

**NORTH CAROLINA COOPERATIVE LIQUID ASSETS SECURITIES SYSTEM  
(NORTH CAROLINA CLASS)**

A North Carolina Statutory Trust Established Under an Indenture of Trust

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**BYLAWS**

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Dated as of March 13, 2023

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**BYLAWS**  
**OF THE**  
**NORTH CAROLINA COOPERATIVE LIQUID ASSETS**  
**SECURITIES SYSTEM (NORTH CAROLINA CLASS)**

(dated as of March 13, 2023)

Established by an Interlocal Agreement dated March 1, 2023 and  
governed by an Indenture of Trust dated as of March 1, 2023

**ARTICLE I**  
**GENERAL**

**Section 1. Definitions.**

Unless otherwise stated herein, capitalized terms have the meanings assigned by the Indenture of Trust dated as of March 1, 2023, as amended from time to time (the "Indenture") and the Interlocal Agreement dated as of March 1, 2023, as amended from time to time (the "Interlocal Agreement") pursuant to which the Trust was formed.

**Section 2. Principal Office.**

The Trust shall maintain an office of record in the State of North Carolina. The initial office of record of the Trust shall be: North Carolina Cooperative Liquid Assets Securities System Investment Pool ("NC CLASS") in care of Matt Starr, Public Trust Advisors, LLC, 209 Lofty Oak Lane, Holly Springs, NC 27540. The office of record may be changed from time to time by resolution of the Trustees, and notice of such change of the office of record shall be given to each Participant.

**Section 3. Other Offices.**

The Trust may have offices or places of business within or outside the State of North Carolina as the Trustees may from time to time determine.

**ARTICLE II**  
**PARTICIPANTS**

**Section 1. Action by Participants.**

Any action which may be taken by the Participants may be taken if a majority of the Participants entitled to vote thereon (or such larger proportion thereof as shall be required by law, the Indenture, or these Bylaws for approval of such matter) consent to the action in writing and the written consents are filed with the Secretary or the Administrator, as applicable, in the records of the Trust. Prompt notice shall be given of any Trust action approved by the Participants by less than unanimous written consent to those Participants who did not consent in writing to such action.

Action by the Participants shall be taken by such Participant's Authorized Representative. An "Authorized Representative" shall mean the finance officer of each Participant. Such Authorized Representative shall be the legal representative to act for and on behalf of each Participant.

**Section 2. Inspection of Records.**

The records of the Trust shall be open to inspection by the Participants at any time during usual business hours of the Trust, upon written demand on the Trust, for a purpose reasonably related to such Participant's interest as a Participant.

**ARTICLE III  
TRUSTEES**

**Section 1. Number and Qualification of Board of Trustees.**

(a) The affairs of the Trust will be governed and managed by a Board of Trustees (the "Board"), consisting of no less than three trustees (the "Trustees"), each of which will be an Authorized Representative of a Participant.

(b) The initial Board will consist of the following five Trustees (the "Initial Trustees"), appointed by the initial Participants:

- (i) Drew Holland, initial term expires: December 31, 2025;
- (ii) Deanna Rios, initial term expires: December 31, 2025;
- (iii) Kim Ostrom, initial term expires: December 31, 2024;
- (iv) Abdul Baloch, initial term expires: December 31, 2024; and
- (v) Tiffany Murray, initial term expires: December 31, 2023.

(c) Except for the Initial Trustees, Trustees will be elected by the Board.

(d) The Board may, at any time and from time to time, increase the number of Trustees and set the initial terms for each additional Trustee; provided however, the number of Trustees shall not be less than three (3) nor more than thirteen (13). In the event the Board approves such an increase, the Board shall appoint qualified Authorized Representatives as Trustees. By resolution, the Board may decrease the number of Trustees (but to never less than three) by not filling expiring terms.

(e) Upon expansion of the Board after the Initial Trustees, the Board will endeavor to appoint qualified Trustees representative of the local government entity types that participate in the Trust from the following categories of Local Government Units (to the extent there are Participants in the Trust from such categories): (1) counties; (2) cities; and (3) other Public Authorities. The Board shall be the sole judge of the appointment and qualification of its Trustees.

(f) The appointment of any Trustee (other than an individual who was serving as a Trustee immediately prior to such election) shall not become effective unless and until such person has agreed in writing to serve as a Trustee and to be bound by the terms of the Indenture.

**Section 2. Term.**

Each Trustee's term of office will be for three years or until a successor has been appointed and qualified, commencing with the first meeting following the appointment; provided, however, (i) the term of office for Initial Trustees shall be as set forth above in Section 1(b), and (ii) the term of office for Trustees appointed upon the expansion of the Board, as described in Section 1(d), shall be for such term determined at such time, not to exceed three (3) years. The terms shall be fixed so that approximately one-third of the terms expire annually. Trustees may succeed themselves in office.

Vacancies on the Board will be filled ad interim by election by the Board for the unexpired term. Ad interim appointments will constitute a term of office.

**Section 3. Resignation and Removal.**

Any Trustee may resign by tendering a signed or oral resignation to any officer. The resignation shall be effective upon tender or at a later date according to the terms of the resignation notice. Any Trustee may be removed for good cause by the affirmative vote of at least two-thirds of the remaining Trustees.

**Section 4. Vacancies.**

(a) Any vacancy in the Board shall be filled for the unexpired portion of the term of such Trustee as soon as practicable in accordance with Section 1(c), unless the Board has elected to decrease the size of the Board in accordance with Section 1(d).

(b) In the event of a vacancy, the remaining Trustees continuing in office, regardless of their number, shall have all the powers granted to the Board and shall discharge all their duties imposed upon the Board by these Bylaws and the Indenture.

(c) No vacancy shall operate to annul the Interlocal Agreement or the Indenture or to revoke any existing agency created pursuant to the terms of the Indenture.

(d) If a Trustee shall no longer be an Authorized Representative of a Participant, such person shall no longer be a Trustee and a vacancy will be deemed to have occurred.

(e) If a Local Government Unit fails to qualify as a Participant for a period of 30 days, any Authorized Representative of that Local Government Unit who is a Trustee shall no longer qualify as a Trustee and a vacancy will be deemed to have occurred.

**Section 5. Meetings.**

(a) All meetings of the Board shall at all times be in compliance with the laws of North Carolina, including, but not limited to, Article 33C of Chapter 143 (Open Meetings) North Carolina General Statutes ("N.C.G.S."), as amended (the "Open Meetings Law").

(b) Meetings of the Board shall be held from time to time upon the call of the Chair, the Vice Chair, the Secretary, the Treasurer or a majority of the Trustees. Regular meetings of the Board may be held at a time and place fixed by resolution of the Board but shall be held at least semi-annually.

(c) Notice of any other meeting shall be mailed or otherwise given not less than 48 hours before the meeting but may be waived in writing by any Trustee either before or after such meeting. Any notice of a meeting of the Board or a meeting of a committee of the Board shall be given as may be required by the Open Meetings Law. The attendance of a Trustee at a meeting shall constitute a waiver of notice of such meeting except where a Trustee attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

(d) The Board may hold meetings by conference call or other electronic means, so long as each Trustee is able to communicate with each of the other Trustees present, and the Board provides a location and means whereby members of the public may listen to the meeting and the notice of the meeting shall specify that location, or otherwise as may be permitted by the Open Meetings Law.

**Section 6. Quorum and Manner of Acting.**

(a) A majority of the Trustees shall be present in person or by audio or video teleconference at any regular or special meeting of the Trustees in order to constitute a quorum for the transaction of business at such meeting, and (except as otherwise required by law, the Indenture, or these Bylaws) the act of a majority of the Trustees present at any such meeting, at which a quorum is present, shall be the act of the Trustees.

(b) The Trustees present at a duly called meeting at which a quorum is initially present may continue to do business notwithstanding the withdrawal of Trustees, provided any action taken is approved by at least a majority of the required quorum for such meeting. In the absence of a quorum, a majority of the Trustees present may adjourn the meeting to a time and place specified in the order of adjournment.

(c) Any action of the Board or a committee of the Board may be taken at a meeting by vote of a majority of the Trustees present providing that a quorum is present.

(d) Any Trustee who has a conflict of interest as described in Section 7(b) may be counted for quorum purposes. Such Trustee shall not be entitled to vote on any such matter.

**Section 7. Ethics Laws.**

(a) The Trustees agree not to accept any gift from anyone doing business or seeking to do business with the Trust. Such prohibition shall be interpreted in a manner consistent with N.C.G.S. Section 133-32, as amended.

(b) Any Trustee who has a personal financial interest in, or who may derive a direct benefit from, any matter or action before the Board shall not vote on such matter or action. "Direct benefit" is defined in N.C.G.S. Section 14-234.

**ARTICLE IV  
OFFICERS**

**Section 1. General Provisions.**

The Board shall annually elect, from among the Trustees, a Chair, a Vice Chair, a Secretary and a Treasurer, who shall have such duties as the Board shall deem advisable and appropriate. The Board may also elect or appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers or agents, who shall have such powers, duties, and responsibilities as the Board may deem to be advisable and appropriate.

**Section 2. Terms of Office and Qualifications.**

Except as otherwise provided by law, the Indenture, or these Bylaws, all officers shall hold office at the pleasure of the Trustees. Other than a Secretary-Treasurer, no person may hold more than one office at any one time. The Chair, Vice Chair, Treasurer and Secretary shall all be Trustees. Any other officer may be, but is not required to be, a Trustee.

**Section 3. Removal.**

The Trustees, by a majority vote at any regular or special meeting of the Trustees, may remove any officer with or without cause.

**Section 4. Powers and Duties of the Chair.**

(a) The Chair may call meetings of the Trustees when they deem necessary and in accordance with these Bylaws, and shall preside at all meetings of the Trustees.

(b) The Chair shall at all times exercise general supervision and direction over the affairs of the Trust.

(c) The Chair shall have: (i) the power to employ such subordinate officers, employees, and agents as required to transact the business of the Trust, (ii) the power to grant, issue, execute or sign such powers of attorney, proxies, or other documents as may be deemed advisable or necessary in furtherance of the interests of the Trust and (iii) the powers and duties as, from time to time, may be conferred upon or assigned by the Trustees.

**Section 5. Powers and Duties of the Vice Chair.**

In the absence or disability of the Chair, the Vice Chair shall perform all the duties and may exercise any of the powers of the Chair, subject to the control of the Trustees. The Vice Chair shall perform such other duties as may be assigned from time to time by the Trustees or the Chair.

**Section 6. Powers and Duties of the Treasurer.**

The Treasurer shall be the principal financial and accounting officer of the Trust. The Treasurer shall perform all the duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the Trustees.

**Section 7. Powers and Duties of the Secretary.**

(a) The Secretary shall keep the records of all action of the Participants in proper books provided for that purpose; may have custody of the seal of the Trust; and shall have charge of the Share transfer books, lists, and records unless the Trustees have delegated such duties to the Administrator.

(b) The Secretary shall (i) attend to the giving and serving of all notices by the Trust in accordance with the provisions of these Bylaws and as required by law, (ii) keep the minutes of all meetings of the Trustees and committees, and (iii) perform such other duties and have such other powers in addition to those specified in these Bylaws as the Trustees shall from time to time designate.

**Section 8. Powers and Duties of the Assistant Treasurers.**

In the absence or disability of the Treasurer, any Assistant Treasurer designated by the Trustees shall perform all the duties, and may exercise any of the powers, of the Treasurer. The Assistant Treasurers shall perform such other duties as from time to time may be assigned to them by the Trustees.

**Section 9. Powers and Duties of the Assistant Secretaries.**

In the absence or disability of the Secretary, any Assistant Secretary designated by the Trustees shall perform all of the duties, and may exercise any of the powers, of the Secretary. The Assistant Secretaries shall perform such other duties as from time to time may be assigned to them by the Trustees.

**Section 10. Reimbursement for Expenses.**

No Trustee shall be entitled to compensation arising from his or her position as Trustee. The Trust may, however, advance to the Trustees and officers, or reimburse the Trustees and officers for,

all costs and expenses incurred in connection with attendance at meetings of the Trustees and committee meetings.

## **ARTICLE V CONTRACTS, CHECKS AND DRAFTS**

### **Section 1. Contracts.**

The Board may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name and on behalf of the Trust, and such authority may be general or confined to specific instances.

### **Section 2. Checks and Drafts.**

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Trust shall be signed by such officer or officers or agent or agents of the Trust and in such manner as shall from time to time be determined by the Board.

## **ARTICLE VI FISCAL YEAR**

The fiscal year of the Trust shall begin on January 1 in each calendar year and shall end on December 31 of the following calendar year, provided, however that the Trustees may from time to time change the Trust's fiscal year.

## **ARTICLE VII SEAL**

The Board shall have full and complete power to adopt and use a seal for the Trust, but, unless otherwise required by the Board, it shall not be necessary for the seal to be placed on, and its absence shall not impair the validity of, any document, instrument, or other paper executed and delivered by or on behalf of the Trust.

## **ARTICLE VIII OPEN RECORDS**

Requests for public records of the Trust can be made pursuant to the North Carolina Public Records Law, as set forth in N.C.G.S. Chapter 132. All public records requests may be submitted directly to the Administrator by any person seeking records (the "Applicant"). All public records requests by Applicants must be made in accordance with this Article VIII. Applicants may be charged a fee for each request at a cost greater than the actual cost to the Administrator.

Pursuant to N.C.G.S. Section 132-1(a), the term "public records" shall mean all documents, papers, letters, maps, books, photographs, films, sound recordings, magnetic or other tapes, electronic data-processing records, artifacts, or other documentary material, regardless of physical form or characteristics, made or received pursuant to law or ordinance in connection with the transaction of public business by any agency of North Carolina government or its subdivisions. Agency of North Carolina government or its subdivisions shall mean and include every public office, public officer, or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or any county, unit, special district or other political subdivision of government.

Certain records may be privileged or otherwise confidential and protected from disclosure under North Carolina law and are not public records. Consequently, records that are confidential or privileged will not be disclosed in response to a public records request. Nothing set forth in this Article VIII shall



be construed to abrogate the right of the Trustees or the custodian of the requested public records to withhold records that are confidential or protected by the privileges expressly contemplated by N.C.G.S. Chapter 132 or otherwise established under North Carolina law.

**ARTICLE IX  
POLICIES AND PROCEDURES**

The Trust shall comply with N.C.G.S. Section 159-30, as amended. The Board will engage the Investment Advisor to establish policies and procedures for the administration of the Trust in a manner consistent with N.C.G.S. Section 159-30, as amended, and such policies and procedures will be on file with the Board, will be available to all Participants, and will be annually presented to the Board.

**ARTICLE X  
AMENDMENTS**

These Bylaws, or any part of them, may be altered, amended, or repealed, or new Bylaws may be adopted, by a two-thirds vote of the Trustees. The Trustees shall in no event adopt Bylaws which are in conflict with the Indenture or the Interlocal Agreement, and any apparent inconsistency shall be construed in favor of the related provisions in the Indenture and the Interlocal Agreement.

**CERTIFICATE OF ADOPTION OF BYLAWS**

The foregoing Bylaws were duly adopted and approved by the Trustees of the Trust, on March 13, 2023.

Secretary

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