

**STATE OF SOUTH CAROLINA  
SECRETARY OF STATE**

**ARTICLES OF INCORPORATION**  
Nonprofit Corporation - Domestic  
Filing Fee \$25.00

DECLARED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

SEP 21 2016

*Mark Hammond*  
SECRETARY OF STATE OF SOUTH CAROLINA

**TYPE OR PRINT CLEARLY IN BLACK INK**

Pursuant to S.C. Code of Laws §33-31-202, the undersigned corporation submits the following information:

1. The name of the nonprofit corporation is Carolina Housing and Community Development Corporation

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is

467 South Wilson Street

Street Address

Rock Hill  
City

York  
County

SC  
State

29730  
Zip Code

The name of the registered agent of the nonprofit corporation at that office is

Dewayne Alford

Print Name

I hereby consent to the appointment as registered agent of the corporation.

*[Signature]*  
Agent's Signature

3. Check "a", "b", or "c" whichever is applicable. Check only one box.
- a. ☒ The nonprofit corporation is a public benefit corporation.
  - b. ☐ The nonprofit corporation is a religious corporation.
  - c. ☐ The nonprofit corporation is a mutual benefit corporation.
4. Check "a" or "b", whichever is applicable.
- a. ☐ This corporation will have members.
  - b. ☒ This corporation will not have members.
5. The address of the principal office of the nonprofit corporation is

467 South Wilson Street

Street Address

Rock Hill  
City

York  
County

SC  
State

29730  
Zip Code



6. If this nonprofit corporation is either a public benefit or religious corporation complete either "a" or "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation. If you are going to apply for 501(c)(3) status, you must complete section "a."

a. ☒ Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

☐ If you choose to name a specific 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

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OR

b. ☐ If the dissolved corporation is not described in Section 501(c)(3) of the Internal Code, upon dissolution of the corporation, the assets shall be distributed to one or more public benefit or religious corporations or to one or more of the entities described in (a.) above.

☐ If you chose to name a specific public benefit, religious corporation or 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

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7. If the corporation is a mutual benefit corporation complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a. ☐ Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b. ☐ Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to

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8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows (See S.C. Code of Laws §33-31-202(c)).

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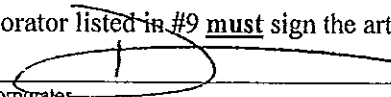
9. The name and address of each incorporator is as follows (only one is required, but you may have more than one).

Dewayne Alford	467 South Wilson St., Rock Hill, SC	29730
Name	Address	Zip Code
Name	Address	Zip Code
Name	Address	Zip Code

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles.

Name (only if named in articles)	Signature of director
Name (only if named in articles)	Signature of director
Name (only if named in articles)	Signature of director

11. Each incorporator listed in #9 must sign the articles.

Signature of incorporator	
Signature of incorporator	
Signature of incorporator	

12. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is \_\_\_\_\_

#### Filing Checklist

- Articles of Incorporation (in duplicate)
- \$25.00 made payable to the SC Secretary of State - Political Associations must also submit CL-1 form and additional \$25.00 fee
- Self-Addressed, Stamped Return Envelope
- Return all documents to: South Carolina Secretary of State's Office  
Attn: Corporate Filings  
1205 Pendleton Street, Suite 525  
Columbia, SC 29201

SEP 21 2015

Carolina Housing and Community  
Development Corporation

Name of Corporation

  
SECRETARY OF STATE OF SOUTH CAROLINA

**501(c)(3) Attachment**

**If your nonprofit is applying for 501(c)(3) Tax Exempt status with the Internal Revenue Service, you must include this attachment with your Articles of Incorporation.**

**Incorporating as a nonprofit in South Carolina does not ensure tax exempt status. A determination of tax exempt status can only be made by the Internal Revenue Service upon submission of an Application for Recognition of Exemption under Section 501(c)(3) of the Internal Revenue Code (Form 1023).**

**I. Purpose of the Nonprofit Corporation**

Notwithstanding any other provisions of these articles, the purposes for which the corporation is organized and operated are exclusively for one or more of the following purposes (you may check as many as are applicable):

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Charitable | <input type="checkbox"/> Scientific   |
| <input type="checkbox"/> Religious             | <input type="checkbox"/> Testing for Public Safety                                      |
| <input type="checkbox"/> Educational           | <input type="checkbox"/> Fostering National or International Amateur Sports Competition |
| <input type="checkbox"/> Literary              | <input type="checkbox"/> Prevention of Cruelty to Animals or Children                   |

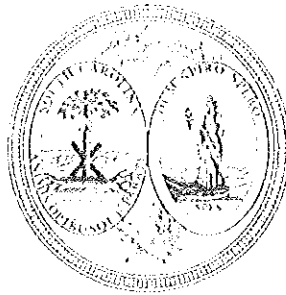
**II. Prohibited Activities**

Notwithstanding any other provisions of these articles, no part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 1 above. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for political office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or by (b) a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

**III. Distributions Upon Dissolution**

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code (See Article I above), or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

# *The State of South Carolina*



*Office of Secretary of State Mark Hammond*

## **Certificate of Incorporation, Nonprofit Corporation**

I, Mark Hammond, Secretary of State of South Carolina, Hereby Certify that:

CAROLINA HOUSING AND COMMUNITY DEVELOPMENT CORPORATION, a nonprofit corporation duly organized under the laws of the State of South Carolina on September 21st, 2015, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed a Declaration and Petition for Incorporation of a nonprofit corporation for religious, educational, social, fraternal, charitable, or other eleemosynary purpose.

Now, therefore, I, Mark Hammond, Secretary of State, by virtue of the authority in me vested by the S.C. Code Ann. §33-31-101 et seq., do hereby declare the organization to be a body politic and corporate, with all the rights, powers, privileges and immunities, and subject to all the limitations and liabilities, conferred by Chapter 31, Title 33, of the S.C. Code of Laws and Acts amendatory thereto.

Given under my Hand and the Great  
Seal of the State of South Carolina this  
21st day of September, 2015.

  
Mark Hammond, Secretary of State

# **BYLAWS OF CAROLINA HOUSING AND COMMUNITY DEVELOPMENT CORPORATION**

## **ARTICLE I - NAME AND OFFICE**

**Section 1. Name.** The name of the Corporation is "Carolina Housing and Community Development Corporation"

**Section 2. Principal Office.** The principal office of the Corporation will be located at 467 South Wilson Street, Rock Hill, SC 29730

**Section 3. Other Offices.** The Corporation may have offices at such other place or places as the Board of Directors may designate from time to time.

## **ARTICLE II - PURPOSE**

The purpose of the said Corporation is to acquire, construct, rehabilitate, own, manage, and develop affordable housing for low to moderate income individuals and families and to promote comprehensive economic development.

The corporation is organized exclusively for charitable, religious, educational, and/or scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

## **ARTICLE III - RESTRICTIONS**

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its members, directors, officers or any "private shareholder or individual" within the meaning of Section 501(c)(3) of the Code (or corresponding provision of any future United States Internal Revenue law); provided, however, that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof. No substantial part of the activities of the corporation shall be for the carrying on of propaganda or otherwise attempting to influence legislation, and the corporation shall not participate in or intervene (including the publishing or distribution of statements) in any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not carry on activities not permitted to be carried on:

- (A) By a corporation exempt from federal income tax under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code (or corresponding provisions of any future United States Internal Revenue law); or

- (B) By a corporation, contributions to which are deductible under Sections 170(c)(2) and 2055 of the Code (or corresponding provisions of any future United States Internal revenue law); or

Upon the dissolution of this organization, assets shall be distributed to the Housing Authority of the City of Rock Hill ("Housing Authority") for a public purpose.

If the Housing Authority does not satisfy applicable law as being distributed to a state or local government for a public purpose as is required in order to establish obtain 501(c)(3) status, then upon the dissolution of this Corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

#### **ARTICLE IV – BOARD OF DIRECTORS**

**Section 1. Composition.** Members of the Board of Directors shall be those persons that are commissioners of the Housing Authority. If a person is appointed as a commissioner of the Housing Authority such person shall automatically be elected as a member of the Board of Directors of the Corporation. The Board of Directors of the Corporation shall consist of the same number as there are commissioners of the Housing Authority except the minimum number of the Board of Directors of the Corporation shall be 3 as provided under state law. The Board of Directors members shall serve for term they are commissioners of the Housing Authority and are eligible for reappointment.

**Section 2. Election and Term of Office.** The term of office of each member of the Board of Directors shall begin immediately after such person is appointed as a commissioner of the Housing Authority and shall continue until such member is no longer a commissioner of the Housing Authority. If a Board member's successor is not elected on the day designated for that purpose, such person shall hold his office and discharge his duties until his successor is elected.

**Section 3. Regular Meetings.**

Regular annual meetings of the Board of Directors shall be held at the annual April meeting of the Housing Authority or as soon thereafter as is possible for transacting such other business as may come before the members. The Board of Directors shall also meet on an as called basis for other meetings.

**Section 4. Notification of Meetings.** The Secretary/Treasurer of the Corporation is responsible for notifying members of the time, place and purpose of meetings, whether regular or special in writing at least seven (7) days before such meetings.

**Section 5. Quorum.** A majority of the Board of Directors members shall constitute a quorum.

**Section 6. Special Meetings.** A special meeting of the Board of Directors may be called by the Chairman or by a majority of the Board of Directors or on the written request of at least twenty-five (25) percent of the Board of Directors members.

**Section 7. Organization.** The Chairman, and in his absence, the Vice Chairman, and in the absence of the Chairman and Vice Chairman, a chairman chosen by the members present, shall preside at each meeting of the members and shall act as chairman thereof. Meetings of the membership shall be governed by the current edition of Robert's Rules of Order to the extent that such rules do not conflict with these Bylaws or with any special rules of order that the Corporation may adopt.

**Section 8. Vacancies.** In case of vacancies occurring on the Board of Directors through death, resignation, disqualification, disability or any other cause, such vacancy may be temporarily filled from the Board of Directors by a majority vote of the surviving or remaining Board of Directors members then in office and such temporary Director shall remain until a successor is designated.

**Section 9. Duties.** The Board of Directors shall have full authority to supervise the affairs and conduct the business of the Corporation subject only to such restrictions and limitation as may be fixed by law, by these bylaws, or from time to time by vote of the membership.

## **ARTICLE V - OFFICERS**

**Section 1. Executive Officers.** The executive officers of the Corporation shall be the Executive Director, Chairman, Vice Chairman and Secretary/Treasurer. The Chairman, Vice Chairman and Secretary/Treasurer shall be elected by the Board of Directors at its annual meeting. The Executive Director shall automatically be the same individual holding the role of Executive Director of the Housing Authority.

### **Section 2. Duties.**

- a. Chairman - The Chairman shall preside at all meetings of the Board of Directors and the Board of Directors and, except as any such duty may be imposed upon some other officer by resolution of the Board of Directors, the Chairman shall perform all such duties as are customarily entrusted to and performed by the Chairman of a South Carolina Corporation.
- b. Vice Chairman - The Vice Chairman shall assume the duties of the Chairman in the absence of the Chairman.
- c. Secretary/Treasurer - The Secretary/Treasurer shall assist the Chairman in establishing and maintaining the Corporation's books of account, shall be adequately bonded, and shall have custody of all corporate funds which shall be deposited in such bank or banks or any other insured financial institution as may be designated by the Board of Directors. The Secretary/Treasurer, or his representative, shall also record the proceedings of Board of Directors and Board meetings, maintain minutes, maintain membership records and notify members of meetings in accordance with these Bylaws.
- d. Executive Director - The Executive Director shall be allowed to direct the normal day to day activities of the Corporation to include managing the professional staff, directing the consultants and professionals employed by the Corporation, signing checks,



spending for projects and programs as approved by the Board through the budget and spending additional and necessary funds in amounts up to \$25,000.00. The Executive Director will report any such actions through regular reporting to the Board.

In addition, the Executive Director shall be the primary representative and spokesperson for the Corporation to include meeting prospects, negotiating contracts, making presentations, and communicating with officials with the City of Rock Hill. The Executive Director shall be entitled to enter into contracts without Board approval for any amount up to \$25,000.00 although the Executive Director will report such actions through regular reporting to the Board.

## **ARTICLE VI - SUBCOMMITTEES**

The Board of Directors may by resolution adopted by a majority of the Board members, designate one or more subcommittees. The Board may delegate management authority including decisions related to loan making and servicing to such a subcommittee. The subcommittee(s) shall be subject to the same restrictions that apply to the Board of Directors.

## **ARTICLE VII – GENERAL PROVISIONS**

**Section 1. Seal.** The seal of the Corporation shall be a disc containing the corporate name, but any sign, seal, mark, design or impression used or intended to be used by the authorized officer of the Corporation as and for a seal shall be the seal of the Corporation.

**Section 2. Bylaws Supplementary.** These Bylaws are intended to supplement state laws pertaining to non-profit corporations. In the event of conflict between these Bylaws and state laws, the state requirement shall prevail.

**Section 3. Fiscal Year.** The fiscal year of the Corporation shall begin on the first day of January in each calendar year and shall terminate on the last day of December.

**Section 4. Agents and Attorneys.** The Board of Directors may hire or appoint such agents and attorneys for the Corporation as it may deem proper and may, by written power of attorney, authorize such agents and attorneys to represent the Corporation in transacting any business said Corporation is authorized to transact. These authorized officials may sign, acknowledge and execute any and all contracts and instruments for the Corporation as said Corporation would do if acted upon by its regularly elected and qualified officers.

**Section 5. Indemnification.** To the fullest extent allowed by law, every person who is or has been an officer, staff member or Board of Directors member of the Corporation shall be indemnified by the Corporation against all expenses reasonably incurred by any such party in connection with any action, suit or proceeding to which any such party may be a party defendant, or with which that party may be threatened by reason of or growing out of or in relation to that party being or having been a director, officer, member of the Board of Directors or staff member of the Corporation. The term "expenses" includes amounts paid in satisfaction of judgments or in settlement, other than amounts paid to the Corporation itself. However, the Corporation shall not indemnify any officer, Board of Directors

member or staff member in case of settlement unless such settlement shall be approved by a majority of the Board of Directors of the Corporation then in office other than those involved (regardless of whether or not such majority constitutes a quorum.)

#### **ARTICLE VIII - ADOPTION AND AMENDMENT**

These Bylaws may be adopted by a majority vote of the Board of Directors members present at a regular meeting of the Corporation. The Bylaws may be amended by a majority vote of the Board of Directors members present at a regular meeting, provided the proposed amendment has been submitted to all of the Corporation's representatives in writing at least seven (7) days before the meeting.

**MINUTES OF ACTION OF THE BOARD OF DIRECTORS  
CAROLINA HOUSING AND COMMUNITY DEVELOPMENT CORPORATION**

Pursuant to S.C. Code Ann. § 33-31-821, the following action was taken by the Board of Directors of Carolina Housing and Community Development Corporation (the "Corporation") by this written consent thereto signed by all of the directors of the Corporation:

1.     Adoption of Bylaws.

RESOLVED, that the Bylaws in form presented to each Director of the Corporation be and hereby are adopted as the Bylaws of the Corporation and that said Bylaws shall be inserted in the minute book of the Corporation immediately following the Articles of Incorporation and preceding these minutes.

2.     Approval of Corporate Seal.

RESOLVED, that the corporate seal, an impression of which is affixed in the margin of the Bylaws, be, and the same hereby is, approved and adopted as the official corporate seal of the Corporation; provided, however, the use of such seal on any document executed on behalf of the Corporation is optional and not required. The absence of the corporate seal on any such document shall not affect the validity of any document that is otherwise duly-authorized and properly executed.

3.     Election of Officers.

RESOLVED, that the following persons are elected officers of the Corporation, each to serve for the duration of the term as stated in and subject to the Bylaws of the Corporation:

Chairman of the Board	<u>Terry Millar</u>
Vice-Chairman of the Board	<u>Daniel O. Sutton</u>
Secretary Treasurer	<u>Dewayne Alford</u>
Executive Director	<u>Dewayne Alford</u>

4.     Approval of Banking Relationship.

RESOLVED, that this Corporation establish a banking relationship with Wells Fargo Bank, N.A.

FURTHER RESOLVED, that the banking resolutions set forth in the form attached to and made a part of these minutes designating said bank as a depository of this Corporation, be and hereby are approved.

FURTHER RESOLVED, that the person or persons specified in the attached resolutions be and hereby are authorized to draw on the Corporation's account with said bank in the manner and to the extent specified in such resolutions.

FURTHER RESOLVED, that the Secretary or any Assistant Secretary of this Corporation be and hereby is authorized to certify to the adoption of said banking resolutions under the seal of the Corporation.

5. Organizational Costs.

RESOLVED, that the Treasurer or other proper officer of the Corporation be and hereby is authorized to pay or cause to be paid all fees and expenses incurred by the Corporation in connection with its organization.

FURTHER RESOLVED, that the Treasurer or other proper officer of the Corporation be and hereby is authorized to reimburse the appropriate person or persons for all fees and expenses advanced in connection with the organization of the Corporation, either prior or subsequent to the formation of the Corporation.

6. Authority to Commence Activities.

RESOLVED, that, subject to the control and direction of the Board of Directors, the proper officers of this Corporation be and hereby are authorized to take such action as they deem necessary or appropriate in order to commence and carry on the activities that the Corporation was formed to conduct.

7. Application for Recognition of Tax-Exempt Status.

RESOLVED, that the officers of the Corporation be and are hereby authorized and directed to file such applications and documents with the Internal Revenue Service and the South Carolina Department of Revenue and to take such other action as they deem necessary or desirable to obtain recognition of the tax-exempt status of the Corporation.

8. Application for License to Conduct Solicitation.

RESOLVED, that the officers of the Corporation be and hereby are authorized to take such action as they deem necessary and appropriate to obtain from South Carolina all licenses necessary to permit the Corporation to engage in the solicitation of funds.

9. Offices.


RESOLVED, that the principal office of the Corporation shall initially be located at 467 South Wilson Street, Rock Hill, SC 29730.

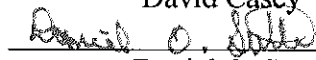
10. Adoption of Conflict of Interest Policy.

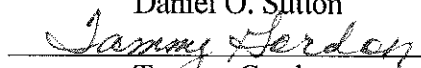
RESOLVED, that the Conflict of Interest Policy was approved by the Board of Directors and is hereby adopted and approved by the Corporation.

This consent may be executed in counterparts and all so executed shall constitute one consent, notwithstanding that all directors are not signatories to the original or the same counterpart.


This consent to action is effective as of 9/15/15.

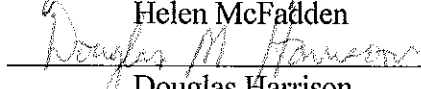
  
David Casey

  
Daniel O. Sutton

  
Tammy Gordon

  
Terry Millar

  
Helen McFadden

  
Douglas Harrison

**CAROLINA HOUSING AND COMMUNITY DEVELOPMENT CORPORATION  
MINUTES OF ACTION OF THE INCORPORATOR**

Pursuant to S.C. Code Ann. § 33-31-205, the following action was taken by the Incorporator of Carolina Housing and Community Development Corporation (the "Corporation") by this written consent thereto signed by the Incorporator.

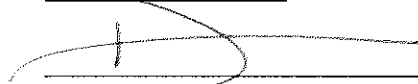
RESOLVED, that the following individuals be, and he or she hereby is, elected an initial director of the Corporation, to serve in such capacity until such time as his or her successor shall have been elected and qualified pursuant to the provisions of the Bylaws of the Corporation:

- (1) David Casey;
- (2) Daniel O. Sutton;
- (3) Tammy Gordon;
- (4) Terry Millar;
- (5) Helen McFadden; and
- (6) Douglas Harrison

FURTHER RESOLVED, that the Board of Directors complete the organization of the Corporation.

I hereby consent that the actions set forth in the foregoing resolutions shall have the same force and effect as if taken at a duly constituted organizational meeting of the incorporator, effective as of the date hereof, and direct that this document be filed with the minutes of the Corporation as part of the permanent records of the Corporation.

INCORPORATOR:

  
\_\_\_\_\_  
**Dewayne Alford**

**CONFLICTS OF INTEREST POLICY**  
**OF**  
**CAROLINA HOUSING AND COMMUNITY DEVELOPMENT CORPORATION**

**ARTICLE 1**

**Purpose**

The purpose of the Conflicts of Interest Policy is to protect the Corporation's interest when the Corporation is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Corporation. This policy, adopted by the Board of Directors of the Corporation, is intended to supplement but not replace any applicable laws or regulations of the State of South Carolina governing conflicts of interest applicable to nonprofit and charitable corporations.

**ARTICLE II**

**Definitions**

For purposes of this conflicts of interest policy, the following definitions and rules of construction shall apply:

1. "Interested Person" shall mean a director, principal officer, or member of a committee with the authority to act on behalf of the Board of Directors, who has a direct or indirect Financial Interest.
2. A "Financial Interest" exists if an Interested Person has, directly or indirectly, through business, investment or family:
  - a. an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
  - b. a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
  - c. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating, or any entity or individual with respect to which the Board or a committee is considering, a transaction or arrangement. A Financial Interest does not necessarily constitute or result in a conflict of interest. A person has a conflict of interest, for purposes of this Policy, only if the Board or an appropriate committee decides that a conflict of interest exists.

3. Compensation includes direct and indirect remuneration and gifts or favors which are substantial in nature, but shall not include gifts of less than Fifty Dollars (\$50.00) in value.
4. An Interested Person who has a Financial Interest with respect to one or more parent, sister, or subsidiary business entities of the Corporation shall be deemed to have a Financial Interest in the Corporation.

### **ARTICLE III**

#### **Procedures**

1. An Interested Person shall disclose the existence and nature of his or her Financial Interest, and shall be given the opportunity to disclose all material facts with regard to such Financial Interest, to the directors and members of committees with Board-delegated powers considering the proposed transaction or arrangement.
2. If the Interested Person has a Financial Interest, after disclosure of the Financial Interest and all material facts relating to the Financial Interest, and after any discussion between the Board or the committee and the Interested Person to clarify or bring to light additional information with respect to the Financial Interest, the Interested Person shall leave the Board or committee meeting while the remaining Board or committee members deliberate and vote upon whether a conflict of interest exists. Prior to leaving the meeting, the Interested Person may offer a brief statement of his or her position regarding the transaction or arrangement and may answer pertinent questions from other directors or committee members. In the absence of the Interested Person, the remaining Board or committee members shall determine if the Financial Interest constitutes or results in a conflict of interest.
3. In the event the Board or committee determines that a conflict of interest exists:
  - a. The Interested Person may make a presentation with regard to the transaction or arrangement at the Board or committee meeting, but after such presentation, the Interested Person shall leave the meeting during the deliberations concerning, and the vote upon, the transaction or arrangement.
  - b. The chair of the Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - c. After exercising due diligence, the Board or committee shall determine whether the Corporation can, with reasonable efforts, obtain a more advantageous transaction or arrangement with a person or entity that would not give rise to a conflict of interest.



d. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board or committee shall determine, by a majority vote of the disinterested directors or committee members present at a meeting, whether the transaction or arrangement is in the Corporation's best interest and for its own benefit and whether the transaction or arrangement is fair and reasonable to the Corporation.

## **ARTICLE IV**

### **Records of Proceedings**

The minutes of meetings of the Board of Directors and all committees acting with the authority of the Board of Directors shall include:

1. The names of all persons who have disclosed or otherwise were found to have Financial Interests, the nature of the Financial Interest, and the Board's determination of whether a conflict of interest existed; and
2. The names of the Persons who were present at the meeting for discussions and votes relating to the transaction or arrangement, the content of these discussions (including any alternatives to the proposed transaction or arrangement), and a record of the vote.

## **ARTICLE V**

### **Compensation Matters**

A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

## **ARTICLE VI**

### **Annual Statements**

Each director, principal officer and member of a committee acting with Board-delegated powers shall, upon commencement of his or her employment or term of office, and annually thereafter, sign a statement, in the form attached hereto as Appendix A, certifying that the person:

1. received a copy of the conflicts of interest policy;

2. has read and understands the policy;
3. agrees to comply with the policy; and
4. understands that the Corporation is a charitable organization and that in order to maintain its tax-exempt status, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

## **ARTICLE VII**

### **Periodic Reviews**

The Corporation shall conduct periodic reviews of its activities to ensure that it is operating in a manner consistent with its charitable purposes and that it is not engaging in activities that could jeopardize its status as an organization exempt from federal income tax. In conducting such reviews, the Corporation shall evaluate the following:

1. Whether the Corporation's compensation arrangements and benefits are reasonable and the result of arm's length negotiations; and
2. Whether contractual arrangements with providers of goods or services conform to written policies, are properly recorded, reflect reasonable payments for goods or services, further charitable purposes, and do not result in private inurement or impermissible private benefit

## **ARTICLE VIII**

### **Violations of Conflicts of Interest Policy**

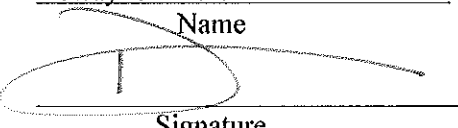


If the Board of Directors or a committee has reasonable cause to believe that a member of the Board of Directors or of the committee has failed to disclose a Financial Interest or Non-Financial Interest, it shall inform such member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the response of the member and making such further investigation as may be warranted under the circumstances, the Board of Directors or committee determines that the member has in fact failed to disclose a Financial Interest or Non-Financial Interest, it shall take appropriate disciplinary and corrective action.

**RESOLUTION OF CAROLINA HOUSING AND COMMUNITY DEVELOPMENT  
CORPORATION  
BANKING RELATIONSHIP**

Pursuant to S.C. Code Ann. § 33-31-821, the following action was taken by the Board of Directors of Carolina Housing and Community Development Corporation (the "Corporation") by this written consent thereto signed by all of the directors of the Corporation:

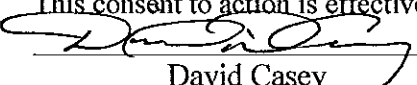
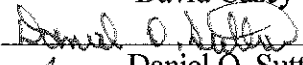
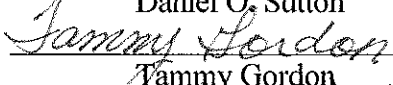
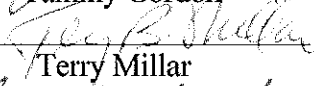
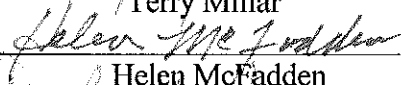
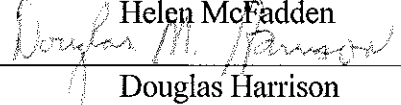
The Corporation has hereby determined to establish a banking relationship with Wells Fargo Bank, N.A.;

The following individuals are hereby authorized and directed to establish a checking account with Wells Fargo Bank, N.A. and to deposit the funds of Carolina Housing and Community Development Corporation therein. The following individuals shall have authority to endorse and make deposits, sign checks, withdraw funds, and otherwise operate the account on behalf of Carolina Housing and Community Development Corporation:

- |    |  |  |
|----|--|--|
| 1. | <u>Dewayne Alford</u><br>Name  | <u>Executive Director</u><br>Title           |
|    | <br>Signature   |  |
| 2. | <u>Shelvie Ramsey</u><br>Name  | <u>Assistant Executive Director</u><br>Title |
|    | <br>Signature |  |
| 3. | <u>Gloria Jones</u><br>Name  | <u>Accounting Clerk III</u><br>Title         |
|    | <br>Signature |  |

This consent may be executed in counterparts and all so executed shall constitute one consent, notwithstanding that all directors are not signatories to the original or the same counterpart.

This consent to action is effective as of 9/15/15.

  
David Casey  
  
Daniel O. Sutton  
  
Tammy Gordon  
  
Terry Millar  
  
Helen McFadden  
  
Douglas Harrison