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ARTICLES OF INCORPORATION
OF
SOUTHEASTERN HOUSING PRESERVATION, INC.
Non-Profit Corporation

0-0337041
FILED

9:00 AM

JAN 21 1994

EFFECTIVE

RUFUS L. EDMISTEN
SECRETARY OF STATE
NORTH CAROLINA

THE UNDERSIGNED, a natural person of the age of eighteen years or more, acting as incorporator for the purpose of creating a non-profit corporation under the laws of the State of North Carolina, as contained in Chapter 55A of the General Statutes of North Carolina, entitled "Non-Profit Corporation Act", and the several amendments thereto, does hereby set forth the following Articles of Incorporation:

ARTICLE I

Name of the Corporation

The name of the Corporation is SOUTHEASTERN HOUSING PRESERVATION, INC.

ARTICLE II

Period of Existence

The period of existence of the Corporation shall be perpetual.

ARTICLE III

Registered Office and Agent

The location of the principal and registered office of the Corporation shall be at 1809 C Cross Beam Drive in the City of Charlotte, County of Mecklenberg, State of North Carolina. The name of the initial registered agent of the Corporation is Gary D. Ellis.

ARTICLE IV

Nature of Corporation

The Corporation is a non-profit, charitable corporation, and has no members and no capital stock.

ARTICLE V

Objects and Purposes

The Corporation is organized and will be operated exclusively for charitable purposes as contemplated under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Laws). Among its activities the Corporation will seek to provide relief to the poor and distressed and may acquire, by purchase or otherwise, own, lease, maintain, manage, transfer or otherwise deal with housing for low and/or moderate income families or persons.

ARTICLE VI

Powers

In order to carry out the objects and purposes herein set forth, the Corporation shall have full powers:

- A. To acquire property (real, personal or mixed) by gift, bequest, devise, endowment, lease, purchase, or otherwise; to own, hold, manage, sell, convey, transfer, lease, mortgage, exchange, and dispose of such property; to encumber such property when deemed necessary or desirable; to use such property, or the proceeds or income therefrom, for the objects and purposes of the Corporation as set forth in Article V;
- B. To lease property as lessee or lessor; to build, erect, construct, and equip buildings and other improvements upon the land of the Corporation or upon the lands of others; to purchase or lease equipment;
- C. To invest in, acquire, hold, pledge, resell, exchange, transfer, or otherwise dispose of securities of any nature and to exercise all the rights, powers and privileges of ownership thereof, including the right to vote thereon for any and all purposes;

- D. To be named as and to become the beneficiary of insurance policies and annuities;
- E. To borrow money and secure the same, or to lend money with or without security therefor and on such terms as the Board of Directors may determine;
- F. To enter into, make, and perform contracts of every kind for any lawful purpose without limit as to amount, with any person, firm, association, corporation, town, city, county, district, state, territory or government;
- G. To make donations to organizations: (i) which are organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, (ii) which are exempt under the provisions of Internal Revenue Code Section 501(c)(3), and (iii) contributions to which are deductible under Internal Revenue Code Sections 170(b)(1)(A), 170(c), 2522(a), and 2055(a);
- H. To exercise any and all powers which may be conferred upon non-profit corporations under the North Carolina Non-Profit Corporation Act including, but not limited to, those specified in North Carolina General Statutes Section 55A-15 and which may be deemed necessary or expedient for the achievement of the objects and the purposes of the Corporation as set forth in Article V;
- I. To take any and all actions necessary and appropriate to qualify the Corporation as exempt under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated pursuant thereof.

ARTICLE VII

Board of Directors

The management of the Corporation and its properties and affairs shall be vested in a Board of Directors. Said Board, in addition to its other

powers and authority contained in the By-Laws and as otherwise conferred upon it by law, shall have full power and authority from time to time to sell, expend, or otherwise dispose of any and all property of the Corporation in furtherance of any of the objects and purposes for which the Corporation is formed.

The number of members constituting the initial Board of Directors shall be three (3) and shall be composed of the following persons:

<u>Name</u>	<u>Address</u>
Timothy L. Gunderman	4033 Quailview Road Charlotte, NC 28226
Gary D. Ellis	6756 Benning Wood Drive Charlotte, NC 28270
Melvin B. Melton	53 Love Valley Court Chapin, SC 29036

Subsequent Board of Directors, the number of directors, their terms of office, and the method of their selection shall be provided for and determined by the By-Laws of the Corporation.

The initial Board of Directors shall serve until the first meeting of the Directors of the Corporation and/or until their successors are duly elected and qualified.

ARTICLE VIII

Indemnification of Directors, Officers and Employees

To the fullest extent allowed by law, the Corporation shall indemnify the members of the Board of Directors, its officers, and employees against any and all expense, including attorney's fees and liability expense, sustained by them, or any of them, in connection with any suit or suits which may be brought against said members of the Board of Directors, officers or employees, involving or pertaining to any of their official acts or duties (whether it be alleged that same are ultra vires or otherwise) in which suit or suits no personal liability is finally established against them incident to any act of malfeasance; and this provision shall not be deemed to prevent compromise of

any such litigation where the compromise is deemed advisable in order to prevent greater expense or cost in the defense of any such litigation.

ARTICLE IX

Activities Not Permitted by the Corporation

The Corporation is not organized and shall not be operated for pecuniary gain or profit. No part of the property or net earnings of the Corporation shall inure or be payable to or for the benefit of any individual except as reasonable compensation for services actually rendered by such individual or as payments and distributions in furtherance of the purposes set forth in Article V hereof. It is intended that the Corporation will qualify at all times as an organization exempt from Federal Income Tax under Sections 501(a) and 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue Laws (referred to in these Articles of Incorporation as the "Code"), and that it will qualify at all times as an organization to which deductible contributions may be made pursuant to Sections 170, 642, 2055, and 2522 of the Code; therefore, notwithstanding any other provision in these articles, the Corporation shall never be authorized to engage in any activity except in furtherance of the purposes for which the Corporation is organized, and the Corporation shall not carry on any activities not permitted to be carried on (i) by a corporation exempt from Federal income tax under Sections 501(a) and 501(c)(3) of the Code, (ii) by a corporation, contributions to which are deductible under Sections 170, 642, 2055, and 2522 of the Code, and (iii) by a non-profit corporation created under Chapter 55A of the General Statutes of North Carolina. The Corporation shall never directly or indirectly participate or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidates for public office. No substantial part of the activities of the Corporation shall be devoted to attempting to influence legislation by propaganda or otherwise within the meaning of the proscriptive provisions of the Code, except as otherwise provided in Section 501(h) of the Code, and its expenditures to

influence legislation shall not exceed the permissible limits of Sections 501(h) and 4911 of the Code, to the extent applicable, and shall not be of the type or magnitude which would subject the Corporation to tax under Section 4911 of the Code. To the extent that Section 4942 of the Code is applicable to the Corporation, the directors shall cause the Corporation to distribute amounts for each taxable year at such time and in such manner as not to become subject to the tax imposed by such section. Notwithstanding any other provisions of these Articles of Incorporation, to the extent that the following provisions of the Code are applicable, the Corporation and its directors and officers shall not engage in any act or self-dealing as defined in Section 4941(d) of the Code, shall not retain any excess business holdings as defined in Section 4943(c) of the Code, shall not make any investments in such manner as to subject the Corporation to tax under Section 4944 of the Code, and shall not make any taxable expenditures as defined in Section 4945(d) of the Code.

ARTICLE X

Nondiscrimination

The Corporation shall not discriminate against any person on the basis of race, color, sex or national or ethnic origin.

ARTICLE XI

Disposition of Assets on Dissolution

In the event of dissolution of the Corporation, any net assets remaining after the satisfaction of its liabilities shall be transferred and delivered to one or more qualifying charitable organizations (as hereinafter defined) as shall be selected by the Board of Directors of the Corporation. For the purposes of these Articles, the term "qualifying charitable organization" shall mean an organization or organizations which are organized and operated exclusively for religious, charitable, scientific, literary or educational purposes as shall at that time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as

amended, and which shall also be then described in each of Sections 170(b)(1)(A), 170(c), 2055(a) and 2522(a) of the Internal Revenue Code of 1986, as amended, and which shall also be then described in Section 509(a)(1), Section 509(a)(2) or Section 509(a)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue Laws). Any net assets not disposed of as above provided shall be distributed in accordance with the order of the Superior Court of the County in which the principal office of the Corporation is located, exclusively for religious, charitable, scientific, literary or educational purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XII

No Liability

No officer or member of the Board of Directors shall be personally liable in any manner whatsoever for debts of the Corporation, nor shall the individual property of any such officer or director be subject to payment of the Corporation's debts.

ARTICLE XIII

Amendment

These Articles of Incorporation may be amended at any time in the manner provided in the North Carolina Non-Profit Corporation Act (or the corresponding provisions of any future North Carolina non-profit corporation law); provided, however, that no amendment may be made which would cause the organization no longer to be described as a qualifying charitable organization.

ARTICLE XIV

Incorporator

The name and address of the incorporator is:

Name

David D. Dahl

Address

Manning, Fulton & Skinner, P.A.
3605 Glenwood Avenue
UCB Plaza
P. O. Box 20389
Raleigh, NC 27619-0389

IN WITNESS WHEREOF, the undersigned incorporator has executed these Articles of Incorporation, this the 14th day of January, 1994.

David D. Dahl (SEAL)
DAVID D. DAHL

NORTH CAROLINA :

WAKE COUNTY :

I, Anne J. Hardin, Notary Public, certify that DAVID D. DAHL, personally came before me this day and acknowledged that he is the Incorporator of the SOUTHEASTERN HOUSING PRESERVATION, INC., and personally signed the foregoing instrument in my presence.

Witness my hand and official seal, this 14th day of January, 1994.



Anne J. Hardin
Notary Public
My Commission expires: 6-22-96

BYLAWS
OF
SOUTHEASTERN HOUSING PRESERVATION, INC.

* * * * *

ARTICLE I

Purposes of the Corporation

The Corporation is a nonprofit corporation organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The Corporation's purposes are to provide relief to the poor and distressed by making available housing for low and/or moderate income families. The Corporation anticipates operating in the southeast region of the United States.

ARTICLE II

Offices

1. The PRINCIPAL OFFICE of the Corporation shall be located at 1809 C Cross Beam Drive, Coffey Creek Business Center, Charlotte, North Carolina 28217.

2. 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.

3. OTHER OFFICES: The Corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine or, as the affairs of the Corporation may require.

ARTICLE III

Membership

The Corporation shall have no members.

ARTICLE IV

Directors

1. GENERAL POWERS: The management of the Corporation shall be vested in the Board of Directors. The Board may delegate all or part of the management functions to an Executive Committee established by the Board

pursuant to these Bylaws. Members of the Board shall serve without pay. The Board of Directors shall have the power to make and amend rules and regulations pertaining to the operation of the Corporation, and shall have the responsibility for the entire management of the affairs of the Corporation, except as may be otherwise provided in the Bylaws.

2. NUMBER, TERM: There shall be no less than two (2) and no more than three (3) Directors. The exact number of Directors shall be established by resolution of the Board of Directors from time to time. Directors may be re-elected for consecutive terms.

3. ELECTION: New Directors shall be elected by majority vote of the Board members present at a meeting at which a quorum is present, as provided in ARTICLE V, Section 4, hereof.

4. REMOVAL: Board members may be removed from office with or without cause by a vote of two-thirds (2/3) of the members of the Board at the annual meeting or a special meeting called for that purpose. If any member is so removed, a new member may be elected at the same meeting.

5. VACANCIES: A vacancy occurring on the Board may be filled by a majority of the remaining Board, though less than a quorum, or by the sole remaining Board member. Any member who shall be absent from three (3) consecutive meetings of the Board, without excuse satisfactory to the Board, shall be deemed to have resigned from the Board, and the vacancy thus created shall be immediately filled as provided herein. A Director elected to fill a vacancy shall have the same term as the Director that he replaces. Any Directorship to be filled by reason of an increase in the authorized number of Directors shall be filled by a majority of the remaining Directors, though less than a quorum, or by the sole remaining Director.

6. CHAIRMAN OF THE BOARD: There may be a Chairman of the Board of Directors elected by the Directors from their number at any meeting of the Board. The Chairman shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

ARTICLE V

Meetings of Board of Directors

1. ANNUAL MEETINGS: The annual meeting of the Board shall be held in April of each year. In addition, the Board may provide, by resolution, the time and place, either within or without the State of North Carolina, for the holding of additional regular meetings.

2. SPECIAL MEETINGS: Special meetings of the Board may be called by or at the request of the Chairman of the Board or President of the Corporation or by any two (2) Board members. Such meetings may be held either within or without the State of North Carolina.

3. NOTICE OF MEETINGS: The Chairman of the Board or President of the Corporation may call a regular meeting of the Board by giving at least five (5) days' advance notice thereof by any usual means of communication. The person or persons calling a special meeting of the Board shall, at least twenty-four (24) hours prior to the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called. Attendance by a Board member at a meeting shall constitute a waiver of notice of such meeting, except where a Board member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

4. QUORUM: A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board.

5. VOTING: Except as otherwise provided in this Section, the act of the majority of the Board members present at a meeting at which a quorum is present shall be the act of the Board. The vote of a majority of the number of Board members fixed pursuant to these Bylaws shall be required to adopt a resolution constituting an Executive Committee. The vote of a majority of the Board members then holding office shall be required to adopt, amend or repeal a Bylaw.

6. INFORMAL ACTION BY MEMBERS: Action taken by the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

ARTICLE VI

Executive Committee and Other Committees

1. CREATION: The Board of Directors by resolution may designate two (2) or more Directors to constitute an Executive Committee, which Committee, to the extent provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the Corporation, except that the Executive Committee shall not have any authority to alter or amend the Bylaws.

2. VACANCY: Any vacancy occurring in the Executive Committee shall be filled by the Directors at a regular or special meeting of the Board of Directors.

3. REMOVAL: Any member of the Executive Committee may be removed at any time with or without cause by the Board of Directors.

4. MINUTES: The Executive Committee shall keep regular minutes of its proceedings and report the same to the Board when required.

5. RESPONSIBILITY OF DIRECTORS: The designation of an Executive 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. If action taken by the Executive Committee is not thereafter formally considered by the Board, a Director may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

6. OTHER COMMITTEES: Other committees not having and exercising the authority of the Board in the management of the Corporation may be designated by a resolution adopted by a majority of the members present at a meeting at which a quorum is present. 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.

7. TERM OF OFFICE: Each member of a committee shall continue as such until resignation or removal with or without cause by the Board, or until such member shall cease to qualify as a member thereof.

8. CHAIRMAN: One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

9. VACANCIES: Vacancies in the membership of any committee may be filled by appointment made in the same manner as provided in the case of the original appointments.

10. QUORUM: Unless otherwise provided in the resolution of the Board 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.

11. RULES: Each committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board.

ARTICLE VII

Officers

1. NUMBER: The officers of the Corporation shall consist of a President, a Secretary, a Treasurer, and such Vice Presidents, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect. Any two or more offices may be held by the same person. In no event, however, may an officer act in more than one capacity where action of two or more officers is required.

2. ELECTION AND TERM: The officers of the Corporation shall be elected by the Board of Directors. Such election may be held at any regular or special meeting of the Board. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies.

3. REMOVAL: Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause; but such removal

shall be without prejudice to the contract rights, if any, of the person so removed.

4. **PRESIDENT:** The President shall be the principal Executive Officer of the Corporation, and, subject to the control of the Board of Directors, shall supervise and control the management of the Corporation in accordance with these Bylaws. He shall, when present, preside at all meetings. He shall sign, with any other proper officer, any deeds, mortgages, bonds, contracts, or other instruments which may be lawfully executed on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent; and, in general, he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

5. **VICE PRESIDENTS:** The Vice-Presidents in the order of their election, unless otherwise determined by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of that office. In addition, they shall perform such other duties and have such other powers as the Board of Directors shall prescribe.

6. **SECRETARY:** The Secretary shall keep accurate records of the acts and proceedings of all meetings of Directors. He shall give all notices required by law and by these Bylaws. He shall have general charge of the corporate books and records and of the corporate seal, and he shall affix the corporate seal to any lawfully executed instrument requiring it. He shall sign such instruments as may require his signature, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned him from time to time by the President or by the Board of Directors.

7. **TREASURER:** The Treasurer shall have custody of all funds and securities belonging to the Corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors. He shall keep full

and accurate accounts of the finances of the Corporation in books especially provided for that purpose; and he shall cause a true statement of its assets and liabilities as of the close of each fiscal year and of the results of its operations and of changes in fund balance for such fiscal year, all in reasonable detail, to be made and filed at the registered or principal office of the Corporation within three months after the end of such fiscal year. The Treasurer shall, in general, perform all duties incident to his office and such other duties as may be assigned to him from time to time by the President or by the Board of Directors.

8. ASSISTANT SECRETARIES AND TREASURERS: The Assistant Secretaries and Assistant Treasurers shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices, and they shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President or by the Board of Directors.

9. BOND: The Board of Directors may, by resolution, require any or all officers, agents and employees of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE VIII

Indemnification

1. EXPENSES AND LIABILITIES: Except as provided below, to the extent and upon the terms and conditions provided by the North Carolina Business Corporation Act as it exists or may hereafter be amended, the Corporation shall indemnify any and all of its officers and Directors against liability and litigation expense, including reasonable attorneys' fees, arising out of their status as such. Said officers and Directors shall be entitled to recover from the Corporation, and the Corporation shall pay, all reasonable costs, expenses, and attorneys' fees in connection with the enforcement of

rights to 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 right to which such person may be entitled apart from the provisions of this By-Law. Such indemnification rights shall not apply for liability or litigation expense which any officer or Director may incur (i) on account of his activities which were (at the time taken) known or believed by him to be clearly in conflict with the best interest of the Corporation or (ii) in connection with any claim that the Corporation may make against such officer or Director unless he ultimately shall prevail against the Corporation in respect to such claim.

The Corporation also shall have the power, in its sole discretion, to indemnify any present or former Director, officer, employee or agent or any person (who has served or is serving (i) in such capacity at the request of the Corporation in any other corporation, partnership, joint venture, company, trust or other enterprise or (ii) as a trustee or administrator under an employee benefit plan), with respect to any liability or litigation expenses, including reasonable attorneys' fees (incurred in such capacity by any such person) to the extent and upon the terms and conditions provided by the North Carolina Business Corporation Act as it exists or may hereafter be amended.

2. ADVANCE PAYMENT OF EXPENSES: Expenses incurred by a Director, officer, employee or agent in defending a civil or criminal action, suit or proceeding may 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 or as authorized or required under any charter or Bylaw provision or by any applicable resolution or contract upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation against such expenses.

Notwithstanding the provisions of the preceding paragraph, the Corporation shall, upon receipt of an undertaking by or on behalf of the Director or officer involved to repay the expenses described in the second

paragraph of the preceding Section 1 of ARTICLE VIII unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation against such expenses, pay expenses incurred by such Director or officer in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding.

3. INSURANCE: The Corporation shall have the power to 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 Director, officer, employee, trustee or agent of another nonprofit corporation or trust 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 IX

Contracts, Loans and Deposits

1. CONTRACTS: The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

2. LOANS: No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances. In no event shall loans be made by the Corporation to its Board members or officers.

3. CHECKS AND DRAFTS: All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board.

4. DEPOSITS: All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depository or depositories as the Board shall direct.

5. GIFTS: The Board 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 X

Forbidden Activities

The Corporation is organized as a nonprofit Corporation exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code"). No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its officers, Directors, 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 its charitable purposes. 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 any candidate for public office. Notwithstanding any other provision of this Article X, 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 Code, or the corresponding provision of any future United States Internal Revenue Law or (b) by a corporation the contributions to which are deductible under Section 170(c)(2) of the Code.

ARTICLE XI

General Provisions

1. SEAL: The corporate seal of the Corporation shall consist of two concentric circles between which is the name of the Corporation and in the center of which is inscribed "SEAL"; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Corporation.

2. WAIVER OF NOTICE: Whenever any notice is required to be given to any Board member under the provisions of the North Carolina Nonprofit

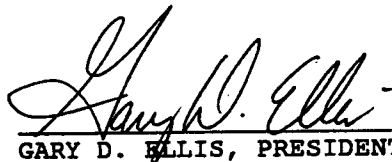
Corporation Act or under the provisions of the charter or Bylaws of this Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

3. AMENDMENTS: Except as otherwise provided herein, these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the Board members then holding office at any regular or special meeting of the Board.

The Board of Directors shall have no power to adopt a Bylaw providing for the management of the Corporation otherwise than by the Board or its Executive Committee.

4. BOOKS AND RECORDS: The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of its Board members and committees having any of the authority of the Board.

5. FISCAL YEAR: The fiscal year of the Corporation shall begin on the 1st day of January and end on the 31st day of December in each year.

 (SEAL)
GARY D. ELLIS, PRESIDENT