directors, shall be filled by the affirmative vote of a majority of the Board. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

6.08. *Regular meetings.* A joint meeting of both the prior Board and the newly elected Board shall be held in November each year. A meeting of the new Board shall be held thereafter not later than December 31st

of each year, except in unusual circumstances. Unless otherwise provided by the Board, the President shall determine the time and place for the holding of the additional meetings of the Board. Issues to be voted at any meeting of the Board must be noticed to all Board members no less than three (3) days prior to the meeting. Only issues so noticed can be brought to a vote. An issue discussed at a meeting of the Board can be added to the agenda for ensuing meeting of the Board by a simple majority vote of the Directors present.

6.09. *Special meetings.* Special meetings of the Board may be called or at the request of the President or any three Directors. The person or persons authorized to call the special meetings of the Board may fix the time and place for the holding any special meetings of the Board called by them. Issues to be voted at any meeting of the Board must be noticed to all Board members no less than three (3) days prior to the meeting. Only issues so noticed can be brought to a vote. An issue discussed at a meeting of the Board can be added to the agenda for ensuing meeting of the Board by a simple majority vote of the Directors present.

6.10. *Notice.* Notice of any special meeting of the Board (including the joint meeting of the prior and new Directors under Section 6.08) shall be given at least seven days prior thereto by written notice delivered personally or sent by mail, facsimile, email or any other digital means approved by the Board to each Director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed with the postage thereon prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any 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 or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these bylaws. A meeting of the Board shall not be invalid if held later than the month contemplated for a meeting under the bylaws.

6.11. *Quorum.* A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board; if less than a majority of the Directors are present in person or telephonically at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

6.12. *Voting.* The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or by these bylaws.

(a) *Voting by Email or other Digital Means.* The Board of Directors has the option to use any form of electronic voting when deemed appropriate for Boards actions, policies, and procedures. Any individual Board of Director can request a voice vote on any item for the purpose of discussion and final voting. Electronic voting doesn't replace any other voting procedures included in the Bylaws.

6.13. *No compensation.* Directors shall not receive any stated salaries for their services, but by resolution of the Board, may receive reimbursement for actual and reasonable expenses of the attendance, if any, for attendance at each regular or special meeting of the Board or attendance to any other function on behalf of the Association and approved by the Board. However, nothing contained herein shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation upon approval of the Board. If included within the then-current budget duly adopted by the Board and if any prior authority of the President has been given before the expense is incurred, a Director may be reimbursed for actual and reasonable travel and other expenses incurred by the Director in conducting Association business.

6.14. *Informal action by the Directors.* Board meetings may take place by telephone conference calls or any other digital means approved by the board. Additionally, any action to be taken at a meeting of Directors including those actions required by law to be taken at a meeting, may be taken without a meeting as if a meeting had actually been held, if the action is consented to by all members of the Board. Such action must be evidenced by one or more written consents describing the action taken, signed by each Director and included with the minutes filed with the corporate records reflecting the action taken.

6.15. *Disclosure of financial relationships with the Association.* At all times during a Director's membership on the Board, the Director shall disclose in letter or email to the Board, in the Secretaries Report, or in the Treasurers Report any financial relationship that the Director has with the Association, including monies paid to the Director by the Association (other than travel expenses referred to in Section 6.13) and monies paid to the Association (other than the reimbursement for authorized expenses incurred in the performance of duties as a member of the Board). Such disclosure shall be available for inspection by any member of the Association.

6.16. *Meeting attendance.* Attendance at regular meetings of the Board of Directors is expected and conducive to the successful operation of the Association. Directors are expected to attend as many meetings as possible. Any Director who does not attend three meetings of the Board in a six month period or who does not attend five meetings of the Board in a twelve month period shall automatically be removed from the Board; provided, however, that the Board of Directors by majority vote may waive the automatic removal due to extenuating circumstances as per Section 6.06. Attendance to meetings of the Board of Directors is limited to Directors.

ARTICLE 7. OFFICERS

7.01. *Officers.* The officers of the Association shall be the Immediate Past President, a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be appointed by the Board in accordance with the provisions of this Article. All officers shall be Directors, except the Immediate Past President, who need not be an elected Director. The Board may elect or appoint such other officers as it shall deem desirable and such officers shall have the authority and perform the duties prescribed, from time to time, by the Board. No two offices may be held by any one person at the same time. The President shall not be permitted to be elected for more than two consecutive terms in same office. No officers, other than the President, shall be permitted to be elected for more than three consecutive terms in same office. All other officers shall be elected by the Board. All officers shall be legal residents of The State of South Carolina at the time of their election, or must be the legal or beneficial owner, or actively involved in the operation of a self storage property in South Carolina. ***The Board is reminded that the future success of the Association is wholly dependent on officers that possess the capacity to operate, improve and lead the Association.*** At all times during their term, an officer must be actively involved in the operation or ownership of a business that is working directly in or with the Self Storage industry. If this involved is discontinued during the officer's term, it will be automatically terminated following a nine month probationary period during which direct and active involvement must be reestablished. This period may be waived at the election of the Director who is no longer actively involved in the Self Storage industry.

7.02. *Election and the term of office.* The officers of the Association shall be elected annually by a majority of the old Board at the Annual meeting. The terms of their office shall be for a period of one year from the joint meeting of the Boards to the following joint meeting of the Boards. New offices may be created and filled at any meeting of the Board. Each officer shall hold office until his successor has been duly elected and qualified. After three successive terms, except in unusual circumstances as may be determined by the Board, the President may not be elected to succeed himself unless his initial term was a partial term due to the death, resignation, disqualification, or removal of the prior President.

7.03. *Removal.* Any officer appointed by the Board may be removed from office by a 2/3 majority vote of the Board whenever in its judgment the best interests of the Association would be served thereby.

7.04. *Vacancies.* A vacancy in any office because of death, resignation, disqualification, or any other reason may be filled by the Board for the unexpired portion of the term.

7.05. *Immediate Past President.* The Immediate Past President shall remain on the Board for one year following his term as President, and shall be considered a voting Director and officer of the Association for the purpose of these bylaws.

7.06. *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. He shall preside at all meetings of the members and of the Board. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board, any deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board or by these bylaws or by statute, to some other officer or agent of the Association; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time. At no time shall the President have direct access to unwritten checks, unwritten check books, online banking information or any other documentation or information that may be used to withdrawal or pay out Association funds, with the express exception of checks that have been completed by the Treasurer and are in need of signature. The President, or Interim President, shall have the ability to spend up to but not to exceed five hundred dollars (\$500), without prior approval of the Board, by signed order delivered to the Executive Director or Treasurer.

7.07. *Vice President.* In the absence of the President at an Association or Board meeting or in the event the President is unable to act due to physical disability, the Vice President shall perform the duties of the President; and when the Vice President is so acting, shall have the powers of and be subject to all restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned to by the President of the Board. At no time shall the Vice President have direct access to unwritten checks, unwritten check books, online banking information or any other documentation or information that may be used to withdrawal or pay out Association funds, with the express exception of checks that have been completed by the Treasurer and are in need of signature.

7.08. *Treasurer.* The treasurer shall have charge and custody of and be responsible for all checks, check books, funds, online banking information and securities of the Association; receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article 9 of these bylaws; and in general perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or Board. The Treasurer shall prepare, with the assistance of the Financial Task Force, a recommended budget for the Association and submit the same to the Board no later than 45 days before the beginning of the next fiscal year. The Treasurer shall make a recommendation to the Board regarding the advisability of an independent audit of the Associations financial records at least 30 days prior to the end of the Associations fiscal year. The Treasurer shall be responsible for assuring the maintenance of resolutions relating to the signature requirements for check writing, transferring funds, etc. If requested by the Board, the immediate past treasurer shall be a non-voting member of the Board for a period of 4 months after his term as Treasurer has expired, and shall remain available for meetings of the Board during that time period. At no time is the Treasurer to be an authorized signer on any Association Bank Account and, as such, shall not sign any checks nor make any withdrawals of any funds from any accounts. The Treasurer, or Interim Treasurer, shall have the ability to cause all Presidential or Task Force expenditures to be brought before the Board at any meeting and require Board approval by 2/3 majority vote prior to the payment of any such expense. No money can be voted to be spent unless there are sufficient funds in the account to cover the expense at the time of the vote, accounting for all outstanding checks; long term contracts of more than 6 months are exempt from this requirement. If there is a vote to spend money that isn't available at the time of the vote, the vote is rendered null, void and non-bidding.

7.09. *Secretary.* The Secretary shall keep the minutes of the meetings of the members and of the Board in one or more books provided for that purpose; ensure that all are given notices in accordance with the provisions of these bylaws or as required by law; make due record of all monies due and payable to the

Association; be custodian of the corporate records and of the seal of the Association; keep a register of the addresses of each member which shall be furnished to the Secretary by each member; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board. At no time is the Secretary to be an authorized signer on any Association Bank Account and, as such, shall not sign any checks nor make any withdrawals of any funds from any accounts.

ARTICLE 8. TASK FORCES

8.01. *Task Forces.* The President, with the approval of the Board, shall appoint members of standing Task Forces or Special Task Forces, to the extent that memberships on such Task Forces are not designated by these bylaws, such members need not be Directors. The President, with the approval of the Board, shall designate and appoint one or more Task Forces, each of which shall consist of one or more Directors, which Task Forces, to the extent provided in said solution, shall have and exercise the authority of the Board in the management of the Association. Standing Task Forces of the Association shall include:

(a) *Executive Task Force.* The Executive Task Force shall consist of the Immediate Past President, President, Vice President, Treasurer and Secretary. The Executive Task Force may act for the Association in the absence of sufficient time to convene a meeting of the Board to address Association business of an emergency nature. The Executive Task Force may not take action on personnel matters, budgeting matter, or amendments to these bylaws unless the Task Force is given specific authority by a majority of the Directors at a regular or specially called Board meeting. In order to take action, fax or telephone notice must be sent or given to each Task Force member. Action by the Task Force requires the approval of 3 or more Task Force members. The President shall be the chair of the Executive Task Force.

(b) *Legislative Task Force.* The Legislative Task Force shall consist of any three Directors or the whole of the Board. In the absence of sufficient time to convene a meeting of the Task Force, any two officers of the Association plus one other member of the Association appointed by the Board shall constitute a Minuteman Task Force for the purpose of making legislative-related decisions. The chair of the Legislative Task Force shall be a member of the Board of Directors.

(c) *Financial Task Force.* The Financial Task Force shall consist of the Treasurer (chair) and two other Association members who may or may not be Directors. The Task Force shall prepare recommendations to the Board regarding budgets and related financial matters.

(d) *Membership Task Force.* The Membership Task Force shall consist of three members, who may or may not be Directors.

(e) *Nominating Task Force.* The Nominating Task Force shall be charged with the nominating qualified persons to serve a Directors and Officers of the Association. The Chair will be the Immediate Past President and two other members of the Board of Directors appointed by the President and approved by a majority of the Board. The Nominating Task Force shall make the nominations for the election to the Board, and any Association member in good standing may make nominations as well. The Nominating Task Force shall prescribe a questionnaire for all nominees for the purpose of (1) verifying that a person nominated is eligible under the bylaws to be placed on a ballot, and (2) getting information to accompany the ballots. In order for a nominee to be placed on a ballot, a person must be eligible for election under the bylaws, complete the questionnaire, and agree to commit to the time and service responsibilities of being a member of the Board, if elected.

(f) *Limitations of Task Forces.* No Task Force shall have or exercise the power or authority of the Board, nor the power to bind the Association for any purpose, not specifically delegated to it by a majority vote of the Board. A unanimous vote of any standing task force, with all members voting, can

spend up to but not to exceed two thousand five hundred dollars (\$2500) with written President or Interim Presidential approval. Unless the President or Interim President is on the Task Force, in which case, the Vice President shall be invested with such approval authority.

8.02. *Other Task Forces.* Other Task Forces may be designated by the Board from time to time. Except as otherwise provided in any designating resolution, members of each such Task Force shall be members of the Association and the President of the Association shall appoint the members. Any member may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

8.03. *Chair.* One or more members of each Task Force shall be appointed chair or co-chair by the person or persons authorized to appoint the member. Unless otherwise required herein, the chair of any Task Force must be a member of the Board of Directors.

8.04. *Vacancies.* Vacancies in the membership of any Task Force may be filled by appointments made in the same manner as provided in the case of the original appointments.

8.05. *Quorum.* Unless otherwise provided in the resolution of the Board designating a Task Force, a majority of the whole Task Force shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the Task Force.

8.06. *Rules.* Each Task Force may adopt its own rules not consistent with these bylaws or with rules adopted by the Board.

ARTICLE 9. ADMINISTRATION

9.01. *Contracts.* The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances.

9.02. *Checks and drafts.* All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association and in such a manner as shall from time to time be determined by resolution of the Board. At no time shall the Treasurer or Secretary be authorized to sign checks or disburse the moneys of the Association without written approval of the President or Vice President. In the absence of such determination by the Board, such instrument shall be signed by the President or Vice President of the Association; provided, however, that checks or other such instruments in excess of five hundred dollars (\$500) shall also be countersigned by the Vice President or another officer.

9.03. *Deposits.* All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may select.

9.04. *Gifts.* The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purpose or for any special purpose of the Association.

9.05. *Executive Director.* The Board may, from time to time, contract with an association management firm to assist in the administration of the Association. At the direction of the President and with the approval of the Board, when necessary, any or all administrative functions of the Association may be assigned to the Executive Director. All Authority remains with each Officer of the Association and the Executive Director shall

act in concurrence with and at the request of the President, Officers, Board members and members of the Association to manage, improve and grow the Association.

ARTICLE 10. BOOKS AND RECORDS

The Association shall, as its registered or principal office, keep correct and complete books and records, minutes of the proceedings of its member and Board, and the names and addresses of all members. All books and records of the Association may be inspected by any member or his agent or attorney for any purpose at any reasonable time. The Board shall decide annually on or about the end of the fiscal year whether or not to have an audit of the Associations financial records made.

11.01. *Fiscal Year.* The fiscal year of the Association shall be such as the Board shall adopt or, in the absence of such a resolution, shall coincide with the calendar year.

11.02. *Budget.* The Board shall adopt a budget annually, prior to the next fiscal year.

11.03. *Expenditures.* Without prior specific approval, Association funds may be expended only if the expenditure is authorized in the budget and is within the historical scope of past expenditures. The Board shall adopt appropriate safeguards for check writing and safekeeping of Association funds.

11.04. *Providing Copies of the By-Laws to Members.* An accurate and current copy of these by-laws will be posted on the Association website, at all times, and will be accessible to the membership. A copy of these by-laws will be sent to any member that requests a copy, at the member's expense. Members may be directed to the Association website in lieu of receiving a copy of these by-laws, provided that the copy posted to the website is accurate and current.

ARTICLE 12. DUES AND CHARGES

12.01. *Annual dues and other charges.* The Board shall determine from time to time, by a two-thirds majority vote, the annual dues structure for the various membership categories of the Association. The Board shall determine, from time to time, by a simple majority vote of the Board, the amount of initiation fees, reinstatement fees, official form prices, charges for plaques or logos, charges for additional copies of publications, special assessments, and other sums payable to the Association by members. The then-current schedule of dues and other charges shall be made available to the membership periodically by publication or posted on the Association website and also upon request from any member. If a member falls into more than one membership category, the member's dues shall be the higher dollar amount of the dues for any such category. Annual dues of Operator Members may be based on the number of facilities owned. For purposes of this provision, an owner owns a facility if the owner directly or indirectly owns all or any part of such facility; indirect ownership shall be determined by a 2/3 majority vote of the Board, on a case by case basis.

12.02. *Due date.* All fees, charges and other sums payable by a member to the Association other than dues as set forth in section 12.03, are due and payable one month after date of invoicing by the Association. The Board shall establish late payment charges for late payment of any sum due to the Association.

12.03 *Payment of dues.* Dues shall be payable in advance, invoiced on or before December 1st of each year, and due on or before February 1st of the following calendar. The annual dues shall cover a membership period of 12 months. If, a member's dues are invoiced after December 1st, such member's dues shall be due 30 days after invoicing. A member's membership shall be renewable on the first day of January 1st each year. Dues, fees, special assessments, and other sums due to the Association shall be collected by the Treasurer of the Association, or as directed by the Board, from time to time. Dues and other sums paid by a member shall not be rebated if a member's membership is terminated for any reason.

12.04. *Nonpayment.* If a member fails to pay monies due by the member to the Association, the member is subject to loss of good standing or termination in accordance with Sections 4.09 through 4.11 of these bylaws.

ARTICLE 13. SEAL AND LOGO

The Board shall provide for a corporate seal and an Association logo.

ARTICLE 14. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the South Carolina Nonprofit Corporation Act or under the provisions of the articles of Incorporation or the bylaws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated, shall be denied to the giving of such notice.

ARTICLE 15. INDEMNIFICATION AND HOLD HARMLESS

Every officer, Director, attorney, and employee of the Association shall be indemnified by the Association against all expenses and liabilities including counsel fees reasonably incurred or imposed upon them in connecting with any proceeding to which they may be a party, or at which they may become involved by reason of being or having been in such position, or any settlement thereof whether the person is in such position at the time such expenses are incurred to the greatest extent allowable under South Carolina law. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such person may be entitled. Each member of the Association shall hold the Association and every officer, Director, attorney, and employee of the Association harmless from all suits, claims, and liabilities arising out of or connected with the use by such member of official Association forms or publications of the Association. The indemnity and hold harmless obligations of this section shall continue after such member's membership ceases and shall remain in force for ten years thereafter.

ARTICLE 16. ASSOCIATION FORMS

16.01. *Official Association forms.* The Board may from time to time adopt official Association forms for sale to the members, and may set the sale price and other policies for sale and use of the forms, consistent with these bylaws.

16.02. *Unlawful use of forms and publications.* The Board shall be authorized to establish rules and regulations regarding the use of official Association forms, including the copywriting of any such materials, and the enforcement of any remedies for any inappropriate or other use of such materials not specifically authorized by the Board.

ARTICLE 17. DISSOLUTION

Upon dissolution of the Association, any funds remaining shall be distributed to one or more qualified charitable or educational nonprofit organizations exempt under Section 501(c)(3) or 501 (c)(6) of the Internal Revenue Code to be selected by the Board, or to a state or local government as provided in the Articles of Incorporation of the Association. No part of the funds shall be distributed to the members of the Association.

ARTICLE 18. AMENDMENTS TO BYLAWS

18.01. *Amendments to the bylaws by the Board.* These bylaws may be altered, amended, or repealed and new bylaws may, after being read, voted and passed by a three fourths majority vote of all Directors present at three consecutive regular or special meetings of the Board, if at least 30 days' written notice is given to all Directors and effected parties of any intention to alter, amend, or repeal these bylaws or to adopt new bylaws at such meeting.

18.02. *Amendments to bylaws by the Association membership.* The bylaws may also be amended by a two-thirds majority vote of the members in attendance at any Association annual membership meeting if at least 30 days written notice is given of an intention to alter, amend, or replace these bylaws or to adopt new bylaws at such meeting.