

Historic Lucks Cannery Inc.

By-Laws

ARTICLE I

Offices

Section 1.1. Principal Office. The principal office of the Organization shall be located at 798 NC Hwy 705 E, Seagrove in the County of Randolph, State of North Carolina, with a mailing address of PO Box 119, Seagrove, NC 27341-0119.

Section 1.2. Registered Office. The registered office of the Organization required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office, and the address of the registered office may be changed from time to time as provided in the Act. The registered office is Garrett Walker Law Group, PLLC, 436 Spring Garden St. Greensboro, NC 27401 in Guilford County with mailing address at 5107 Mockingbird Rd., Greensboro, NC 47406.

Section 1.3. Registered Agent. The registered agent is the town attorney of the Town of Seagrove.

Section 1.4. Primary Place of Operation: The primary place of operation is Luck Comer Lail Center, 798 NC Hwy 705 E., Seagrove, NC 27341.

Section 1.5 DBA. The Organization will also go by the name **Lucks Development Advisory Committee** as established by the Town of Seagrove and focused on maintenance and use of the Property.

ARTICLE II

Purpose

Section 2.1 Purpose

Historic Lucks Cannery is a multi-use, community center whose mission is to enrich the lives of the people in our community through the celebration of our creativity and promotion of economic development, community well-being, education and awareness of our cultural heritage.

Section 2.2 Charitable status. The Organization is organized and operated exclusively for charitable, economic development public safety, and educational purposes. Activities will be for the public interest and common good.

Section 2.1. Members. The sole member of the Organization is the Town of Seagrove.

Section 2.4. Roles. The Historic Lucks Cannery facility formally known as Luck Comer Lail Center and grounds are owned, maintained and operated by the Town of Seagrove. The Organizations role is to raise funds for renovation and maintenance, plan and manage programs, and advise the Town of Seagrove. The Organization shall not conduct substantial business activities unrelated to its exempt purposes.

ARTICLE III

Directors

Section 3.1 General Powers. All corporate powers shall be exercised by and under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board of Directors.

Section 3.2 Number and Qualifications. The number of directors of the Corporation shall be a minimum of five and maximum of seven. The directors shall be appointed by the Town of Seagrove and include one at-large member, one member of the local business community, one member of Town's Council, one member from each of the two major donors and one representing the pottery community. In the event that the Town of Seagrove hires an Executive Director, that person would be an additional member of the board by virtue of their position.

Section 3.3 Terms of Directors. The terms of the directors of the Corporation shall be one year.

Section 3.6. Removal. Any director may be removed from office with or without cause by the Town Council or by a two-thirds (2/3) or greater vote of the Board of Directors. A director may not be removed at a meeting unless the notice of such meeting states that the purpose, or one of the purposes, of the meeting is removal of the director.

Section 3.7. Vacancies. A vacancy occurring in the Board of Directors may be filled by a vote of the majority of the remaining directors, though less than a quorum, or by the sole remaining director. A vacancy in any other directorship may be filled by the President. A director elected or appointed to fill a vacancy shall serve until the next meeting of the Town Council at which directors are appointed.

ARTICLE IV

Meetings of Directors

Section 4.1. Regular Meetings. The Board of Directors may provide, by resolution, the time and place, either within or without the State of North Carolina for the holding of regular meetings. Unless otherwise provided by the Board of Directors, the Board shall meet at least as often as once each fiscal quarter, on the dates and at the time established as customary by the Board of Directors.

Section 4.2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any three (3) directors. Such meetings may be held either within or without the State of North Carolina as fixed by the person or persons calling any such meeting.

Section 4.3. Notice of Meetings. When held on the dates and at the time established as customary by the Board of Directors, regular meetings of the Board of Directors may be held without notice. The person or persons calling a special meeting, give notice thereof by telephone, email or United States mail. Written notice of a special meeting of the directors is effective at the earliest of the following: (a) when received; (b) upon its deposit in the United States mail, as evidenced by the postmark, if mailed by first class mail, with postage thereon prepaid, and correctly addressed; to the address of the director last known to the Corporation. Oral notice is effective when actually communicated to the director. Notice of an adjourned meeting of directors need not be given if the time and place are fixed at the meeting adjourning and if the period of adjournment does not exceed ten (10) days in any one adjournment. Such notice need not specify the purpose for which the meeting is called. Special meetings may be held without notice upon the unanimous consent of the directors.

Section 4.4. Waiver of Notice. Any director may waive notice of any meeting by filing a written and signed waiver with the minutes of the meeting or in the Corporation's corporate records.

Section 4.5. Quorum. The presence of a majority of the number of directors prescribed by the Board of Directors under Section 3.2 and in office immediately prior to a meeting shall constitute a quorum for the transaction of business at that meeting of the Board; provided, however, that if a quorum is not present, a majority of the directors may adjourn the meeting from time to time without further notice except as provided in Section 4.3.

Section 4.6. Manner of Acting. Except as otherwise provided in these By-Laws or the Act, the act of the majority of the directors attending or participating in a meeting at which a quorum is present shall be the act of the Board of Directors. The affirmative vote of two-thirds (2/3) of the number of directors prescribed by the Board of Directors under Section 3.2 and in office immediately prior to a meeting shall be required for the removal of the President as an officer, a modification of the duties and authority of the President as set forth in these By-Laws, the creation or termination of a committee of the Board, the appointment of a director to a committee, the removal of a director from a committee, or a modification of the authority delegated to a committee by these By-Laws or a resolution of the Board of Directors. Action by the Board of Directors may be authorized without a meeting by unanimous written consent of all board members submitted to the President by email or United States mail.

Section 4.7. 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 (a) the director objects at the beginning of the meeting (or promptly upon the director's arrival) to holding such meeting or transacting business at it, (b) the director shall file a written dissent or abstention to such action with the presiding officer of the meeting before the adjournment thereof or with the Corporation immediately after the adjournment of the meeting, or (c) the director's contrary vote or abstention is entered in the minutes of the meeting. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

Section 4.8. Informal Action by Directors. Action taken by the directors without a meeting is nevertheless Board action, and may be described as such, if one or more written consents to the action in question, describing the action taken, are signed by all the directors and filed with the minutes of the proceedings of the Board of Directors or in the records of the Corporation, whether done before or after the action so taken. Action taken pursuant to this Section 4.8 shall be effective when the last director signs a written consent to such action, unless the consent specifies a different effective date.

Section 4.9. Participation by Audio Medium. Upon approval by the Board of Directors, any one or more directors may participate in any meeting of the Board or its committees by means of a conference telephone or similar communications medium allowing all directors participating in the meeting to hear one another simultaneously throughout the meeting. Participation by such means shall constitute presence in person at a meeting.

Section 4.10. Fundraising. Raising money is one of the primary tasks of the board of directors. Board members should be actively involved in the fundraising process, working in collaboration with staff. All board members should make a financial contribution, however small, to the nonprofit. There are other ways for board members to contribute to fundraising efforts, such as identifying prospective donors, making introductions, or writing letters or making phone calls to acknowledge gifts. Fundraising efforts also require board members to fulfill an oversight function, ensuring that money is raised in an ethical manner and in compliance.

Section 4.11 Compensation. Board members serve without compensation. Board members are not eligible for any prizes awarded at the facility.

ARTICLE V Committees

Section 5.1. Executive Committee. There is not an executive committee.

Section 5.2. Other Committees. The President, subject to ratification by the Board of Directors by the vote required under Section 4.6, or the Board of Directors, by proper resolution and by the vote required under Section 4.6, may appoint such other committees as may be deemed by the President or the Board, as applicable, to be appropriate. Each such committee shall have at least three (3) members.

Section 5.3. Vacancy. Any vacancy occurring on a Board committee shall be filled by the vote of the Board of Directors required under Section 4.6.

Section 5.4 Removal. Members of all committees of the Board shall serve at the pleasure of the Board. Any member of a Board committee may be removed at any time with or without cause by the vote of the Board of Directors required under Section 4.6.

Section 5.5 Committee Membership and Procedures. Except as otherwise expressly provided in this Article V, the provisions of these By-Laws governing meetings, action without meetings, notice, waiver of notice, quorum, and voting requirements of the Board shall apply to each committee of the Board.

Section 5.6 Responsibility of Directors. In discharging his or her duties as a director, a director shall be entitled to rely on information, opinions, reports and statements prepared or presented by a Board committee of which he or she is not a member unless he or she has actual knowledge of a matter which makes such reliance unwarranted. Such permissible reliance shall relieve such director of any responsibility or liability imposed upon him or her by law when and to the extent permitted by the Act. If any action taken by a Board committee is not thereafter formally considered by the Board, a director may dissent from such action by filing his or her written objection with the Secretary with reasonable promptness after learning of such action.

ARTICLE VI Officers

Section 6.1 Offices. The officers of the Corporation shall consist of a President, a Secretary and a Treasurer, and may include an Executive Director, each of whom shall have such power and duties as are set forth in these By-Laws and as may be delegated to such officer by the Board of Directors and each of whom must be a member of the Board except the Treasurer who shall be the Town Clerk of Seagrove. 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 6.2 Appointment and Term. The officers of the Corporation shall be appointed by the Board of Directors for stated terms. Such appointments may be made at any regular or special meeting of the Board. Each officer shall hold office until the expiration of such officer's term as a director of the Corporation prior to the stated term of his or her appointment, such officer's death, resignation, retirement, removal or disqualification, or such officer's successor is appointed and qualified.

Section 6.3 Removal and Resignation. Any officer appointed by the Board of Directors may be removed by the Board with or without cause whenever in its judgment the best interests of the Corporation will be served thereby. Any such removal or disqualification shall be by the vote of the Board of Directors required under Section 4.6. An officer may resign at any time by communicating such officer's resignation to the Corporation. A resignation is effective when it is communicated unless it specifies in writing a later effective date. If a resignation is made effective at a later date and the Corporation accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

Section 6.4 President. Subject to the direction of the Board of Directors, the President shall direct and supervise the management of the Corporation in accordance with these By-Laws and Restated Articles. The President shall sign, with any other proper officer, any deeds, leases, 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 President or the Board of Directors to some other officer or agent and, in general, he or 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.

Section 6.5 Executive Director Subject to the direction of the Board of Directors, the Executive Director shall be authorized to exercise all power and authority of the President in the event of the absence or disability of the

President or a vacancy in the office of President. The Executive Director shall perform such other duties and be delegated such authority of the President as the President shall reasonably determine.

Section 6.6 Treasurer. The Treasurer of the Corporation 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 President. The Treasurer also shall keep full and accurate accounts of the finances of the Corporation in books especially provided for that purpose; and he or she shall cause a true statement of its assets and liabilities as of the close of each fiscal year and a statement of operations for such fiscal year, all in reasonable detail, to be made and filed at the registered or principal office of the Corporation within sixty (60) days after the end of such fiscal year. The statement so filed shall be kept available for inspection by any member for a period of three (3) years; and the Treasurer shall mail or otherwise deliver a copy of the latest such statement to any shareholder upon his written request therefore. The Treasurer, in general, shall perform all duties incident to his office and such duties as may be assigned to him from time to time by the President or the Board of Directors.

Section 6.7 Secretary. The Secretary shall: (a) keep the minutes of the meetings of members, the Board of Directors and each committee of the Board in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these By-Laws or as required by the Act; (c) be custodian of the corporate records; (d) keep a register of the address of each member which shall be furnished to the Secretary by such member; (e) keep or cause to be kept in the State of North Carolina at the Corporation's registered office or principal office a record of the Corporation's members, giving the names and addresses of the member; and (f) 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 or her by the President or the Board of Directors. The Secretary shall maintain at the Corporation's principal office (a) the Corporation's Articles of incorporation, and all amendments thereto, (b) these By-Laws, and all the amendments hereto, (c) minutes of the meetings, and all resolutions, of the Board of Directors, (d) the minutes of the meetings and the reports, of all committees of the Board of Directors, (f) all written communications with the Town Council for the preceding three (3) years, (g) a list of the names and business addresses of the Corporation's current directors and officers, and (h) the Corporation's most recent annual report delivered to the North Carolina Secretary of State under the Act.

Section 6.8 Duties of Other Officers. The duties of all officers and employees not defined and enumerated in these By-Laws shall be prescribed and fixed by the President and in carrying out the authority to do all other acts necessary to be done to carry out the prescribed duties unless otherwise ordered by the Board of Directors.

Section 6.9 Day to Day activities. The day to day tasks of running the Corporation are delegated to executives, staff, and sometimes outside agents. The board is responsible for overseeing these persons and their activities.

Section 6.10 Bonds. 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 VII

Contracts, Loans, Checks and Deposits

Section 7.1 Contracts. The President is authorized to enter any contract, lease or other agreement, and to execute and deliver any instrument, on behalf of the Corporation which is to be entered or executed and delivered in the ordinary course of the Corporation's business **only after written approval by the Town Council**. In addition, the Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract, lease or other agreement or to execute and deliver any instrument on behalf of the Corporation, whether or not such action is within the ordinary course of the Corporation's business, and such authority may be general or confined to specific instances, **only after written approval by the Town Council**. Any resolution of the Board of Directors authorizing the execution of any contract, lease or other agreement or delivery of any instrument of behalf of the Corporation by the proper officers of the Corporation or by officers of the Corporation generally and not specifying particular officers shall be deemed to authorize execution or delivery, as applicable, by the President or any other officer if such execution or delivery is within the scope of the duties of such other officer and **only after written approval by the Town Council**.

Section 7.2 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, or a committee thereof, and **only after written approval by the Town Council** and except as permitted by law. Such authority may be general or specific in nature and scope.

Section 7.3 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 from time to time shall be determined by resolution of the Board of Directors and **only after approval or authority given by the Town Council.**

Section 7.4 Deposits. All funds of the Corporation not otherwise employed from time to time shall be deposited to the credit of the **Lucks Project Fund of the Town of Seagrove** in such depositories as the Board of Directors and Town Council or a committee thereof shall direct.

Section 7.5 Review. Board members have a right to inspect, for reasonable purposes and at reasonable intervals, the Corporation's books and records.

Section 7.6 Employment Contracts. The Board of Directors may recommend to the Town Council to enter into employment contracts with any of its employees for any length of time and on any terms and conditions it deems wise. Recommended compensation will be approved by the board, or a compensation committee, prior to paying any compensation. The date and terms of compensation arrangements will be in writing. The decision made by each individual board member to approve compensation will be recorded. Compensation arrangements will be based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations. This supporting information will be recorded. No compensation of any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors or any employee will be through non-fixed payments, such as discretionary bonuses or revenue-based payments.

ARTICLE VIII

Indemnification of Directors, Officers and Others

Section 8.1 Definitions. For purposes of this Article VIII, the following definitions shall apply:

- (a) "Corporation" means the Corporation and all "predecessors" thereof, as such term is defined in the Act.
- (b) "Director" means an individual who is or was a director of the Corporation or an individual who, while a director of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee or agent or another foreign or domestic Corporation, partnership, limited liability company, association, joint venture, trust, employee benefit plan at the Corporation's request if such director's duties to the Corporation also impose duties on, or otherwise involve services by, the director to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context requires otherwise, the estate or personal representative of a director.
- (c) "Expenses" means expenses of every kind incurred in defending a Proceeding, including, but Not limited to, legal, accounting, expert and investigatory fees and expenses.
- (d) "Indemnified Officer" shall mean each officer of the Corporation who is also a director of the Corporation and each other officer of the Corporation who is designated by the Board of Directors from time to time as an Indemnified Officer. An Indemnified Officer shall be entitled to indemnification hereunder to the same extent as a Director, including, without limitation, indemnification with respect to service by the Indemnified Officer at the Corporation's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic Corporation, partnership, limited liability company, association, joint venture, trust, employee benefit plan or other enterprise.
- (e) "Liabilities" means any obligation to pay any or all of the following: a judgment, a settlement, a penalty, a fine (including an excise tax assessed with respect to an employee benefit plan) and reasonable expenses, including, but not limited to, attorney's fees of opposing parties incurred with respect to a Proceeding.
- (f) "Proceeding" means any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, whether formal or informal, and any appeal therein (and or inquiry or investigation that could lead to such a proceeding).

Section 8.2 Indemnification. In addition to, and not in any way in limitation of, all indemnification rights and obligations otherwise provided by law, the Corporation shall indemnify and hold harmless its Directors and Indemnified Officers against all Liabilities and Expenses in any Proceeding (including, without limitation, a Proceeding brought by or on behalf of the Corporation itself) arising out of their status as Directors or officers, or their service at the Corporation's request as a Director, officer, partner, trustee, employee or agent of another foreign or domestic Corporation, limited liability company, association, partnership, joint venture, trust, employee benefit plan or other enterprise, or their activities in any such capacity; provided, however, that the Corporation shall not indemnify a Director of an Indemnified Officer against Liabilities or Expenses that such person may incur on account of activities of such person which at the time taken were known or believed by him or her to be clearly in conflict with the best interest of the Corporation. The Corporation shall also indemnify each Director and

Indemnified Officer for his or her reasonable costs, expenses and attorneys' fees incurred in connection with the enforcement of the rights to indemnification granted herein, if it is determined in accordance with Section 8.3 that the Director or Indemnified Officer is entitled to indemnification hereunder.

The Board of Directors shall have the authority to adopt such resolutions pertaining to the implementation of this Section 8.2 as it may from time to time determine, and such resolutions shall be given full effect, even though they supplement, amplify or go beyond the provisions of this Section 8.2, provided and to the extent such resolution does not violate any provision of the Act or Restated Articles. This Section 8.2 shall be construed in a manner to fully effect the purpose and intent of the resolution of the Corporation's Board of Directors approving and adopting this provision.

Section 8.3 Determination. Any indemnification under Section 8.2 shall be paid by the Corporation in a specific case only after a determination that the Director or Indemnified Officer has met the standard of conduct set forth in Section 8.2. Such determination shall be made:

(a) by the Board of Directors by a majority vote of a quorum consisting of directors not at the time parties to the Proceeding;

(b) if a quorum cannot be obtained under Section 8.3(a), by a majority vote of a committee duly designated by the Board of Directors (in which vote directors who are parties to the Proceeding may participate), consisting solely of two or more directors not at the time parties to the Proceeding;

(c) by special legal counsel (i) selected by the Board of Directors or a committee thereof in the manner prescribed in Section 8.3(a) or (b); or (ii) if a quorum of the Board of Directors cannot be obtained under Section 8.3(a) and a committee cannot be designated under Section 8.3(b), selected by a majority vote of the full Board of Directors (in which selection directors who are parties in the Proceeding may participate); or

(d) by the members, but votes of directors or officers who are at the time parties to the Proceeding may not be voted on the determination.

The Board of Directors shall take all such action as may be necessary and appropriate to enable the Corporation to pay the indemnification required by this Article VIII.

Section 8.4 Advances for Expenses. The Expenses incurred by a Director or an Indemnified Officer in defending a Proceeding may be paid by the Corporation in advance of the final disposition of such Proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the Director or Indemnified Officer to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by the Corporation against such Expenses. Subject to receipt of such undertaking, the Corporation shall make reasonable periodic advances for Expenses pursuant to this Section 8.4, unless the Board of Directors shall determine, in the manner provided in Section 8.3 and based on the facts then known, that indemnification under this Article VIII is or will be precluded.

Section 8.5 Reliance and Consideration. Any Director or Indemnified Officer who at any time after the adoption of this Article VIII 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, however, shall not be exclusive of any other rights to which such person may be entitled apart from the provisions of this Article VIII. No amendment, modification or repeal of this Article VIII shall adversely affect the right of any Director or Indemnified Officer to indemnification hereunder with respect to any activities occurring prior to the time of such amendment, modification or repeal.

Section 8.6 Insurance. Upon authority and approval from the Town Council the Corporation may purchase and maintain insurance on behalf of its directors, officers, employees and agents and those persons who were or are serving at the request of the Corporation in any capacity with another Corporation, partnership, limited liability company, association, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against or incurred by such person in any capacity, or arising out of his or her 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 VIII or otherwise. Any full or partial payment made by an insurance company under any insurance policy covering any director, officer, employee, agent or other person identified above made to or on behalf of a person entitled to indemnification under this Article VIII shall relieve the Corporation of its liability for indemnification provided for in this Article VIII or otherwise to the extent of such payment, and no insurer shall have a right of subrogation against the Corporation with respect to such payment.

ARTICLE IX General Provisions

Section 9.1 Seal. There is no seal.

Section 9.2 Waiver of Notice. Except as otherwise expressly provided herein, whenever any notice is required to be given to any member or director under the provisions of the Act or under the provisions of the Restated Articles or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice and delivered to the Secretary of the Corporation, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Section 9.3 Amendments: Emergency By-Laws. Except as otherwise expressly provided herein, these By-Laws may be amended or repealed and new By-Laws may be adopted only by the affirmative vote of two-thirds (2/3) of the number of directors prescribed by the Board of Directors under Section 3.2 and in office at the time such action is submitted to a vote and **only after written approval by the Town Council.** Such action may be taken at any regular or special meeting of the Board of Directors or by action without a Board meeting in accordance with these By-Laws and the Act. However, in the circumstances described in Section 55A-2-07 of the Act, the Board of Directors may adopt, as provided in Sections 55-A-2-07 and 55A-3-03 of the Act, such emergency by-laws as may be necessary or appropriate. Such emergency by-laws shall supersede any inconsistent provisions of these By-Laws during the existence of such emergency.

Section 9.4 Fiscal Year. The fiscal year of the Corporation shall be the same as the Town of Seagrove.

Section 9.5 Succession Order. The succession order to the President for purposes of these By-Laws shall be the Executive Director, the Treasurer and the Secretary (in such order), and if there are no persons holding such offices or if the Board of Directors shall determine to alter such succession order, the person selected to preside by a majority of the directors present or participating in a meeting at which such designation is necessary.

Section 9.7 Dissolution. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, transfer any and all assets of Historic Lucks Cannery Inc. to the Town of Seagrove to be used exclusively for public purposes. Any such assets not so disposed of shall be disposed of by the Superior Court of Randolph County, exclusively for such purposes or to such organizations, such as the court shall determine, which are organized and operated exclusively for such purposes, or to such governments for such purposes.

Section 9.8 Prohibited Activities. No part of net earnings of the Corporation shall inure to the benefit of the nonprofit's directors, officers, members, or any other private person or entity 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 purposes set forth in these articles of incorporation. 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 public office. Notwithstanding any other provisions 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 Code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

Section 9.11 Capital stock. The Corporation has no authority to issue capital stock.

Section 9.12 Annual reports. The Corporation is required to provide annual reports of its activities and finances to the Town of Seagrove.

Section 9.13 Conflict of Interest policy. The Corporation will have a written conflict of interest policy.

Section 9.14 Lease and Rent policy. The Corporation will have a written policy on renting and leasing space, specifying standard rates, terms, etc.

Section 9.15 Safety policy. The Corporation shall have a written policy on environment, safety and health with rules communicated to people using the facility.

Section 9.16 Naming recognition. The Corporation shall administer the Luck's Cannery Naming Policy regarding recognition for charitable contributions made to the Luck's Cannery Project. The Naming Policy shall be as follows:

Contribution Level	Recognition
150,000.00	Major donor Share/share naming of entire site with Lail family.
>25,000.00	Special recognition (expo halls, shops, etc.)
>15,000.00	Name areas (patio, etc.)
>=\$5,000.00	Names Entrance
\$1,000.00-\$5,000.00	Name on Plaque

Section 9.17 Public disclosure. The Corporation must make the following documents available to the public:

- Application for Recognition of Exemption, supporting documents and related correspondence (including the IRS determination letter)
- Copies of any federal information returns (such as Form 990) filed within the last three years

(including amended returns), as well as all schedules, attachments and supporting documents. These documents must be available for public inspection and copying during regular business hours at the Corporation's principal office and any regional office, and must be mailed within 30 days to anyone requesting a copy.

Section 9.18 Disclosure of donors. The Corporation need not disclose the names of its contributors.

Section 9.19 Definitions. As used herein, the term "Act" shall refer to the North Carolina Nonprofit Corporation Act, as of the date set forth below and as thereafter amended from time to time. As used herein, the term, "Articles of incorporation" shall mean the Articles of incorporation of the Organization as they exist as the date set forth below and as hereafter amended or restated. "Town Council" and "Town of Seagrove" refers to the board of commissioners of the Town of Seagrove.

Section 9.20 Notice to donors. When a donor to a 501(c)(3) organization receives a "free gift" or other goods or services, the donor can only deduct the difference between the contribution amount and the fair market value of the gift, unless its value is insignificant. The Organization is obligated to inform its donors that the full contribution amount is not deductible and indicate the fair market value of the gift.

Adopted this the 9th day of October, 2018.

Secretary