

BYLAWS OF CUMBERLAND COMMUNITY FOUNDATION, INC.

ARTICLE I - Offices

- A. **Principal Office.** The principal office of the Cumberland Community Foundation, Inc. (the "Corporation") shall be located in the County of Cumberland, North Carolina.
- B. **Registered Office.** The registered office of the Corporation, required by law to be maintained in the state of North Carolina, may be, but need not be, identical with the principal office.
- C. **Other Offices.** The Corporation may have offices at such other places, either within or without the County of Cumberland, North Carolina, as the Board of Directors may, from time to time, determine or as the affairs of the Corporation may require.

ARTICLE II – Purposes

- A. **Purposes.** The corporation is organized as a community foundation and its purposes are: to receive and accept property to be administered exclusively for charitable purposes, primarily in, and for the benefit of the citizens of Cumberland County, North Carolina, the surrounding area and the communities located therein, including for such purposes:
 - (a) To administer for charitable purposes property donated to the Corporation;
 - (b) To distribute property for such purposes in accordance with the terms of gifts, bequests or devises to the Corporation not inconsistent with its purposes, as set forth in these Bylaws, or in accordance with determinations made by the Board of Directors pursuant to these Bylaws; and
 - (c) To distribute property to qualified charitable organizations or for charitable purposes.
- B. **Modification and Removal.** As required for a community foundation by the Internal Revenue Code, the Board of Directors shall have the power:
 - (a) To modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the sole judgment of the Board of Directors (without the necessity of the approval of any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the area served;
 - (b) To replace any participating trustee, custodian or agent for breach of fiduciary duty under state law; and
 - (c) To replace any participating trustee, custodian or agent for failure to produce a reasonable (as determined by the Board) return of net income over a reasonable period of time (as determined by the Board).

ARTICLE III – Board of Directors

- A. **Number.** The Board of Directors shall consist of not less than twelve (12) nor more than twenty-one (21) members. The Directors at any annual meeting may by resolution fix the number of Directors to be elected at the meeting; but in the absence of such resolution, the number of Directors elected at the meeting plus the number of Directors continuing in office shall constitute the number of Directors of the Corporation until the next annual meeting of Directors, unless the number is changed by action of the Directors.
- B. **Term of Office and Elections of Directors.** The terms of office of Directors shall be for three (3) years and until their successors shall be elected and qualified. Directors with terms expiring in the same year shall be referred to as a class of Directors. In the event of any increase or decrease in the number of Directors, the additional or eliminated directorships shall be set so that all classes of Directors shall remain or become as equal in number as may be possible. In the event of the death, resignation, retirement, removal or disqualification of a Director during the elected term of office, the Director's successor shall be elected to serve only until the expiration of the term of the predecessor. The Directors then serving shall elect at the annual meeting such number of persons as shall be required to fill the vacancies created by the expiration of any term. The election of Directors shall be by majority vote. Terms of office shall begin July 1 and end on June 30. No Director shall be eligible to serve for more than four terms consecutively and service for a partial term shall be counted the same as service for a full term. A person, not then serving as a Director, shall not be eligible to be elected if the person shall have served previously as a Director within one (1) year.
- C. **Qualification of the Board of Directors.** The Board of Directors shall consist of residents of Cumberland County, North Carolina, who are elected on the basis of their exemplary personal characteristics; knowledge of the educational, cultural, civic, moral, social welfare, natural resource, environmental, public, and other charitable needs of Cumberland County and the surrounding area; and commitment to stewarding the needs of such communities and donors to the Corporation. Members of the Board shall serve without compensation, but may be compensated for reasonable and documented expenses incurred on behalf of the Corporation.
- D. **Termination.** Members of the Board, who upon two-thirds (2/3) vote of the Board or as a result of change of residence cease to be qualified, shall cease to be members of the Board of Directors. Failure to attend three (3) consecutive regular meetings of the Board, without excuse acceptable to the Board, shall operate as a tender of resignation. Vacancies, by death, resignation, refusal to serve, or otherwise, may be filled for the unexpired term by majority vote of the Directors then serving. A vacancy may only be filled by a person, who possesses the qualifications referred to in Section C of this Article III.
- E. **Powers and Duties of the Board of Directors.** The business and affairs of the Corporation shall be managed by its Board of Directors in accordance with the provisions of applicable law, the Articles of Incorporation and these bylaws.

F. Meetings of the Board of Directors.

1. Annual, Regular and Special Meetings. An annual meeting of the Board for the election of officers and the transaction of such business, as may properly come before the meeting, shall be held on the third Thursday in June. The Board shall hold other regular meetings on the third Thursday in January, March, May, September and November and at any other such time and place as may be fixed by the President. Special meetings of the Board may be called by the President and shall be called by him upon the request of any two (2) Directors.
2. Quorum. A majority of the members of the Board in office shall constitute a quorum for each such meeting.
3. Notice. Notice of all Board Meetings and Executive Committee Meetings, except as herein otherwise provided, shall be given by mailing the notice to the usual business or residence address of each Director or by transmitting the notice electronically to each Director at least five (5) days before the meeting, but such notice may be waived in writing by any Director. Unless otherwise indicated in the notice, any and all business may be transacted at a meeting of the Board of Directors. Business may be transacted at any meeting, at which every Director shall be present, even though without any notice. Presence at any meeting shall constitute a waiver of notice for that 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.
4. Manner of Acting. Except as otherwise specifically provided in these Bylaws or as is required by law, action approved by the affirmative vote of a majority of the Directors, present at a meeting at which a quorum is present shall be the action of the Board of Directors.
5. Meeting by Conference Telephone. Members of the Board of Directors may participate in any meeting of the Board or any committee thereof by means of telephone or similar communications equipment, and such participation shall constitute presence in person at such meeting.
6. Action without a Meeting. Action taken by the Directors without a meeting is nevertheless Board action if written consent to the action in question is approved in writing by all of the Directors, whether done before or after the action so taken. Such approval may be evidenced by signature or electronic indicia of assent (as provided in Article VII, Section D), and shall be filed with the minutes of the proceedings of the Board.

ARTICLE IV - Officers

- A. **Titles and Term.** The Officers of the Corporation shall be a President, a Vice-President, a Secretary, and a Treasurer. The Directors may also elect additional Vice-Presidents, an Assistant Secretary, an Assistant Treasurer, and such additional officers as they deem desirable. The Board may choose one person to hold two (2) offices, except the offices of President and Secretary and the offices of President and Vice-President. The Officers shall hold office from July 1 until June 30 or until their successors are elected and qualified.
- B. **Duties.** The duties of the officers shall be as follows:
1. President. The President of the Board of Directors shall be selected by and from the membership of the Board. The President shall be the chairperson of the Board and chairperson of the Executive Committee. The President shall have general and active management of the business of the Corporation and shall see that all orders and resolutions of the Board are carried into effect. The President shall be an ex officio, nonvoting member of all other standing committees, and shall have the general powers and duties of supervision and management usually vested in the office of President.
 2. Vice-Presidents. At least one Vice-President shall be chosen from the membership of the Board. Such Vice-Presidents as are Board Members, in the order of their seniority, shall perform the duties and exercise the powers of the President, during the absence or disability of the President. Any action taken by a Vice President in the performance of the duties of the President shall be presumptive evidence of the absence or inability to act of the President at the time the action was taken. The Vice Presidents shall have such other powers and perform such other duties as may be assigned by the Board of Directors.
 3. Secretary. The Secretary shall attend all meetings of the Board and of the Executive Committee and shall preserve, in books of the Corporation, true minutes of the proceedings of all such meetings. The Secretary shall have custody of the seal of the Corporation and shall have authority to affix the seal to all instruments where its use is required. The Secretary shall give all notices required by statute, these Bylaws, or resolution. The Secretary shall perform such other duties as may be assigned by the Board or by the Executive Committee. The Secretary may delegate, with oversight, any or all duties to the Assistant Secretary or such other person designated by the Secretary.
 4. Treasurer. The Treasurer shall have custody of all Corporation funds and securities and shall keep full and accurate accounts of all receipts and disbursements. The Treasurer shall deposit all moneys, securities, and other valuable effects in the name of the Corporation in such depositories as may be designated for that purpose by the Board. The Treasurer shall disburse the funds of the Corporation, as may be ordered by the Board, and shall render to the President and Directors, at the regular meetings of the Board, and, whenever requested by them, an account of all transactions and of the financial condition of the Corporation. If required by the Board, the Treasurer shall deliver to the President, and shall keep in force, a bond

in form, amount, and with a surety or sureties satisfactory to the Board, conditioned for faithful performance of the duties of the office of Treasurer, and for restoration to the Corporation at the conclusion of the term, of all books, papers, vouchers, money, and property of whatever kind belonging to the Corporation. The Treasurer may delegate, with oversight, any or all of the duties to the Assistant Treasurer or such other person designated by the Treasurer.

5. Assistant Secretary and Assistant Treasurer. The Assistant Secretary, in the absence or disability of the Secretary, shall perform the duties and exercise the powers of the Secretary. The Assistant Treasurer, in the absence or disability of the Treasurer, shall perform the duties and exercise the powers of the Treasurer.

- C. **Compensation.** The Officers of the Corporation shall receive no compensation for serving in their capacity as an officer, but nothing shall prevent the Corporation from compensating any officer employed full-or part-time by it in such amount as shall be fixed by the Board of Directors. Officers also may be reimbursed for reasonable and documented expenses incurred on behalf of this Corporation.

ARTICLE V - Committees

Committees

A. **Executive Committee and Other Board Committees.**

1. Election of Committees. The Board of Directors, by resolution adopted by a majority of the Directors present at a meeting at which a quorum is present, may elect certain Directors to constitute an Executive Committee and such other committees, each of which, to the extent authorized by law and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the corporation; provided, however, that no committee of the Board shall (a) authorize or approve any appropriation or monetary or other distribution; (b) authorize or approve any dissolution, merger or sale, pledge, transfer or other distribution of all or substantially all of the corporation's assets; (c) elect, appoint or remove any Directors, Officers, committee chairmen or committee members, or fill any vacancy; (d) adopt, amend or repeal the Articles of Incorporation or the Bylaws; or (e) engage in any other act not specifically delegated to such committee by these Bylaws or by resolution of the Board.
2. Board Responsibility. The committees elected pursuant to this Article V, Section A shall consist exclusively of Directors. The election of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him by law.

3. Quorum and Vacancies. A majority of the members of each such committee, present at any meeting, shall constitute a quorum. Vacancies on committees may be filled for the unexpired term by the Board.
4. The Executive Committee. The Executive Committee shall be comprised of the President and not fewer than two (2) other Directors, the members of which shall be elected by the Board to serve at the pleasure of the Board for terms of one (1) year. Members of the Executive Committee shall be elected on the basis of criteria that will insure that said committee is representative of the public interest in the charitable needs of the area served. The Executive Committee shall keep full records and accounts of its proceedings and transactions. All action by the Executive Committee shall be reported to the Board promptly and not later than its meeting next succeeding.
5. The Governance Committee. At the June meeting of the Board, the Board of Directors shall elect a Governance Committee comprised of at least three Directors including the Immediate Past President, if the Immediate Past President is then serving on the Board. The President shall nominate a Director who has served for at least two terms, as chairperson, to be elected by the Board. The Governance Committee shall nominate, at the next annual meeting of the Board, a slate of people for Directors to fill vacancies on the Board and a slate of Officers to serve until the next annual meeting or until their successors are elected. The number of Board vacancies to be filled shall be determined by the Board as provided in Article III A. The Governance Committee also shall annually review the governance documents of the Corporation and, as necessary, propose modifications to the Board of Directors for approval.

B. Advisory Committees.

1. Election of Committees. The Board may elect committees to provide advice to the Board of Directors including a Building and Grounds, Finance, Investment, Audit, Community Grants, and/or Development Committee(s) and such other advisory committees as it deems desirable and discontinue any advisory committee at its pleasure. Each committee shall consist of persons elected by the Board (including non-Directors), and shall have such powers and perform such duties and functions, not inconsistent with the Corporation's Articles of Incorporation, Bylaws, or law, as may be delegated to it by the Board. Appointments to and vacancies, in any such committees, shall be filled for the unexpired term by the Board.
2. Limited Authority. Each advisory committee shall be advisory to the Board and shall have such powers and perform such duties or functions, not inconsistent with law, as may be prescribed for it by the Board. Any action, by each such committee, shall be reported to the Board at its meeting next succeeding such action and shall be subject to control, revision, and alteration by the Board, provided that no rights of third persons shall be prejudicially affected hereby.

ARTICLE VI - Indemnification

- A. **Indemnification Policy.** Any person who at any time serves or has served (1) as a Director, Officer, employee or agent of the Corporation, or (2) at the request of the Corporation, in such capacity for any other corporation, partnership, joint venture, trust or other enterprise, shall have a right to be indemnified by the Corporation to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, actually and necessarily incurred by that person in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, brought by a third party seeking to hold that person liable by reason of the fact that he or she is or was acting in such capacity, and (b) reasonable payments made in satisfaction of any judgment, money decree, fine, penalty or settlement for which that person may have become liable in any such action, suit or proceeding. Such person shall not be indemnified by the Corporation against suits brought by or on behalf of the Corporation, seeking to hold the person liable by reason of the fact that he or she is or was acting in such capacity, unless such person is found blameless by a court of law or other properly constituted tribunal.
- B. **Use of Corporate Funds.** The Board of Directors of the Corporation shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification required by this Bylaw, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the Director, Officer, employee or agent to repay such amount if it shall ultimately be determined that the person is not entitled to be indemnified by the Corporation as authorized in this Bylaw.
- C. **Reliance.** Any person who at any time after the adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.
- D. **Insurance.** The Corporation, to the extent permitted by pertinent state statutes, may purchase and maintain insurance on behalf of any person who is or was such a Director, Officer, employee, or agent of the Corporation, or is or was serving at the request of the Corporation as such a Director, Officer, employee, or designated agent of another corporation, domestic or foreign, non-profit or for profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability.

ARTICLE VII – General Provisions

- A. **Books and Records.** The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and Committees having any of the authority of the Board.
- B. **Corporate Seal.** The Board may provide a seal for the Corporation, which shall be in charge of the Secretary or such other officer as the Board may, from time-to-time, direct, and shall be affixed to such documents as may require the corporate seal.
- C. **Fiscal Year.** The fiscal year of the Corporation shall be the twelve (12)-month period ending on the last day of June, or such other period as may be designated by the Board.
- D. **Electronic Transactions.** The Corporation may conduct any transaction or transactions by electronic means, including, without limitation, any Action Without Meeting pursuant to Section F (6) of Article III, and this provision shall constitute the agreement by the Corporation and the Board of Directors to the conduct of transactions by electronic means as provided in Section 55A-1-70 of the North Carolina Nonprofit Corporation Act.
- E. **Amendments.** These Bylaws may be amended or repealed and new bylaws may be adopted by a two-thirds (2/3) vote of the Directors in office at any meeting of the Board; provided, that at least ten days' written notice of the meeting shall have been given which states that the purpose or one of the purposes of the meeting is to consider a proposed amendment to the Bylaws and includes a copy or summary of the proposed amendment or states the general nature of the amendment. Such notice may be waived as provided in these Bylaws.

CERTIFICATE

THIS IS TO CERTIFY that the foregoing Bylaws of the Cumberland Community Foundation Inc. were adopted by the Corporation's Board of Directors on June 19, 2014 to amend and restate Bylaws which were approved by the Board on the 30th day of June 2011.

This the 11th day of August, 2014.

Original copy was signed by Cathy J. Blackwell

Secretary