

**Bylaws
of
Fort Thomas Forest Conservancy, Inc**

**Article 1
Offices**

Section 1.01. Principal Office

The principal office of the Fort Thomas Forest Conservancy, Inc. (“Corporation”) is located in Campbell County, State of Kentucky.

Section 1.02. Change of Address

The designation of the county or state of the Corporation's principal office may be changed by amendment of these bylaws. The board of directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of these bylaws:

New Address: _____

Dated: _____, 20__

New Address: _____

Dated: _____, 20__

New Address: _____

Dated: _____, 20__

**Article 2
Nonprofit Purposes**

Section 2.01. IRC Section 501(c)(3) Purposes:

The Corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

Section 2.02. Specific Objectives and Purposes:

The specific objectives and purposes of the Corporation shall be to serve as a land trust dedicated to the protection and preservation of natural areas and green space and the development of park amenities and trails for the enjoyment of nature within the City of Fort Thomas, Kentucky. Specifically, these shall be:

- a. To work for the preservation of the wooded hillsides of the City of Fort Thomas and to make recommendations concerning zoning and development to conform to community standards in keeping with and complimenting our natural terrain and green space.
- b. To acquire, through gift, purchase, or other lawful means, interest in real property in the City of Fort Thomas as necessary to protect such values which may include but are not limited to scenic quality, wildlife habitat and ecological integrity, and managed public access and recreational opportunities
- c. To monitor, and where appropriate to manage directly, the real property interests acquired by the Conservancy in a manner consistent with its purposes, with the protection of private property rights, and with applicable laws and regulations of all governing jurisdictions.
- d. To provide information to the public on matters related to land preservation and conservation.
- e. To work for the development of park amenities and trails within the city.
- f. To collaborate with public and private organizations and property owners for the purpose of natural resource restoration or enhancement. This collaboration may include landscape construction, revegetation, and provision of amenities for public access to and education about natural resources.
- g. To sponsor a community education outreach program to include trail hikes, nature walks to identify birds, wild flowers, trees and other wildlife, and to provide a variety of nature programs.
- h. To receive, hold, and disburse contributions, gifts, grants, real and personal properties, bequests, devises and other funds for these purposes.

Article 3

Directorship

Section 3.01. Board of Directors:

The Corporation shall be organized upon a directorship basis. The Board of Directors shall manage and conduct the business of the Corporation. The number, qualifications, powers, rights, terms of office and election of members of the board of directors shall be as set forth in these By-Laws.

Article 4

Friends

Section 4.01. Support by Friends:

Any individual or organization interested in supporting the purposes of the Corporation may become a Friend of the Corporation by making a bequest, devise or loan, or by contribution of money, tangible or intangible assets, conservation easements, lands, buildings or interests therein. Such individuals or organizations may be recognized in such form as the Board of Directors shall prescribe from time to time. No property or voting right shall be vested in any Friend, directly or indirectly.

Section 4.02. Meetings of Friends:

Meetings of Friends shall be held at such place or places, either within or without the City of Fort Thomas or the State of Kentucky, as may from time to time be fixed by the Board of Directors.

Section 4.03. Annual Meeting of Friends:

An annual meeting of Friends shall be held in the late spring of each year on the date fixed by the Chairman. Friends may adopt resolutions or statements of an advisory nature on matters of policy to the Board of Directors. A report on the meeting and the activities of the Corporation for the preceding year shall be sent to all Friends following the annual meeting.

Section 4.04. Notice of Meetings of Friends:

Written or published notices of each meeting of Friends, stating the place, day and hour of the meeting, shall be delivered, either personally or by mail to each friend and or published in a local newspaper not less than seven (7) nor more than fifty (50) days before the date of the meeting by or at the direction of the Chairman, President or Secretary.

Article 5

Directors

Section 5.01. Number of Directors:

The corporation shall have not less than five (5) and not more than eleven (11) directors and collectively they shall be known as the Board of Directors. The first Board of Directors shall be appointed by the Incorporator of the Corporation named in the Articles of Incorporation and thereafter shall be elected by the members of the Board of Directors at the Board's annual meeting.

Section 5.02. Qualifications:

Directors shall be of the age of majority in this state and, insofar as possible, be chosen to represent interests and competency that are of concern to the Conservancy.

Section 5.03. Powers:

Subject to the provisions of the laws of this state and any limitations in the articles of incorporation and these bylaws relating to action required or permitted to be taken or approved by the members of the Corporation, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 5.04. Duties:

It shall be the duty of the directors to:

- a. Perform any and all duties imposed on them collectively or individually by law, by the articles of incorporation, or by these bylaws;
- b. Appoint and remove, employ and discharge, and, except as otherwise provided in these bylaws, prescribe the duties of all officers, agents, and employees of the corporation;
- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly;
- d. Meet at such times and places as required by these bylaws;
- e. Register their addresses with the secretary of the corporation, and notices of meetings mailed or telegraphed to them at such addresses shall be valid notices thereof.

Section 5.05. Term of Office:

Members of the Board of Directors shall be elected for terms not to exceed three years, except that the term of office of each member of the first Board of Directors shall be determined by the incorporator. Election of Directors, as vacancies occur, shall take place at each annual meeting of the Board. Each director shall hold office for the term for which he/she is elected and until his/her successor shall have been elected and qualified. Directors in office may be reelected for two additional terms and shall thereafter be ineligible for a period of one year for reelection to the Board. The Board of Directors shall have the right to elect interim Directors for a period not to exceed one (1) year in order to maintain Board continuity.

Section 5.06. Vacancies

Any vacancy occurring in the Board of Directors (other than a vacancy resulting from the normal expiration of a term of office) may be filled by the affirmative vote of a majority of the then members of the Board of Directors, though less than a quorum of the Board. A Director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office. Any Director may resign by submitting written notice of resignation to the Secretary. Any director may be removed from office at any time with or without cause by the affirmative vote of Two-thirds of the Directors in office.

Section 5.07. Compensation:

Directors shall serve without compensation. Directors shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article 12 of these bylaws.

Section 5.08. Non-liability of Directors:

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

Section 5.09. Indemnification by Corporation of Directors and Officers:

The directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

Section 5.10. Insurance for Corporate Agents:

Except as may be otherwise provided under provisions of law, the board of directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the articles of incorporation, these bylaws, or provisions of law.

Article 6

Meetings of the Board of Directorship

Section 6.01. Annual Meeting:

The annual meeting of the directors shall be held at its office or at such other place within or without the State of Kentucky as may from time to time be selected by the directors, on the third Wednesday in May in each year at 7:00 o'clock p.m., for the purpose of electing or appointing directors and officers for the ensuing terms and for the transaction of such other business as may properly be brought before the meeting.

Section 6.02. Regular Meetings:

Regular meetings of the Board of Directors may be held without notice at such time and at such places within or without the State of Kentucky as may from time to time be determined by resolution of the Board of Directors.

Section 6.03. Special Meetings:

Special meetings of the directors may be called by the Chairperson or shall be called by the Chairperson, President or Secretary at the direction of not less than two Directors then in office or as may otherwise be provided by law. Such meetings shall be held at the Corporation's office, unless otherwise directed by the Board of Directors and stated in the notice of meeting, in which case the meeting may be held at any place within or without

the State of Kentucky. Any request for such meeting shall state the purpose or purposes of the proposed meeting.

Section 6.04. Notice of Annual and Special Meetings:

Notice of the time, place and purpose of each annual or Special Meeting of the Directors, signed by the Chairperson or the President or the Secretary shall be served either personally or by mail upon each director not less than 5 nor more than 60 days before the meeting, provided that no notice of adjourned meetings need be given. If mailed, the notice shall be directed to each Director at his/her address as it appears in the records of the Corporation, unless he/she shall have filed with the Secretary thereof a written request that notices intended for him/her be mailed to some other address, in which case it shall be mailed to the address designated in such request. Such further notice shall be given as may be required by law. Meetings may be held without notice if all Directors are present in person or if notice of the time, place and purpose of such meeting is waived by telegram or other writing, either before or after the holding thereof, by all directors not present at such meeting.

Section 6.05. Quorum:

A majority of the Directors then in office shall constitute a quorum for the transaction of business. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as action by a majority of the Directors then in office may be specifically required by other section of these By-Laws. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting without notice other than announcement at the meeting, until a quorum shall be present.

Section 6.06. Action by Unanimous Written Consent:

Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting by consent in writing, setting for the action so taken, which shall be signed by all of the Directors.

Section 6.07. Conduct of Meetings:

Meetings of the Directors shall be presided over by the Chairperson, or in his/her absence by the President. The Secretary of the Corporation, or in his/her absence, a person chosen at the meeting shall act as Secretary of the meeting.

Section 6.08. General Powers as to Negotiable Paper:

The Board of Directors shall, from time to time, prescribe the manner of making, signature or endorsement of checks, drafts, notes, acceptances, bills of exchange, obligations and other negotiable paper or other instruments for the payment of money and designate the officer or officers, agent or agents, who shall from time to time be authorized to make, sign or endorse the same on behalf of the Corporation.

Section 6.09. Powers as to Other Documents:

The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute or deliver any conveyance or other instrument in the name of the corporation. Such authority may be general or confined to specific instances. When the

execution of any contract, conveyance or other instrument has been authorized without specification of the officers authorized to execute, the same may be executed on behalf of the Corporation by the Chairman, President or any Vice President, by the Secretary or Treasurer.

Section 6.10. Telephone Conferences:

A Director may participate in a meeting of Directors by conference telephone or similar communication equipment by which all persons participating in the meeting may hear each other, if all participants are advised of the communication equipment and the names of the participants in the conference are divulged to all participants. Participation in a meeting pursuant to this section constitutes present in person at the meeting.

Article 7 Committees

Section 7.01. Executive Committee:

The Board of Directors may, by a majority vote of its members, designate an Executive Committee consisting of two (2) or more board members and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provisions of law.

By a majority vote of its members, the board may at any time revoke or modify any or all of the executive committee authority so delegated, increase or decrease but not below two (2) the number of the members of the executive committee, and fill vacancies on the Executive Committee from the members of the board. The executive committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

Section 7.02. Other Committees, Sub-Committees and Advisory Councils:

The Board may establish by resolution such other committees, sub-committees, and advisory councils as it deems appropriate. These committees may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

Article 8 Officers

Section 8.01. Election or Appointment:

The officers of the corporation shall consist of a Chairperson, Vice Chairperson, a President, a Secretary and a Treasurer and may include one or more Vice Presidents and such other officers and assistant officers as may be determined from time to time by the Board of Directors.

Section 8.02. Qualifications:

Any person may serve as officer of the Corporation.

Section 8.03. Election and Term of Office:

Officers shall be elected by the board of directors, at any time, and each officer shall hold office not longer than three years or until he or she resigns or is removed, is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Section 8.04. Removal and Resignation:

Any officer may be removed at any time by the Board of Directors, either with or without cause, by the affirmative vote of two-thirds of the Directors in office. Any officer may resign at any time by giving written notice to the board of directors or to the president or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the board of directors relating to the employment of any officer of the corporation.

Section 8.05. Vacancies:

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the board of directors. In the event of a vacancy in any office other than that of president, such vacancy may be filled temporarily by appointment by the president until such time as the board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the board may or may not be filled as the board shall determine.

Section 8.06. Duties of President:

The president shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as chairperson of the Board of Directors,

the president shall preside at all meetings of the board of directors and at all meetings of the Friends of the Corporation. Except as otherwise expressly provided by law, by the articles of incorporation, or by these bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the board of directors.

Section 8.07. Duties of Vice President:

In the absence of the president, or in the event of his or her inability or refusal to act, the vice president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions on, the president. The vice president shall have other powers and perform such other duties as may be prescribed by law, by the articles of incorporation, or by these bylaws, or as may be prescribed by the board of directors.

Section 8.08. Duties of Secretary:

The secretary shall:

Certify and keep at the principal office of the corporation the original, or a copy, of these bylaws as amended or otherwise altered to date.

Keep at the principal office of the corporation or at such other place as the board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

See that all notices are duly given in accordance with the provisions of these bylaws or as required by law.

Be custodian of the records and of the seal of the corporation and affix the seal, as authorized by law or the provisions of these bylaws, to duly executed documents of the corporation.

Keep at the principal office of the corporation a membership book containing the name and address of each and any members, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request there for, the bylaws, the membership book, and the minutes of the proceedings of the directors of the corporation.

In general, perform all duties incident to the office of secretary and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of directors.

Section 8.09. Duties of Treasurer:

The treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the board of directors.

Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the board of directors, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.

Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor.

Render to the president and directors, whenever requested, an account of any or all of his or her transactions as treasurer and of the financial condition of the corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

In general, perform all duties incident to the office of treasurer and such other duties as may be required by law, by the articles of incorporation of the corporation, or by these bylaws, or which may be assigned to him or her from time to time by the board of directors.

Section 8.10. Compensation:

The officers, if any, will receive no compensation

Article 9

Execution of Instruments, Deposits, and Funds

Section 9.01. Execution of Instruments:

The Board of Directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the corporation 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. Unless so authorized, 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 to render it liable monetarily for any purpose or in any amount.

Section 9.02. Checks and Notes:

Except as otherwise specifically determined by resolution of the board of directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the treasurer and countersigned by the president of the corporation.

Section 9.03. Deposits:

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

Section 9.04. Gifts:

The board of directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

Article 10 Corporate Records, Reports, and Seal

Section 10.1. Maintenance of Corporate Records:

The corporation shall keep at its principal office:

- a. Minutes of all meetings of directors, committees of the board, and of all meetings of members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- c. A record of its members indicating their names and addresses and, if applicable, the class of membership held by each member and the termination date of any membership;
- d. A copy of the corporation's articles of incorporation and bylaws as amended to date, which shall be open to inspection by the members, if any, of the corporation at all reasonable times during office hours.

Section 10.02. Corporate Seal:

The board of directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 10.03. Directors' Inspection Rights:

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation, and shall have such other rights to inspect the books, records, and properties of this corporation as may be required under the articles of incorporation, other provisions of these bylaws, and provisions of law.

Article 11

IRC 501(c)(3) Tax Exemption Provisions

Section 11.01. Limitations on Activities:

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this 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 bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 11.02. Prohibition Against Private Inurement:

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

Section 11.03. Distribution of Assets:

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 11.04. Private Foundation Requirements and Restrictions:

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

Article 12

Conflict of Interest and Compensation Approval Policies

Section 12.01. Purpose of Conflict of Interest Policy:

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 12.02. Definitions:

- a. Interested Person.** Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
 - 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 12.03. Conflict of Interest Avoidance Procedures:

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

- d. **Violations of the Conflicts of Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 12.04. Records of Board and Board Committee Proceedings:

The minutes of meetings of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 12.05. Annual Statements

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and
- d. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 12.06. Periodic Reviews:

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 12.07. Use of Outside Experts:

When conducting the periodic reviews as provided for in Section 12.06, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Article 13

Fiscal Year

Section 13.01.

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

Section 13.02. Certified Public Accountant:

The Board of Directors from time to time shall appoint a Certified Public Accountant and /or firm of Certified Public Accountants to render annual or periodic financial statements as deemed appropriate by the Board of Directors.

Section 13.03. Counsel and Agents:

The Board of Directors from time to time may appoint legal counsel or other agents as deemed appropriate in the conduct of the business of the Corporation.

Article 14 Amendment of Bylaws

Section 14.01. Amendment:

Subject to the power of the members of this corporation to adopt, amend, or repeal the bylaws of this corporation and except as may otherwise be specified under provisions of law, these bylaws, or any of them, may be altered, amended, or repealed and new bylaws adopted by approval of the board of directors.

Article 15 Construction and Terms

If there is any conflict between the provisions of these bylaws and the articles of incorporation the articles of incorporation shall govern. Any portions of these bylaws held unenforceable for any reason shall not affect the remaining portions.

All references in these bylaws to the articles of incorporation shall be to the articles of incorporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing bylaws, consisting of sixteen (16) preceding pages, as the bylaws of this corporation.

Dated: January 31, 2009

H. A. Thomas, Jr (incorporator) - signed -

Carol C. Marnell - signed -

Diane Thomas – signed -

William W. Thomas – signed -