

1 Article 2.
2 Organization.

3 **§ 55A-2-01. Incorporators.**

4 One or more persons may act as the incorporator or incorporators of a corporation by
5 delivering articles of incorporation to the Secretary of State for filing. (1955, c. 1230; 1969, c.
6 875, s. 1; 1971, c. 1231, s. 1; 1993, c. 398, s. 1.)
7

8 **§ 55A-2-02. Articles of incorporation.**

9 (a) The articles of incorporation shall set forth:

- 10 (1) A corporate name for the corporation that satisfies the requirements of G.S.
11 55D-20 and G.S. 55D-21;
12 (2) If the corporation is a charitable or religious corporation, a statement to that
13 effect if it was incorporated on or after the effective date of this Chapter;
14 (3) The street address, and the mailing address if different from the street
15 address, of the corporation's initial registered office, the county in which the
16 initial registered office is located, and the name of the corporation's initial
17 registered agent at that address;
18 (4) The name and address of each incorporator;
19 (5) Whether or not the corporation will have members;
20 (6) Provisions not inconsistent with law regarding the distribution of assets on
21 dissolution; and
22 (7) The street address, and the mailing address, if different from the street
23 address, of the principal office, and the county in which the principal office
24 is located.

25 (b) The articles of incorporation may set forth any provision that under this Chapter is
26 required or permitted to be set forth in the bylaws, and may also set forth:

- 27 (1) The purpose or purposes for which the corporation is organized, which may
28 be, either alone or in combination with other purposes, the transaction of any
29 lawful activity;
30 (2) The names and addresses of the individuals who are to serve as the initial
31 directors;
32 (3) Provisions not inconsistent with law regarding:
33 a. Managing and regulating the affairs of the corporation;
34 b. Defining, limiting, and regulating the powers of the corporation, its
35 board of directors, and members (or any class of members); and
36 c. The characteristics, qualifications, rights, limitations, and obligations
37 attaching to each or any class of members;
38 (4) A provision limiting or eliminating the personal liability of any director for
39 monetary damages arising out of an action whether by or in the right of the
40 corporation or otherwise for breach of any duty as a director. No such
41 provision shall be effective with respect to (i) acts or omissions that the
42 director at the time of the breach knew or believed were clearly in conflict
43 with the best interests of the corporation, (ii) any liability under G.S.
44 55A-8-32 or G.S. 55A-8-33, (iii) any transaction from which the director
45 derived an improper personal financial benefit, or (iv) acts or omissions
46 occurring prior to the date the provision became effective. As used herein,
47 the term "improper personal financial benefit" does not include a director's
48 reasonable compensation or other reasonable incidental benefit for or on
49 account of his service as a director, trustee, officer, employee, independent
50 contractor, attorney, or consultant of the corporation. A provision permitted
51 by this Chapter in the articles of incorporation, bylaws, or a contract or

1 resolution indemnifying or agreeing to indemnify a director against personal
2 liability shall be fully effective whether or not there is a provision in the
3 articles of incorporation limiting or eliminating personal liability.

4 (c) The articles of incorporation need not set forth any of the corporate powers
5 enumerated in this Chapter. (1955, c. 1230; 1957, c. 979, s. 11; 1959, c. 1161, s. 5; 1985 (Reg.
6 Sess., 1986), c. 801, ss. 3, 4; 1993, c. 398, s. 1; 1995, c. 539, s. 17; 2001-358, s. 20; 2001-387,
7 ss. 173, 175(a); 2001-413, s. 6.)
8

9 **§ 55A-2-03. Incorporation.**

10 (a) Unless a delayed effective date is specified, the corporate existence begins when the
11 articles of incorporation are filed.

12 (b) The Secretary of State's filing of the articles of incorporation is conclusive proof
13 that the incorporators satisfied all conditions precedent to incorporation except in a proceeding
14 by the State to cancel or revoke the incorporation or involuntarily dissolve the corporation.
15 (1955, c. 1230; 1967, c. 13, s. 4; 1993, c. 398, s. 1.)
16

17 **§ 55A-2-04. Reserved for future codification purposes.**

18
19 **§ 55A-2-05. Organization of corporation.**

20 (a) After incorporation:

21 (1) If initial directors are named in the articles of incorporation, the initial
22 directors shall hold an organizational meeting at the call of a majority of the
23 directors to complete the organization of the corporation by appointing
24 officers, adopting bylaws, and conducting any other business brought before
25 the meeting.

26 (2) If initial directors are not named in the articles of incorporation, the
27 incorporator or incorporators shall hold an organizational meeting at the call
28 of a majority of the incorporators (i) to elect directors and complete the
29 organization of the corporation, or (ii) to elect a board of directors who shall
30 complete the organization of the corporation.

31 (b) Action required or permitted by this Chapter to be taken by incorporators at an
32 organizational meeting may be taken without a meeting if the action taken is evidenced by one
33 or more written consents describing the action taken and signed by each incorporator. If the
34 incorporators act at a meeting, the notice and procedural provisions of G.S. 55A-8-22,
35 55A-8-23, and 55A-8-24 shall apply.

36 (c) An organizational meeting may be held in or out of this State. (1955, c. 1230; 1969,
37 c. 875, s. 2; 1985 (Reg. Sess., 1986), c. 801, s. 6; 1993, c. 398, s. 1.)
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39 **§ 55A-2-06. Bylaws.**

40 (a) The incorporators or board of directors of a corporation shall adopt initial bylaws
41 for the corporation.

42 (b) The bylaws may contain any provision for regulating and managing the affairs of
43 the corporation that is not inconsistent with law or the articles of incorporation. (1955, c. 1230;
44 1993, c. 398, s. 1.)
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46 **§ 55A-2-07. Emergency bylaws.**

47 (a) Unless the articles of incorporation provide otherwise, the board of directors of a
48 corporation may adopt, amend, or repeal bylaws to be effective only in an emergency defined
49 in subsection (d) of this section. The emergency bylaws, which are subject to amendment or
50 repeal by the members, may make all provisions necessary for managing the corporation during
51 the emergency, including:

- 1 (1) Procedures for calling a meeting of the board of directors;
2 (2) Quorum requirements for the meeting; and
3 (3) Designation of additional or substitute directors.
- 4 (b) All provisions of the regular bylaws consistent with the emergency bylaws remain
5 effective during the emergency. The emergency bylaws are not effective after the emergency
6 ends.
- 7 (c) Corporate action taken in good faith in accordance with the emergency bylaws binds
8 the corporation, and the fact that the action was taken pursuant to emergency bylaws shall not
9 be used to impose liability on a corporate director, officer, employee, or agent.
- 10 (d) An emergency exists for purposes of this section if a quorum of the corporation's
11 directors cannot readily be assembled because of some catastrophic event. (1993, c. 398, s. 1.)