

CHATHAM COUNTY ECONOMIC DEVELOPMENT CORPORATION MISSION STATEMENT

Building on the County's strategic location between the Triad and Triangle, we are positioning Chatham as the preferred location for emerging growth companies. Our policy-driven approach leads us to focus on targeted attraction, retention, and entrepreneurship to improve the lives of County residents. We support infrastructure improvements and preservation of the County's strong quality of place.

BYLAWS

OF

CHATHAM COUNTY ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I

OFFICES

- Section 1. Principal Office. The principal office of the corporation shall be located at 118 West Street, Pittsboro, Chatham County, North Carolina 27312.
- Section 2. 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.
- Section 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 designate or as the affairs of the corporation may require from time to time.

ARTICLE II

MEETINGS

- Section 1. Place of Meetings. All meetings shall be held at the principal office of the corporation, or at such other place, either within or without the State of North Carolina, as shall be designated in the notice of the meeting or agreed upon by the Board of Directors or Officers.

- Section 2. Annual Meeting. The annual meeting for the transaction of business shall be held in the month of May of each year on any day (except Saturday, Sunday or legal holiday) as determined by the Board of Directors.
- Section 3. Substitute Annual Meeting. If the annual meeting shall not be held in the month designated by these bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 2 of Article IV. A meeting so called shall be designated and treated for all purposes as the annual meeting.
- Section 4. Notice of Meetings. Written notice stating the time and place of a meeting of the Board of Directors, other than regular scheduled and posted monthly Board of Directors, Executive Board or other similar meetings, shall be delivered to all voting and ex-officio members of the Board of Directors not less than ten nor more than sixty days before the date of any meeting, either personally or by United States mail, by or at the direction of the President, Chair of the Board, Secretary or other person calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail with postage thereon prepaid.

In the case of a special meeting, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted there at unless such a statement is required by the North Carolina Business Corporation Act.

All official meetings of the Chatham County Economic Development Corporation shall be in compliance with the Open Meetings Law of North Carolina (North Carolina General Statutes 143-318.10-18).

ARTICLE III

BOARD OF DIRECTORS

- Section 1. General Powers. The business and affairs of the corporation shall be managed by and under the authority of its Board of Directors.
- Section 2. Number. The number of directors constituting the Board of Directors of the corporation shall be no more than fifteen (15). Ex-officio, non-voting members shall consist of the following: Chatham County Economic Development Corporation President, two Chatham County Commissioners, Executive Director

of the Chatham County Chamber of Commerce, President of Central Carolina Community College, Superintendent of Chatham County Schools, and the Mayors of the Towns of Goldston, Pittsboro and Siler City, or if a Mayor chooses not to serve, a Council member designated by the Board of that town.

Section 3 Appointment, Qualifications and Terms. Each voting director of the corporation shall be appointed by the Chatham County Board of Commissioners, as follows: Each County Commissioner may nominate a candidate for a director position to be approved by the Board of Commissioners. Each of those directors shall be appointed to serve a four year term to run concurrent with the current term of the County Commissioner who nominated that director. Up to ten at-large director positions shall be selected by the Chatham County Board of Commissioners. Each of these at-large directors shall serve four year terms, with one-half of those directors appointed by the board every two years following the swearing in of new or returning commissioners that resulted from the bi-annual election of County Commissioners.

The Chatham County Commissioners shall make their appointments from a roster of candidates who have completed the formal application and review process conducted by the Board of Directors of this corporation based on a process and qualifications agreed to by the Board of Directors of the corporation and the Chatham County Board of Commissioners.

The Board of Chatham County Commissioners shall have authority to alter the appointing authority by resolution. Each voting director shall take office at the monthly meeting of the Board of Directors held in the month following the date of his/her appointment. All terms shall expire at the conclusion of the first Monday in March following the bi-annual election of County Commissioners or when their replacement has been appointed by the County Commissioners, whichever occurs last. Voting directors of the Board of the corporation are limited to two consecutive four-year terms.

Section 4. Removal. Failure to attend three monthly board of directors' meetings in a row or four monthly directors' meetings during a twelve-month period shall be grounds for removal of a voting director of the corporation by the Chatham County Board of Commissioners. Any director may be removed by Board of Commissioners for violating the Code of Ethics of the corporation or for other serious and substantial cause.

Section 5. Appointments for vacancies due to removal or resignation. The Chatham County Commissioners shall fill a vacancy of a voting director position resulting from either removal or resignation of said director from a roster of candidates who have completed the formal application and review process conducted by the Board of Directors of this corporation based on the same process and qualifications agreed to by the Board of Directors of the corporation and the Chatham County Board of Commissioners, as outlined in Section 3 of this Article.

Section 6. Chair of the Board. There may be a Chair of the Board elected by the directors from their number at any meeting of the Board. The Chair of the Board shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held without other notice than this bylaw and requirements of the Open Meetings Law of North Carolina (North Carolina General Statutes 143-318.10-18), at the office of the corporation or other location as determined by the President or Board of Directors on the second Tuesday in the month, with the meeting time determined by the Board of Directors on an annual basis and posted on the County website location for the Chatham County Economic Development Corporation.

Section 2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board, President or any two directors. Such a meeting may be held either within or without the State of North Carolina, as fixed by the person or persons calling the meeting.

Section 3. Notice of Meetings. Regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting of the Board of Directors shall, at least twenty-four hours before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Section 4. Waiver of Notice. Any director may waive notice of any meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such

meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

- Section 5. Quorum. One half plus one of the voting directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If less directors than required for quorum are present at a meeting, a majority of the directors present may adjourn the meeting without further notice.
- Section 6. Manner of Acting. Except as otherwise provided in these bylaws, the act of the directors present at a meeting at which a quorum is present shall be the act of the majority of the Board of Directors.
- Section 7. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her contrary vote is recorded or his/her dissent is otherwise entered in the minutes of the meeting or unless he/she shall file his/her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.
- Section 8. Informal Action by Directors. Action taken by a majority of the directors without a meeting is nevertheless Board action if written consent to the action in question is signed by two-thirds of the directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.
- Section 9. Committees of the Board. The Board of Directors, by resolution adopted by a majority of the number of directors fixed by these bylaws, may designate two or more directors to constitute an Executive Committee and 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. The designation of any committee and the delegation of authority thereto shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him/her by the law. Any committee appointed pursuant hereto shall serve at the pleasure of the Board of Directors.

ARTICLE V

OFFICERS

- Section 1. Officers of the Corporation. The officers of the corporation shall consist of a President, Chair of the Board, Immediate Past Chair of the Board, a Secretary, a Treasurer and such Vice Chairs, 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, but no officer may act in more than one capacity where action of two or more officers is required.
- Section 2. Election and Term. Other than the President, the officers of the corporation shall be elected by the Board of Directors annually in April of each year or as determined by the Board. Each officer shall hold office until the next annual election or until his/her successor shall have been duly chosen and qualified, or until his/her death, resignation, retirement, removal or disqualification. No officer shall serve more than two consecutive terms in the same position.
- Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed with or without cause by a majority vote of the Board whenever in its judgment the best interests of the corporation will be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
- Section 4. President. The President shall be the principal executive officer of the corporation and subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He/she shall sign, as authorized by the Board of Directors, any deeds, mortgages, bonds contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general he/she 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. The President shall have the use of office furniture, equipment and a car to be owned and insured by the County.
- Section 5. Chair of the Board. The Chair of the Board shall preside at all meetings of the Board of Directors and perform such other duties as may be directed by the

Board from time to time. The Chair of the Board shall have any authority delegated by the Board from time to time.

Section 6. Vice Chair. The Vice Chair of the corporation shall perform such duties as from time to time may be assigned to him/her by the Chair or Board of Directors.

Section 7. Secretary. The Secretary shall: (a) keep the minutes of the meetings of the Board of Directors and all Executive Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the Board of Directors.

Section 8. Assistant Secretaries. In the absence of the Secretary or in the event of his/her death, inability or refusal to act, the Assistant Secretaries in the order of their length of service as Assistant Secretary, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. They shall perform such other duties as may be assigned to them by the Secretary, by the President, or by the Board of Directors.

Section 9. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such depositories as shall be selected in accordance with the provisions of Section 4 of Article VI of these bylaws; (b) prepare, or cause to be prepared, a true statement of the corporation's assets and liabilities as of the close of each fiscal year, all in reasonable detail, which statement shall be made and filed at the corporation's registered office or principal place of business in the State of North Carolina within four months after the end of such fiscal year and thereafter kept available for a period of at least ten years, and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the Board of Directors, or by these bylaws.

Section 10. Assistant Treasurers. In the absence of the Treasurer or in the event of his/her death, inability or refusal to act, the Assistant Treasurers in the order of their

length of service as such, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all restrictions upon the Treasurer. They shall perform such other duties as may be assigned to them by the Treasurer, by the Board of Directors.

ARTICLE VI

CONTRACTS, LOANS, CHECKS AND DEPOSITS

- Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.
- Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances. By granting approval for the contracting of loans neither the Board of Commissioners of Chatham County, North Carolina nor the County of Chatham, North Carolina, shall be deemed in any way to have assumed the obligation of a loan or in any way be obligated to pay the same.
- Section 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 the Board of Directors.
- Section 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 depositories as the Board of Directors may select.

ARTICLE VII

GENERAL PROVISIONS

- Section 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 are

inscribed the words, "CORPORATE SEAL;" and such seal, as stamped on the margin hereof, is hereby adopted as the corporate seal of the corporation.

Section 2. Waiver of Notice. Whenever any notice is required to be given to any director by law, by the articles of incorporation or by these bylaws, 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.

Section 3. Indemnification. Any person who at any time serves or has served as a director, officer, employee or agent of the corporation, or in such capacity at the request of the corporation 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 him/her in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, and whether or not brought by or on behalf of the corporation, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity, or in connection with the enforcement of his/her rights to indemnification by the corporation, and (b) reasonable payments made by him/her in satisfaction of any judgment, money decree, fine, penalty or settlement for which he/she may have become liable in any such action, suit or proceeding.

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 him/her.

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 representative 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.

Section 4. Fiscal Year. The fiscal year of the corporation shall begin on the first day of July of each year.

Section 5. Amendments. These bylaws may be altered, amended or repealed and new bylaws may be adopted by vote of two-thirds of the Board of Directors at any meeting or at any special meeting when the proposed amendment has been set out in the notice of such meeting.

Section 6. Annual Audit. For so long as the corporation receives any funding from Chatham County, it shall cause an annual audit of its financial records to be performed by an independent public accountant and a copy of the report thereof shall be filed with the County Manager each year no later than December 15.