

**FIRST AMENDED BYLAWS
OF
CORNELIUS ARTS AND COMMUNITY CENTER, INC.**

ARTICLE I

PURPOSE

The purpose or purposes for which the Cornelius Arts and Community Center, Inc. (the "Corporation") is organized are:

Exclusively for charitable, educational and scientific purposes within the meaning of section 501(c)(3) ("§ 501(c)(3)") of the Internal Revenue Code of 1986, as amended ("Code"), and particularly for maintaining and operating an arts and community center in the Town of Cornelius but serving the entire lake Norman region.

The Corporation may engage in any and all lawful acts which may be necessary, useful, suitable or proper for the furtherance of the purposes of the Corporation.

ARTICLE II

OFFICES

The Corporation shall have and continuously maintain in the State of North Carolina a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of North Carolina as the Board of Directors may from time to time determine.

ARTICLE III

BOARD OF DIRECTORS

Section 1. GENERAL POWERS. The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall not be compensated.

Section 2. NUMBER, TENURE AND QUALIFICATION. The number of Directors shall be a minimum of fifteen (15) and a maximum of twenty-five (25) which may be increased at the approval of the Directors. Beginning on the date of the election of the initial Board of Directors, one-third of such initial Directors shall serve a two-year term, one-third of such initial Directors shall serve a three-year term, and one-third of such initial Directors shall serve a four-year term. All future Directors shall serve staggered three-year terms. Any Director may serve up to two terms in succession. After serving two consecutive terms, such person shall be eligible for election to the Board of Directors after not serving as a Director for one year. Directors need not be residents of North Carolina.

Section 3. MINIMUM REPRESENTATION. At least one director shall be appointed by the Mayor; two shall be appointed by the majority vote of the Town of Cornelius

Commissioners. The rest and remaining shall be initially establish by the recommendation of the Strategic Arts Committee but approved by the Mayor and the Town Board.

Section 4. ANNUAL MEETING. An annual meeting of the Directors shall be held on or about June 30th of each year, or on such other date as the Board of Directors may determine, for the purpose of electing Officers, electing Directors to fill any Director vacancies and for the transaction of such other business as may come before the meeting. If the election of Officers or Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Directors called as soon thereafter as conveniently may be determined.

Section 5. REGULAR MEETINGS. In addition to the annual meeting described in the preceding Section 4, the Board of Directors may provide by resolution the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 6. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or Directors constituting no less than 50% of the Directors then in office. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of North Carolina, as the place for holding any special meeting of the Board called by them.

Section 7. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least five days before such meeting by written notice delivered personally or sent by United States mail or electronic mail to each Director at his or her address as shown by the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid, or when delivery to the electronic mail address is confirmed, as applicable. 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.

Section 8. QUORUM. A majority of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 9. MANNER OF ACTING. The vote, election or other act of a majority of the Directors present at an annual, regular or special meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by the Articles of Incorporation or by these Bylaws.

Section 10. VACANCIES. Any vacancy occurring in the Board of Directors, or any Board position to be filled by reason of an increase in the number of Directors, shall be filled by a

vote of the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 11. **REMOVAL.** Any Director may be removed upon the vote of at least two-thirds of the Directors present at any annual, regular or special meeting of the Board of Directors at which a quorum is present.

Section 12. **INFORMAL ACTION BY DIRECTORS.** Any action required to be taken at a meeting of the Directors, or any other action which may be taken at a meeting of Directors, may be taken by means of a telephone or electronic mail vote of a majority of the Directors in office, provided that an officer of the Corporation provides all Directors minimum advance notice of at least 48 hours, which notice shall be made by electronic mail and shall state the nature of the matter(s) to be voted on with reasonable particularity.

Section 13. **HONORARY DIRECTORS.** The Board may elect one or more Honorary Directors at any annual, regular or special meeting. Honorary Directors shall have no right or authority to vote as regular Directors of the Corporation, and the duties and responsibilities of Honorary Directors shall be as determined by the Board. There shall be no limit on the number of Honorary Directors.

ARTICLE IV

OFFICERS AND EXECUTIVE DIRECTOR

Section 1. **OFFICERS.** The officers of the corporation, each of whom shall be a Director, shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Treasurer, and a Secretary, each of whom shall be elected by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. **ELECTION AND TERM OF OFFICE.** The officers of the Corporation shall be elected by the Board of Directors at each annual meeting or as soon thereafter as is practicable. Each officer shall serve a one-year term. An officer may serve up to three one-year terms in succession in the same office, and thereafter may serve up to three one-year terms in succession in another office (e.g., a Vice President may serve three one-year terms as a Vice President and immediately thereafter serve three one-year terms as President). Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors.

Section 3. **REMOVAL.** Any officer, employee or other agent of the Corporation may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. **VACANCIES.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the Board of Directors.

Section 5. **PRESIDENT.** The President shall preside at all meetings of the Board of Directors and shall see that orders and resolutions of the Board of Directors are carried into effect.

He or she shall have the power to execute, on behalf of the Corporation, bonds, mortgages and all other contracts and documents, whether or not under the seal of the Corporation, except in cases where the signing and execution thereof shall be expressly delegated by law, by the Board of Directors or by these Bylaws to some other officer, employee or agent of the Corporation. The President shall have general powers of supervision and management of the business of the Corporation. In addition, the President shall have the power to execute documents where by law the signature of the President is required. In general, the President shall have all powers and shall perform all duties usually vested in the office of the President of a corporation subject to the right of the Board of Directors to delegate powers to other officers or committees of the Corporation, except those powers which may be exclusively conferred by law upon the office of the President.

Section 6. VICE PRESIDENTS. In the absence of the President or in the event of his or her inability or refusal to act, the Vice Presidents, in the order of their seniority, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice Presidents shall perform such other duties as from time to time may be assigned to them by the President or by the Board of Directors.

Section 7. TREASURER. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these Bylaws; and in general perform all the duties incident to the offices of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. The Treasurer is authorized, subject to the Board's approval, to delegate one or more of his or her duties and responsibilities to the Executive Director. In the event of such delegation of duties or responsibilities, the Treasurer shall be responsible for supervising the Executive Director to ensure proper performance of all such delegated duties and responsibilities.

Section 8. SECRETARY. The Secretary or Assistant Secretary shall keep minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these bylaws; keep a register of the post office and electronic mail addresses of each Director which shall be furnished to the Secretary by such Director; 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 or her by the President or by the Board of Directors.

Section 9. EXECUTIVE DIRECTOR AND OTHER EMPLOYEES. The Board of Directors is authorized to hire the Corporation's Executive Director and other employees of the Corporation as the Board may determine to be necessary. The Board of Directors shall determine the duties and responsibilities of the Executive Director and the Corporation's other employees. The Board of Directors may delegate to the Executive Director the authority to hire the

Corporation's other employees and/or the authority to determine the duties and responsibilities of the Corporation's other employees. The Executive Director shall be vested with the duties of Chief Administrative Officer of the Center.

ARTICLE V

INTERESTED DIRECTORS AND OFFICERS

It shall be the policy of the Corporation to avoid all conflicts of interest. However, no contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are Directors or officers have a financial or other interest shall be void or voidable solely for this reason, or solely because the Director or officer is present at or participates in the meeting of the Board of Directors thereof which authorizes the contract or transaction, if:

(a) The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors, and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors, even though the disinterested Directors be less than a quorum; or

(b) The material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the members entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the members; *and*

(c) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board of Directors which authorizes the contract or transaction. Furthermore, should there occur any changes to an existing contract or transaction or should a transaction or contract develop in such a manner to give rise to any potential conflict of interest, said matter shall be brought to the immediate attention of the full board of Directors for review and action consistent with this article.

Interested Directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors which authorizes the contract or transaction, however, he/she shall not vote on the matter of which he/she has interest.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS AND OFFICERS

(a) The Corporation shall indemnify each Director and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a Director or officer of the Corporation, or is or was serving at the request of the Corporation as a Director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she

acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(b) The Corporation shall indemnify each Director and each officer or employee who is held to be a fiduciary under any employee pension or welfare plan or trust of the Corporation or any of its divisions and who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was such a fiduciary and was serving as such at the request of the Corporation, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding for any breach of any of the responsibilities, obligations or duties imposed upon fiduciaries by the Employee Retirement Income Security Act of 1974 and any amendments thereto, if he or she acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of such plan or trust, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(c) Any indemnification under paragraphs (a) and (b) of this Article (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in paragraphs (a) and (b). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

(d) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a Director or officer seeking indemnification may be entitled under any statute, provision in the Corporation's articles of incorporation, bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

(e) The Corporation shall purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of this status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

(f) The invalidity or unenforceability of any provision in this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS & FUNDS

Section 1. **CONTRACTS.** The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, including the Executive Director, 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 Corporation, and such authority may be general or confined to specific instances.

Section 2. **CHECKS, DRAFTS, ETC.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation, including the Executive Director, and in such manner, as shall from time to time be determined by resolution of the Board of Directors. Initially the Executive Director shall have authority to sign a check on behalf of the corporation which is in the amount of One Thousand Dollars (\$1,000.00) or less. Checks above said amount shall require the additional signature of the President or Treasurer.

Section 3. **DEPOSITS.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. **GIFTS.** The Board of Directors or the President may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

ARTICLE VIII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of Board of Directors. All books and records of the Corporation may be inspected by any Director or his or her agent or attorney for any proper purpose at any reasonable time.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall end on June 30 in each year.

ARTICLE X

SEAL

The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words "Corporate Seal."

ARTICLE XI

Section 1. **COMMITTEES OF DIRECTORS.** The Board of Directors, by resolution adopted by the Directors, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the Board of Directors in the management of the Corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed upon it or him by law.

Section 2. **EXECUTIVE COMMITTEE.** During intervals between meetings of the Board of Directors, the Executive Committee shall exercise all the powers of the Board of Directors in the management of the business and the affairs of the Corporation, except as otherwise provided by law, these Bylaws, or by resolution of the board. The presence of the majority of the members of the Executive Committee then serving in office shall constitute a quorum and the act of a majority of the members of the Executive Committee present at a meeting of the committee at which a quorum is present shall be the act of the committee. Members of the Executive Committee shall be President, Vice President, Treasurer, and Secretary. The Executive Committee shall keep full and fair records and accounts of its proceedings and transactions. The Executive Committee shall report on all action taken since the last Board meeting to the Board of Directors at the Board's next meeting.

Section 3. **OTHER COMMITTEES.** Other committees not having and exercising the authority of the Board of Directors in the Corporation may be designated by a resolution adopted by the Board of Directors. Except as otherwise provided in such resolution, members of each such committee need not be Directors of the Corporation. The Board of Directors shall appoint the members thereof, and each such committee shall have at least one member who is either a Director or officer of the Corporation. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 4. **TERM OF OFFICE.** Each member of a committee shall continue as such until the next annual meeting of the members of the Corporation and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 5. **CHAIRPERSON.** One member of each committee shall be appointed chairperson by the Board of Directors.

Section 6. **VACANCIES.** Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 7. **QUORUM.** Unless otherwise provided in the resolution of the Directors designating a committee, a majority of the whole committee 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 committee.

Section 8. RULES. Each committee may adopt rules for its own governance not inconsistent with these bylaws or with rules adopted by the Board of Directors; provided, however, that each committee is required to provide each member at least two days' advance notice of any meeting of such committee, each committee is required to keep minutes of committee meetings, and each committee shall use reasonable efforts to communicate minutes to each committee member at least 24 hours prior to the committee's next meeting.

ARTICLE XII

AMENDMENTS TO BYLAWS

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by a vote of two-thirds of the Directors present at any annual, regular or special meeting at which a quorum is present, provided that at least five days' written notice is given of intention to alter, amend or repeal or to adopt new Bylaws at such meeting.

These Bylaws the Cornelius Arts and Community Center, Inc. were duly adopted by the Board of Directors at a meeting held on _____, 2017.

This the ___ day of _____, 2017.

[Corporate Seal]

Secretary