Article 1. Nonprofit Corporation

The Piedmont Triad Regional Development Corporation has been established as a nonprofit corporation under Chapter 55A of the General Statutes of North Carolina (“Nonprofit Corporation Act”). It is organized exclusively for charitable purposes as such term is defined in section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future US tax law) and accompanying regulations.

Article 2. General and Specific Purpose

Section 2.1. Purpose. The Corporation will undertake activities that further economic development and social welfare in the twelve-county Piedmont Triad Region encompassing Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Montgomery, Randolph, Rockingham, Stokes, Surry and Yadkin counties and their municipalities. The Corporation will promote economic development and job creation by carrying out community and economic development initiatives available to local governments and small businesses.

Article 3. Offices, Seal, Fiscal Year

Section 3.1. Principal Office. The corporation shall maintain an accessible principal place of business, which shall be open to the public during normal business hours. The principal office of the Corporation shall be located at 1398 Carrollton Crossing Drive, Kernersville, NC 27284. The corporation may have such other offices as are deemed necessary and feasible for carrying out the purposes for which it is organized.

Section 3.2. Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina shall be located in Forsyth County, North Carolina, at 1398 Carrollton Crossing Drive, Kernersville, NC 27284, and subsequently, at such address as selected by the Board of Directors.

Section 3.2. Registered Agent. The Corporation shall maintain a registered agent as required by the North Carolina Nonprofit Corporation Act who shall have a business office at the Corporation’s registered office. The registered agent shall be designated by the Board of Directors from time to time. In the absence of such designation, the registered agent shall be the Executive Director of the Piedmont Triad Regional Council who serves as a non-voting, ex officio director on the Corporation’s Board of Directors.

Section 3.3. Seal. The seal of the Corporation shall contain the name of the corporation and the word "Seal." When obtained, said seal shall be impressed on the last page at the conclusion of these Bylaws.

Section 3.4. Fiscal Year. The fiscal year of the Corporation shall commence on July 1 of each year and end June 30 of the following year.
Article 4. Membership

Section 4.1. Membership. The corporation shall have no members.

Article 5. Board of Directors

Section 5.1. General Powers and Duties. The Board of Directors, hereinafter referred to as “the Board,” shall manage the business and affairs of the Corporation. The Board shall be responsible for the actions of the corporation and any committees established by the Board.

Section 5.2. Specific Duties. In addition to and not in limitation of the general powers described in Section 5.1 above, the Board shall elect the officers of the corporation, commission economic studies and projects, establish committees, approve loans, provide credit approval for loans greater than $2 million, monitor the portfolio performance of the certified development company on a regular basis, review a semiannual report on portfolio performance, ensure that adequate reserves for operations are maintained and that economic development investments are made, approve all contracts including those for professional and non-professional services, and undertake any actions deemed appropriate for the commission of its purpose as stated in Article 2.

Section 5.3. Organization and Governance. The Board shall consist of thirty-five (35) members and shall, as provided in 13 CFR §304.2(c) be broadly representative of the principal economic interests of the Region, including the private sector, public officials, community leaders, representatives of workforce development boards, institutions of higher education, minority and labor groups, and private individuals. In addition, the governing body must demonstrate the capacity to implement the EDA-approved Comprehensive Economic Development Strategy.

It’s composition shall also comply with 13 CFR §823 which requires at least one (1) voting director who represents the economic, community or workforce development fields and at least two (2) voting directors who represent the commercial lending field.

At all times the Board shall demonstrate the capability to implement the regional Comprehensive Economic Development Strategy and shall comply with the organization and governance requirements for district organizations set forth in 13 CFR §304.2(c) as that section is amended from time to time, and for certified development companies set forth in 13 CFR §823 as that section is amended from time to time.

Section 5.4. Appointment. There shall be eighteen (18) board members who are local elected officials or staff members. Twelve (12) shall be appointed by their respective boards of county commissioners. Each county board of commissioners shall assure that municipal as well as county representatives, either elected or staff, are considered for appointment to represent that county. The Piedmont Triad Regional Council Board of Delegates shall appoint an additional six (6) at-large local elected officials as Board members and seventeen (17) private sector members. No more than two local elected officials may reside in any one county.

Section 5.5. Terms. Initial members shall be appointed for one, two and three years with terms ending as of the date of the December Piedmont Triad Regional Council Board of Delegates meeting in December 2015; December 2016; and December 2017, so as to create a
staggered reappointment. Thereafter, members shall be appointed for three-year terms by the appointing body, either the board of county commissioners or the Board of Delegates of the Piedmont Triad Regional Council, and any member may serve one or more terms.

Section 5.6. Vacancies. Whenever a vacancy occurs on the Board, other than by expiration of the term of appointment, such vacancy is to be filled by the body that appointed the board member. The term of office of a board member selected to fill a vacancy shall be the unexpired portion of the term of his or her immediate predecessor.

Section 5.7. Chair and Vice Chair. The Chair and Vice Chair of the Board shall be the President and Vice President of the corporation elected as provided in Section 7.2. The Chair shall preside at all meetings of the Board and perform such other duties as may be directed by the Board. The Vice Chair shall preside in the absence of the Chair.

Section 5.8. Compensation and Reimbursement. Board members shall not be compensated for their services but may be reimbursed for expenses incurred when representing the Board on official business.

Section 5.9. Conflict of Interest Policy. There shall be no real or apparent conflict of interest with respect to any actions of the Board of Directors. This policy shall be enforced by the Board of Directors consistent with 13 CFR 120.140 and 13 CFR 120.851.

Section 5.10. Committees. The Board of Directors may establish committees or working groups but in so doing may not delegate any authority that relieves it of responsibilities imposed by law or Federal regulations. With the exception of the Loan Committee, provided for in Section 5.11 below, committees or working groups shall consist of at least one Board member who shall act as a liaison between the committee or working group and the Board. The committees will coordinate efforts of mutual interest and identify opportunities for collaboration.

Section 5.11. Loan Committee. The Board shall establish a Loan Committee which shall have nine (9) members chosen from the Board of Directors with at least two members having commercial lending experience satisfactory to the Small Business Administration. No staff or manager of the corporation may serve on the Loan Committee. The Committee must have a quorum of at least five (5) committee members authorized to vote. Members shall have no actual or appearance of a conflict of interest, including for example, a Loan Committee member participating in deliberations on a loan for which the Third Party Lender is the member’s employer or the member is otherwise associated with the Third Party Lender. Authority is delegated to the Loan Committee to provide credit approval for loans up to $2,000,000 but, for loans of $1,000,000 to $2,000,000, the Loan Committee's action must be ratified by the Board prior to Debenture closing. Only the Board may provide credit approval for loans greater than $2,000,000.

Article 6. Meetings of the Board of Directors

Section 6.1. Regular Meetings. There shall be quarterly meetings of the Board of Directors at which the Board shall conduct such business as may come before the meeting including approval of loans. The fourth quarterly meeting shall be designated as the annual meeting at which time officers shall be elected.
Section 6.2. Special Meetings. Special meetings of the Board may be called by or at the request of the President or any three Board members, provided that any such special meeting shall be held within one of the represented counties.

Section 6.3. Notice of Meetings. Regular meetings of the Board of Directors may be held after ten (10) days notice, and special meetings may be held after five (5) days notice. Meeting notice may be by electronic mail to the Board member’s e-mail address listed in the corporate database. Or notice may be in writing and deemed to have been given upon depositing the same in the US mail, postage prepaid, at the address of the Board member listed in the corporate database. Notice of a regular meeting need not, but notice of a special meeting shall set forth the items to be considered.

Section 6.4. Waiver. Attendance by a Board member at a meeting shall constitute a waiver of notice of such meeting unless the subject Board member gives written statement at the meeting to the person presiding objecting to the transaction of any business because the meeting is not lawfully called.

Section 6.5. Quorum. One half of the Board of Directors then holding office shall constitute a quorum for the transaction of business at any meeting of the Board.

Section 6.6. Voting. At any meeting of the Board the affirmative vote of one-half (1/2) of those present shall be necessary to decide any question brought before the meeting. Should less than a quorum be assembled at a meeting, action may nevertheless be taken if such action shall be supported by the same absolute number of votes as would be required for action at a meeting at which a quorum is assembled.

Section 6.7. Absentee and Proxy Voting. Absentee voting and voting by proxy are permitted. Votes cast in either manner shall be noted in the minutes. An absentee ballot for Board members shall be attached to the notice of the meeting. A Board member who wishes to vote in this manner shall return the ballot by electronic mail or facsimile at least one day before the meeting. A Board member who wishes to give his proxy to another Board member shall submit a statement to that effect by electronic mail or facsimile at least one day before the meeting. Absentee votes or proxy authorizations submitted later than one day before a meeting shall be invalid.

Section 6.8. Informal Action by Members of the Board. Action taken by the Board by telephone, facsimile or electronic mail without a meeting is nevertheless Board action if written consent of the action in question is signed by all the Board members and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Article 7. Officers of the Corporation

Section 7.1. Number. The officers of the corporation shall consist of a President, a Vice President, a Secretary, a Treasurer, and an Assistant Secretary/Treasurer.

Section 7.2. Election and Term. The officers of the corporation shall be elected for a term of one year by the Directors at the annual meeting. All officers are required to be members of the Board of Directors.
Section 7.3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever in its judgment the best interest of the corporation will be served thereby; but such removal shall be without prejudice to the contract rights, if any, of any party.

Section 7.4. Compensation and Reimbursement. The officers of the corporation shall not be compensated for their services.

Section 7.5. President. The President shall preside at all meetings of the Board of Directors. He or she shall perform all the duties incident to the office and which are required by law.

Section 7.6. Vice President. During the absence or incapacity of the President, the Vice President shall perform the duties of the President and when so acting shall have all the powers and be subject to all the responsibilities of the office of President and shall perform such duties and functions as the Board of Directors may prescribe.

Section 7.7. Secretary. The Secretary shall attest the signatures of the President and Vice President on official documents and shall certify the annual reports. Other duties incident to the position of secretary are provided for by the annual contract for professional services.

Section 7.8. Treasurer. The Treasurer shall co-sign checks with the authorized person from the designated contractor for professional services. Other duties incident the position of Treasurer are provided for by the annual contract for professional services.

Section 7.9. Assistant Secretary/Treasurer. The Assistant Secretary/Treasurer shall attest signatures and certify reports in the absence of the Secretary and shall co-sign checks in the absence of the Treasurer.

Article 8. Staff

Section 8.1 – The Board of Directors may employ an administrator who shall manage the affairs of the corporation. As authorized under Section 10.1 of these Bylaws, the Board may also contract for professional services to provide for legal and accounting services to the corporation.

Article 9. Loans to Board of Directors, Officers and Employees Prohibited

Section 9.1. Prohibited Loans. No loans shall be made by the corporation to directors, officers, or employees of any contracting agency.

Article 10. Contracts, Loans, Deposits, Expenditures

Section 10.1. Contracts. The Board may authorize any officer or officers or professional services contractor, to enter into any contract or execute and deliver an instrument on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 10.2. 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. Such authority may be general or confined on specific instances.

Section 10.3. 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,
agents of the corporation, and in such manner as shall from time to time be determined by resolution of the Board.

Section 10.4. 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 shall direct or in the authorized depositories arranged by the contractor for professional services.

Article 11. Amendments

Section 11.1. Amendments. The affirmative vote of a majority of the Board of Directors shall be required to adopt these Bylaws as well as any future amendments.

Article 12. North Carolina Law

Section 12.1. State Law. All controversies pertaining to the interpretation and execution of these Bylaws shall be interpreted under the then applicable provisions of the Nonprofit Corporation Act of North Carolina and other applicable law of the State of North Carolina germane thereto.

Article 13. Effective Date - Adoption

Section 13.1. Effective Date. The effective date of these Bylaws shall be the day set forth below.

This the ______ day of ______________, 2015.

ATTEST:

_________________________________        ______________________________
Title                Darrell L. Frye, Chair
Piedmont Triad Regional Development Corporation