

**BYLAWS**  
**OF THE**  
**NORTHEAST ALABAMA CENTER FOR COMMUNITY INITIATIVES**

**ARTICLE I**

**NAME, SEAL AND OFFICES**

- 1.1 Name. The name of this corporation shall be Northeast Alabama Center for Community Initiatives (the “corporation”).
- 1.2 Seal. The Board of Directors of the Corporation (the “Board”) may, at its pleasure, obtain a seal for the corporation which may be in whatever form is desired by the Board.
- 1.3 Registered Office and Registered Agent. The registered office of the corporation shall be located in the State of Alabama at such place as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law. The registered agent shall have a business office identical with such registered office.
- 1.4 Other Offices. The corporation may have other offices within or outside the State of Alabama at such place or places as the Board of Directors may from time to time determine.

**ARTICLE II**

**BOARD OF DIRECTORS**

- 2.1 Powers and Duties. The management of all the affairs, property, and interests of the corporation shall be vested in a Board of Directors. The Board shall have full power to adopt rules and regulations governing all actions which it takes, except as otherwise provided by the laws of Alabama, and shall have full authority with respect to the distribution and payment of monies received by the Corporation from time to time; provided, however, that the fundamental and basic purposes and powers of the Corporation, and the limitations thereon, as expressed in the Articles of Incorporation, shall not thereby be amended or changed. The Board may, except as otherwise provided by the laws of Alabama, delegate to committees of its own number, or to officers of the Corporation, such powers as it may see fit. In addition to the powers and authorities expressly conferred upon it by these Bylaws and Articles of Incorporation, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws otherwise prohibited.
- 2.2 Number and Election. The Board of Directors shall consist of not less than seven (7) nor more than seventeen (17) directors, such number to be fixed from time to time by

resolution of the directors of the Corporation. This number includes the founding Board members (4) and thirteen (13) non-founding Board members. The founding Board members are permanent Board members and are not elected at the annual Board meetings (see below). The directors shall be nominated for election by the Nominating Committee and elected at the annual meeting of the Board by the vote of a majority of the directors then in office.

- 2.3 Permanent Board Members/Founding Board Members. There are four (4) founding Board members: Charity M. Richey-Bentley, John Talmage, Bryan Burgess and Laura McCullars. These four (4) founding Board members are permanent Board members and are not subject to the Board of Directors election processes except as to be elected as an officer of the Board of Directors of the corporation. Any founding Board member may be removed at any time, with or without cause, by the affirmative vote of three (3) founding Board members of the Board of Directors.
- 2.4 President and CEO. The President and CEO of the corporation will be a voting, ex-officio member of the Board of Directors. The President and CEO will not serve as an officer of the Board of Directors (Chairman, Vice-Chairman, Secretary or Treasurer).
- 2.5 Classification and Terms. The Board shall be divided into three classes for the purpose of staggering their terms of office. The non-founding Board of Directors elected at the initial annual meeting of Board of Directors shall be divided into three classes (Class A, Class B and Class C) each consisting, as nearly as possible, of one-third (1/3) of the total number of directors elected at that time. The term of office of Class A directors shall expire at the next annual meeting following the annual meeting at which they are elected. The term of office of the Class B directors shall expire at the next annual meeting thereafter. The term of office of the Class C directors shall expire at the third annual meeting following the annual meeting at which they are elected. At each annual meeting after the initial annual meeting, directors shall be elected for a term of three years to succeed the directors whose terms expire at such meeting.
- 2.6 Change of Number. The number of directors may be changed as set forth hereinabove by the Board at any meeting of the Board at which a quorum exists. No decrease shall have the effect of shortening the term of any incumbent director.
- 2.7 Vacancies. All vacancies in the Board of Directors, whether caused by resignation, death or otherwise, may be filled by the affirmative vote of a majority of the directors and voting at any meeting of the Board at which a quorum exists. A director elected to fill any vacancy shall hold office for the unexpired term of his or her predecessor and until a successor is elected and qualified.
- 2.8 Removal. Any elected director may be removed, with or without cause by the affirmative vote of a majority of the directors and voting at any meeting of the Board at which a quorum exists.

- 2.9 Resignation. Any director may resign at any time by giving written notice of such resignation to the Chairman of the Board of Directors.
- 2.10 Annual Meeting: Notice. The annual meeting of the Board shall be held at a date, time and place fixed by the Board. Notice of the date, time and place of such annual meeting shall be given in such form as the Board may determine.
- 2.11 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at the registered office of the corporation or at such other place or places, as the Board of Directors may from time to time designate. Any director missing three (3) consecutive regular meetings or three (3) regular meetings in one fiscal year shall be subject to automatic removal from the Board of Directors.
- 2.12 Special Meetings: Notice. Special meetings of the Board of Directors may be called at any time by the Chairman of the Corporation, or by any other individual so authorized by the Board, or upon written request by any two directors. Such meetings shall be held at the registered office of the corporation or at such other place or places as the directors may from time to time designate. Notice of the date, time and place of such special meeting shall be given to all directors in such form as the Board may determine. Except as otherwise provided in these Bylaws, any business may be transacted at any duly called Board meeting.
- 2.13 Quorum. A majority of the whole Board of Directors shall be necessary and sufficient at all meetings to constitute a quorum for the transaction of business.
- 2.14 Waiver of Notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, shall be equivalent to the giving of notice.
- 2.15 Action of the Board. The action of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as otherwise provided by these Bylaws. Any member of the Board may participate in a meeting thereof by means of a conference telephone or similar device by which all persons can hear all other persons participating in the meeting at the same time, and participation by such means shall constitute presence in person at the meeting. Any Board action may be taken without a meeting if all members of the Board consent in writing.
- 2.16 Registering Dissent. A director who is present at a meeting of the Board of Directors at which action on a corporate matter is taken shall be presumed to have assented to such action. A director may request and be granted to have his/her name entered into the official record as having voted “aye” or “nay.”
- 2.17 Adjournment. At any meeting of the Board, whether or not a quorum is present, a majority of the directors present may adjourn the meeting to another time and place

without further notice to any absent director. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting as originally called.

2.18 Organization. At all meetings of the Board, the Chairman of the Corporation, or, in his or her absence, the Vice-Chairman, shall preside. The Secretary of the corporation shall act as secretary at all meetings of the Board. In the absence of the Secretary, the presiding officer shall appoint any person to act as secretary of the meeting.

2.19 Executive and Other Committees. The Board of Directors may appoint, from time to time, from its own number, standing or temporary committees consisting each of no fewer than two (2) directors. Such committees may be vested with such powers as the Board may determine by resolution passed by a majority of the full Board of Directors, provided however, that no such committee shall have the authority of the Board of Directors to reference to:

(a) Amending, altering, or repealing these Bylaws;

(b) Electing, appointing, or removing any director or officer of the corporation;

(c) Amending the Articles of Incorporation.

(d) Adopting a plan of merger or consolidation with another corporation.

(e) Authorizing the sale, lease, exchange or mortgage, of all or substantially all of the property and assets of the corporation;

(f) Authorizing the voluntary dissolution of the corporation or revoking proceeds therefor; or

(g) Amending, altering, or repealing any resolution of the Board of Directors which by its term provides that it shall not be amended, altered, or repealed by such committee.

All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be recorded in books kept for that purpose in the office of the corporation. The designation of any such committee and the delegation of authority thereto, shall not relieve the Board of Directors of any responsibility imposed by law.

2.20 Remuneration. No stated salary shall be paid to directors, as such, for their service, but by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of such Board; provided, that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

2.21 Loans. No loans shall be made by the corporation to any director.

## ARTICLE III

### **OFFICERS**

- 3.1 Designations. The officers of the corporation shall be a Chairman, Vice Chairman, Secretary and Treasurer, and such other officers with powers and duties not inconsistent with these bylaws as the Board may from time to time appoint or elect.
- 3.2 Election, Term of Office, Qualifications and Removal. All officers shall be elected at the annual meeting of the Board for terms of one year. Such officers shall serve until their successors are elected and qualified, or until his or her death, resignation or removal. Officers of the Corporation shall be elected from among the directors. No officer shall serve in any one office for more than three consecutive full terms. Any officer or agent elected or appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board of Directors.
- 3.3 Chairman: Powers and Duties. The Chairman shall preside at all meetings of the Board of Directors, shall have general supervision of the affairs of the corporation, subject to the control of the Board, and shall perform such other duties as are incident to the office or are properly required of the Chairman by the Board of Directors.
- 3.4 Vice Chairman: Powers and Duties. During the absence or disability of the Chairman, the Vice Chairman shall exercise all the functions of the Chairman. The Vice Chairman shall have general supervision of the affairs of the corporation, subject to the control of the Board, and shall perform such other duties as are incident to the office or are properly required of the Chairman by the Board of Directors.
- 3.5 Secretary: Powers and Duties. The Secretary shall attend and keep the minutes of all meetings, shall have charge of the seal and the corporate books, and shall make such reports and perform such other duties as are incident to the office, or are properly required of the Secretary by the Board of Directors.
- 3.6 Treasurer: Powers and Duties. The Treasurer shall have the custody of all monies and securities of the corporation and shall keep regular books of account. The Treasurer shall disburse the funds of the corporation in payment of the just demands against the corporation or as may be ordered by the Board of Directors (taking proper vouchers for such disbursements) and shall render to the Board of Directors from time to time as may be required, an account of all transactions undertaken as Treasurer and of the financial condition of the corporation. The Treasurer shall perform such other duties as are incident to the office or are properly required by the Board of Directors.
- 3.7 President and CEO. The Board may select a President and CEO from members of the Board of Directors who shall be responsible for the management, administration and conduct of the business and affairs of the corporation pursuant to guidelines established

by the Board. The President and CEO shall have full authority for direction of the employees of the corporation, if any. The President and CEO may be compensated for his or her services in that capacity in such amount and manner as the Board of Directors shall determine.

- 3.8 Delegation. If any officer of the corporation is absent or unable to act and no other person is authorized to act in such officer's place by the provisions of these Bylaws, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or any other person it may select.
- 3.9 Vacancies. Vacancies in any office arising from any cause may be filled by the Board of Directors at any regular or special meeting of the Board.
- 3.10 Other Officers. The Board of Directors may appoint such other officers or agents as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.
- 3.11 Loans. No loan shall be made by the corporation to any officer.

#### **ARTICLE IV**

##### **FISCAL YEAR**

The corporation's fiscal year shall be from January 1st through December 31st.

#### **ARTICLE V**

##### **DEPOSITORIES**

- 5.1 Depositories. The monies of the corporation shall be deposited in the name of the corporation in such bank or banks or trust company or trust companies as the Board of Directors shall designate, and shall be drawn from such accounts only by check or other order for payment of money signed by such persons, and in such manner, as may be determined by resolution of the Board of Directors.

#### **ARTICLE VI**

##### **NOTICES**

- 6.1 Notices. Except as may otherwise be required by law, any notice to any director may be delivered personally or by mail or by electronic mail. If mailed, the notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the addressee at his or her last known address in the records of the corporation, postage prepaid.

## **ARTICLE VII**

### **SEAL**

- 7.1 Seal. The corporate seal of the corporation, if any, shall be in such form and bear such inscription as may be adopted by resolution of the Board of Directors, or by usage of the officers on behalf of the corporation.

## **ARTICLE VIII**

### **AGENTS AND REPRESENTATIVES**

- 8.1 Agents and Representatives. The Board may appoint such agents and representatives of the Corporation with such powers and to perform such acts or duties on behalf of the Corporation as the Board may see fit, so far as may be consistent with these Bylaws, and to the extent authorized or permitted by law.

## **ARTICLE IX**

### **CONTRACTS, LOANS, CHECKS, BANK ACCOUNTS, INVESTMENTS AND**

#### **ANNUAL AUDIT**

- 9.1 Contracts. The Board, except as otherwise provided in these Bylaws, may authorize an officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to a specific instance. Unless authorized by the Board pursuant to this Section 1, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement, or to pledge its credit, or render it liable peculiarly, for any purpose or to any amount.
- 9.2 Loans. The Corporation shall not borrow money, whether by issuing notes, bonds or otherwise, except with the approval of the Board.
- 9.3 Banks; Checks. The Board shall from time to time and as necessary select such banks or depositories as it shall deem proper for the funds of the Corporation. The Board shall determine who shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for the payment of money by an affirmative vote of two-thirds (2/3rds) of the directors of this corporation.
- 9.4 Investments. The funds of the Corporation may be retained in whole or in part in cash, or may be invested from time to time in such property, real, personal or otherwise, or stocks, bonds or other securities, but only as the Board may deem desirable.

- 9.5 Annual Audit. The Board shall authorize each year an independent audit of the Corporation and shall make such audit available for inspection by the public for a reasonable period as determined by the Board.

## ARTICLE X

### INDEMNIFICATION

- 10.1 General. The corporation shall indemnify its officers, directors, employees and agents to the greatest extent permitted by law. The corporation shall have 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 who is or was serving at the request of the corporation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan, against any liability asserted against such person and incurred by such person in any such capacity or arising out of any status as such, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article.

## ARTICLE XI

### CONFLICTING INTERESTS TRANSACTIONS

- 11.1 Definitions. For purposes of this Article:

(a) "Conflicting interest" means the interest a director has respecting a transaction effected or proposed to be effected by the corporation or any other entity in which the corporation has a controlling interest if:

(1) The director knows at the time the corporation takes action that the director or a related person is a party to the transaction or has a significant beneficial financial interest in or so closely linked to the transaction that a reasonable person would expect the interest to influence the director's judgment if the director were called upon to vote on the transaction; or

(2) The transaction is brought before the Board for action, and the director knows at the time the Board reviews the transaction that any of the following persons is either a party to the transaction or has a significant beneficial financial interest in or so closely linked to the transaction that a reasonable person would expect the interest to influence the director's judgment if the director were called upon to vote on the transaction:

A) An entity of which the director is a director, general partner, agent or employee;

(B) An entity that controls, is controlled by, or is under common control with one or more of the entities specified in (A); or

(C) An individual who is a general partner, principal, or employer of the director.

(b) "Director's conflicting interest transaction" means a transaction effected or proposed to be effected by the corporation or any other entity in which the corporation has a controlling interest respecting which a director of the corporation has a conflicting interest.

(c) "Qualified director" means any director who does not have either:

(1) A conflicting interest respecting the transaction; or

(2) A familial, financial, professional, or employment relationship with a second director who does have a conflicting interest respecting the transaction, which relationship would, in the circumstances, reasonably be expected to exert an influence on the first director's judgment when voting on the transaction.

(d) "Related person" of a director means:

(1) A child, grandchild, sibling, parent, or spouse of, or an individual occupying the same household as, the director, or a trust or estate of which any of the above individuals is a substantial beneficiary; or

2) A trust, estate, incompetent, conservatee, or minor of which the director is a fiduciary.

e) "Required disclosure" means disclosure by the director who has a conflicting interest of:

(1) The existence and nature of the director's conflicting interest; and

(2) All facts known to the director respecting the subject matter of the transaction that an ordinarily prudent person would reasonably believe to be material to a judgment about whether or not to proceed with the transaction.

## 11.2 Directors' Action.

(a) Majority Vote. Directors' action respecting a director's conflicting interest transaction is effective if the transaction received the affirmative vote of a majority of (but no fewer than two) qualified directors who voted on the transaction after either required disclosure to them or compliance with Paragraph (b) below.

(b) Director's Disclosure. If a director has a conflicting interest respecting a transaction, but neither the director nor a related person of the director is a party to the transaction, and if the director has a duty under law or professional canon, or a duty of confidentiality

to another person, which would prevent that director from making the disclosure described in Paragraph 9.1(e), then disclosure is sufficient if the director:

- (1) Discloses to the directors voting on the transaction the existence and nature of the director's conflicting interest and informs them of the character and limitations imposed by that duty before their vote on the transaction; and
- (2) Plays no part, directly or indirectly in their deliberations or vote.

(c) Quorum. A majority (but no fewer than two) of the qualified directors constitutes a quorum for purposes of action that comply with this Article. Directors' action that otherwise complies with this Article is not affected by the presence or vote of a director who is not a qualified director.

## **ARTICLE XII**

### **LIMITATIONS**

- 12.1 **Exempt Activities.** Notwithstanding any other provision of these Bylaws, no director, officer, employee or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization (i) exempt from Federal income tax under I.R.C. § 501(a), as an organization described in I.R.C. § 501(c)(3), and (ii) contributions to which are deductible under I.R.C. § 170(c)(2).
- 12.2 **Prohibition Against Sharing in Corporate Earnings.** No director, officer, or employee of, or other person connected with, the Corporation, or any other private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Corporation, provided that this shall not prevent either the payment to any such person of reasonable compensation for services rendered to or for the benefit of the Corporation or the reimbursement of expenses incurred by any such person on behalf of the Corporation, in connection with effecting any of the purposes of the Corporation; and no such person or persons shall be entitled to share in the distribution of any of the corporate assets upon the dissolution of the Corporation. All such persons shall be deemed to have expressly consented and agreed that upon such dissolution or winding up of the affairs of the Corporation, whether voluntary or involuntary, the assets of the Corporation then remaining in the hands of the Board, after all debts have been satisfied, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board may determine, or as may be determined by a court of competent jurisdiction upon the application of the Board, exclusively to charitable, religious, scientific, literary or educational organizations (i) which then qualify for exemption from Federal income taxation under the provisions of I.R.C. § 501(c)(3) and the Regulations thereunder (as they now exist or as they hereafter may be amended), and (ii) contributions to which are deductible under I.R.C. § 170(c)(2) and the Regulations thereunder (as they now exist or as they hereafter may be amended).

**ARTICLE XIII**

**AMENDMENTS**

The Board of Directors shall have the exclusive power to make, alter, amend, and repeal the Bylaws and Articles of Incorporation by the affirmative vote of two-thirds (2/3rds) of the directors of this corporation; provided, that the Board will not approve any such alteration, amendment, or repeal that would adversely impact the rights of any class of directors unless such alteration, amendment, or repeal shall first have received the approval of two-thirds (2/3) of the directors of such class.

Adopted by resolution of the corporation's Board of Directors on \_\_\_\_\_, 2006.

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Secretary