

AMENDED AND RESTATED BYLAWS OF
CARTERET COUNTY ECONOMIC DEVELOPMENT COUNCIL, INC.

These are the Amended and Restated Bylaws of the Carteret County Economic Development Council, Inc. which were adopted by members at a meeting held on May 20, 2004

ARTICLE I - OFFICES

Section 1: Principal Office.

The principal office of the corporation shall be located at 3615 Arendell Street, Morehead City, Carteret County, North Carolina 28557, or at such other place as may be from time to time designated by the Board of Directors.

Section 2: Other Offices.

The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine, or as the affairs of the corporation may require.

ARTICLE II - PURPOSES

The purposes for which the corporation is organized are:

(a) To aid in the growth and development of business concerns within Carteret County, in order to further the economic development of said county in an orderly manner and to such an extent that Carteret County can obtain additional economic advantages, without sacrificing the natural resources available in the area by increased employment, greater business volume and increased promotion of the economic advantages available to businesses willing to establish themselves within Carteret County.

(b) To buy, sell, lease, mortgage, or acquire or dispose of real estate, buildings, fixtures and personal property.

(c) To accept, acquire and to solicit by gift, devise, bequest, or otherwise, donations, money and property of every kind, nature and description, from any person, firm or corporation, including any municipality, county, state or the United States of America, and to hold, to manage, to administer, to use and to invest such moneys in property and to apply the principal and interest as may be directed by the donor, or as the Board of Directors of the corporation may determine in the absence of such direction.

(d) To maintain a staff of salaried employees in order to carry out the objectives and purposed of said corporation.

(e) To make contracts and incur liabilities, borrow money, issue notes, bonds and other obligations and secure any of the obligations

by mortgage or pledge of any of its property and income as the Board of Directors shall direct.

(f) To do all things and perform all acts reasonably related to or incident to the purposes for which the corporation was formed and to that end, but in no way limiting the power hereunder created, the provisions of North Carolina General Statute 55A-3-02 are hereby incorporated into these Bylaws and made a part hereof.

ARTICLE III - MEMBERS

Section 1: Composition.

There shall be one class of members, although voting privileges shall be determined by level of dues payment as hereinafter described.

The membership of the corporation shall be composed of businesses, organizations and individuals interested in supporting the objectives of this corporation as provided in Article II of these Bylaws.

Section 2: Application.

Any business, organization or individual which or who desires to become a member of the corporation must complete an application for membership provided by the corporation. Upon completion and submission of such application, together with payment of dues for the first year upon the terms hereinafter described, such applicant shall automatically become a member of the corporation and shall be entitled to the benefits of such membership.

Section 3: Voluntary Resignation and Mandatory Expulsion.

Any member may withdraw or resign from membership in the corporation by giving written notice of such resignation or withdrawal to the Board of Directors. Such resignation shall be effective immediately, and no reimbursement shall be made to such resigning member for dues or assessments previously paid by such member. Members not paying by the dates hereinafter set forth shall be automatically expelled from the corporation, and all membership benefits and privileges shall terminate as of the date of expulsion.

ARTICLE IV — MEETINGS OF MEMBERS

Section 1: Annual Meeting.

There shall be an annual meeting of the membership of the Corporation, which shall be held within Carteret County, at a place designated by the Board of Directors. Said meeting shall be held on a date designated by the Board of Directors, in the month of June of each year. Notice of the annual meeting shall be mailed to each member of the Corporation at least fourteen (14) days prior to the date thereof at the last known address of each member.

Section 2: Special Meetings.

Special meetings of the membership may be called by the President, or upon the written request of either a majority of number of members of the Corporation, or a majority of the number of votes eligible to be cast at a special meeting, or upon written request of a majority of the Board of Directors of the Corporation. Notice of such special membership meetings must be given at least five (5) days prior to said meeting, in writing, by the Corporation, to each member.

Section 3: Quorum.

A quorum at any membership meeting shall consist of at least 25 percent of the total number of members in current status on the membership roster of the Corporation represented in person or by ballot or proxy.

ARTICLE V - DUES AND ASSESSMENTS; VOTING

Section 1: Dues.

Membership dues and assessments of the corporation and the terms of payment thereof shall be established by the Board of Directors of the Corporation.

Section 2: Assessments.

The Board of Directors shall from time to time fix and determine the sum or sums necessary and adequate for the continued operation of the corporation's activities, including its advertising program. In the event that the Board of Directors shall deem the dues revenues of the corporation to be insufficient to satisfy such budgeted expenditures, the Board of Directors shall have the right to assess members of the organization an amount equal to the amount of such deficiency.

Section 3: Voting.

For each multiple of the basic annual dues amount paid by a member, such member shall be entitled to one vote on all matters for which a vote of members is contemplated or required hereunder or by law. As an example, a member contributing twice the basic annual dues amount shall be entitled to cast two (2) votes. Cumulative voting for directors shall be allowed.

ARTICLE VI - DIRECTORS

Section 1: General Powers.

Except as otherwise expressly provided herein, the business and affairs of the corporation shall be managed by the Board of Directors, who shall determine the policies and activities of the corporation within the confines of the stated purposes of the corporation contained in the Articles of Incorporation.

Section 2: Number, Term and Qualifications.

The number of directors constituting the Board of Directors shall be thirteen (13). There shall be ten regular directors, one member of the Carteret County Commissioners and two (2) non-voting, ex officio members being the Carteret County Manager, and the Chair of the Carteret County Economic Development Council Advisory Committee. The President of Carteret Community College shall serve as a standing member of the Board of Directors as a regular director. Each regular director shall hold office for a period of two years or until such director's death, resignation, retirement, removal or disqualification. A regular director (except the President of Carteret Community College) may serve no more than three (3) consecutive terms, and no director may be reappointed or elected as a director after such third consecutive term unless the director has not been a director of the corporation for a period of not less than one (1) year. If a regular member of the Board of Directors is selected to complete an unexpired term of a prior Board member who leaves the Board for any reason, the remainder of such unexpired term shall not be counted against the Board member for purposes of this section, and such Board member shall be permitted to serve for three (3) complete two year terms, plus any time served filling an unexpired term of a prior Board member.

The Carteret County Commissioners shall each January designate from among themselves one director to serve on the Board of Directors of Carteret County Economic Development Council, Inc. Such County Commissioner board member shall serve for a one-year term and may be reappointed for any number of consecutive terms, provided that such board member remains a member of the Carteret County Commissioners. The County Commissioner representative, who shall be entitled to all voting privileges shall serve at the pleasure of the Carteret County Board of Commissioners, and the County Commissioners may in their discretion terminate such appointment prior to the end of the designated term with or without cause, provided that a new appointment is made for the balance of their term. In the event that the County Commissioners-designee to the Board of Directors should die, become incapable of carrying out the responsibilities of the director or voluntarily or involuntarily relinquish the position of County Commissioner, the remaining County Commissioners shall appoint a new designee to the board to serve for the remainder of the one-year term of the director vacating the position.

Section 3: Election of Directors.

The Carteret County Commissioners shall appoint four regular directors to the Board of Directors, and the members of the Economic Development Council shall elect six regular members. Those directors to be elected by the

membership of the corporation shall be elected by ballot mailed to all members not less than twenty (20) days prior to the annual membership meeting and returned to the corporation's principal office in proper form and execution at least three (3) days prior to the annual meeting. Those persons who receive the highest number of votes shall be deemed to have been elected. Nominations shall be made by the Board of Directors and may include more nominees than vacancies to be filled. All appointments by the County Commissioners shall be staggered so that the terms of one-half of the County-appointed directors end each year. All elections by the membership of the Economic Development Council shall be structured so that the terms of one-half of the membership-elected directors end each year.

Section 4: Removal.

Directors may be removed from office with or without cause by not less than a two-thirds vote of the directors entitled to vote at any meeting. If any directors are so removed, new directors may be elected at the same meeting. Three unexcused absences from regular or special meetings during a year shall be considered proper cause for removal.

Section 5: Vacancies.

A vacancy occurring on the Board of Directors which was an appointment made by the Carteret County Board of Commissioners shall be filled by the Board of Commissioners. Any other vacancy occurring on the Board of Directors may be filled by a majority vote of the remaining directors though less than a quorum. Any replacement for a vacated position shall be for the entire unexpired term of the director vacating the position. A vacancy created by an increase in the authorized number of directors shall be filled by election at the regular membership meeting.

Section 6: Compensation; Loans.

The directors shall serve without compensation for their services. The Board of Directors shall not be empowered to lend money or corporate property to any director, officer or employee of the corporation.

ARTICLE VII - EXECUTIVE AND OTHER COMMITTEES

Section 1: Executive Committee.

There shall be a standing committee known as the Executive Committee which shall be comprised of the President, Vice-President, Secretary and Treasurer of the corporation

The Executive Committee shall have and exercise all authority of the Board of Directors in the management of the corporation except to the extent, if any, that such authority shall be limited by the resolution appointing such Executive Committee and except also to the extent limited by law.

Section 2: Nominating Committee.

There shall be a standing committee known as the Nominating Committee which shall be appointed by the President at least ninety days prior to the annual membership meeting to nominate members for the Board of Directors. The Nominating Committee shall be comprised of three (3) members of the Board of Directors whose positions are not up for election at said regular meeting. The Nominating Committee shall submit nominees for the expiring terms or vacancies on the Board of Directors for consideration by said Board.

Section 3: Economic Development Advisory Committee

There shall be a standing committee known as the Economic Development Advisory Committee. The Committee is organized:

1. To provide input and advice on proposed plans and programs proposed by the Staff and Board of the Council.
2. To provide a resource for the Staff in developing proposals to present to the Board and Members.
3. To support the vision, mission and objectives of the Council
4. To advocate and support the programs and plans approved by the Board.

The Board shall select and appoint Committee Members from among the current members of the Council.

Section 4: Other Committees.

The Board of Directors, by resolution adopted by a majority of the number of directors then in office, may create and designate one or more other committees, each consisting of at least three or more directors appointed by the President of the corporation. The executive director or other persons not directors or members may also be appointed to a committee to assist the directors. The designation of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility or liability imposed upon it or him by law.

Such committees so authorized shall have and exercise only the authority expressly granted by the Board of Directors.

Section 5: Tenure and Qualifications.

Each member of any committee shall hold office until the next regular annual meeting of the Board of Directors following his or her designation and until his or her successor is designated as a member of any such committee and is elected and qualified.

Section 6: Meetings.

Regular meetings of any committee may be held without notice at such time and place as such committee may fix from time to time by resolution. Special meetings of any such committee may be called by any member thereof upon not less than one day's notice stating the place, date and hour of such meeting, which notice may be written or oral, and if mailed, shall be deemed to be delivered

when deposited in the United States mail addressed to each member of such committee at his business address. Any member of such committee may waive notice of any meeting and no notice of any meeting need to be given to any member thereof to attend in person. The notice of a meeting of the Executive Committee need not state the business proposed to be transacted at the meeting.

Section 7: Quorum.

A majority of the members of any committee shall constitute a quorum for the transaction of business at any meeting thereof, and actions of such committee must be authorized by the affirmative vote of a majority of the members present at the meeting at which a quorum is present.

Section 8: Informal Action.

Action taken by a majority of the members of any committee without a meeting is nevertheless action of such committee if written consent to the action in question is signed by all of the members of such committee and filed with the minutes of the proceedings of the committee, whether done before or after the actions so taken.

Section 9: Removal.

Any member of any committee may be removed at any time with or without cause by resolution adopted by a majority of the Board of Directors.

Section 10: Vacancies.

Any vacancy in any committee may be filled by resolution adopted by a majority of the Board of Directors.

Section 11: Procedure.

The Board of Directors shall appoint a presiding chairman for each committee from among its members, except that the President shall serve as the presiding officer of the Executive Committee. Each committee may fix its own rules of procedure which shall not be inconsistent with these Bylaws. The chairman of each committee shall keep or cause to be kept regular minutes of its proceedings and report the same to the Executive Committee or the Board of Directors for its information at the meeting thereof held next after the proceedings shall have been taken.

ARTICLE VIII - MEETINGS OF DIRECTORS

Section 1: Meetings.

The annual meeting of the Directors shall be held in the month of July or at such other time as determined by majority of the directors. The Board of Directors shall meet monthly and shall also meet at the call of the President of the Corporation. Special meetings may be called by the Secretary at the written request of not less than one-half of the directors.

Section 2: Notice of Meeting~

Written notice of regular and annual meetings of the Board of Directors stating the time, place and subject matter (if known) of the meeting shall be given not less than seven days before the date of the meeting.

The person or persons calling a special meeting of the Board of Directors shall, at least two days before the meeting, give notice thereof by any usual means of communications. Such notice need not specify the purpose for which the meeting is called.

Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

Section 3: Quorum.

A quorum for purposes of conducting business by the Board of Directors shall constitute four or more directors at any properly called regular or special meeting of the Board of Directors, and the ex-officio board member may qualify for purposes of determining whether or not a quorum exists.

Section 4: Manner of Acting.

Except as otherwise provided in Article V, 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. In the event of a tie, the Executive Director may vote to break such ties.

Section 5: Informal Action by Directors~

Action taken by the required majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 6: Minutes.

The Secretary shall cause to be prepared and mailed or delivered to each Director minutes of each meeting of the Board of Directors prior to the date of the next Board of Directors meeting.

Section 7: Alternate forms for action by Directors and Committees.

Section 12: Meeting by Telephone.

Any one or more members of any committee may participate in a meeting of the committee by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other, and such participation in a meeting shall be deemed to constitute presence in person at such meeting.

Notwithstanding any other provision of these Bylaws,

(a) Any one or more Directors may participate in a meeting of the Board or any committee by means of a conference telephone or similar communications device which allows all persons participating in the meeting to hear each other. A person participating in a meeting in such fashion will be deemed to be present at such meeting in person.

(b) The Directors or any committee may conduct a meeting of the Board or such committee by means of an electronic "instant messaging" service, or other similar communications devices that allows all Directors participating in the meeting to receive the communications of all others participating in the meeting in a substantially simultaneous manner. A person participating in a meeting in such fashion will be deemed to be present at such meeting in person.

(c) Any action required or permitted to be taken at any Board meeting or by a committee may be taken without a meeting if the text of the resolution or matter to be agreed upon is sent to all the Directors in office or all of the members of the committee, as the case may be, and at least 75% of all of the Directors in office or 100% of all of the members of the Committee, as the case may be, consent to such action in a writing setting forth the action taken.

The writing may take the form of an electronic mail message or similar message which is identifiable to a particular Director or committee member and which the Secretary, in the Secretary's discretion, believes to be authentic.

Such consent in writing will be filed with the official minutes of the Board or the committee, and will have the same force and effect as a vote taken at a meeting.

ARTICLE IX - OFFICERS.

Section 1: Number.

The officers of the corporation may consist of a President, Vice-President, a Secretary, a Treasurer, and such Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect to the extent provided or allowable by the laws of the State of North Carolina. All officers shall be members of the Board of Directors. Any two or more offices except the offices of President and Secretary may be

held by the same person. During the absence of an officer, the Board of Directors may transfer the powers or duties described herein of any officer to any other officer of the corporation.

Section 2: Election and Term.

The officers of the corporation shall be elected by the Board of Directors. Such elections may be held at any regular or special meeting of the Board. Each officer shall hold office for a period of one year or until his or her death, resignation, retirement, removal or disqualification, and his or her successor is elected and qualifies. A duly appointed nominating committee consisting of at least three (3) Directors selected by the Board of Directors may make nominations for officers, provided, however, that if no nominating committee is selected, the entire Board of Directors shall make nominations for officers.

Section 3: Removal.

Any officer or agent elected or appointed by the Board of Directors may be removed by the Board with or without cause. Such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4: President.

The President shall preside at all meetings of the Board of Directors and the Executive Committee at which the President shall be present, and the President shall have such other powers and duties as the President shall be called upon to perform by the Board of Directors.

Section 5: Vice-President.

The Vice-President of the Board shall, in the absence or disability of the President, perform the duties and exercise the powers of the President of the Board and shall have such other duties and powers as the Board of Directors shall prescribe.

Section 6: Secretary.

The Secretary shall keep or cause to be kept a record of all the proceedings of the meetings of Directors. The Secretary shall arrange for the giving of notices, and shall have custody of the corporate seal and affix it to all instruments required to be executed under seal as authorized by the Board of Directors. The Secretary shall perform such other duties as are incident to the office of the Secretary and shall have such other powers and duties as may be conferred upon the Secretary by the Board of Directors. The Board of Directors may elect one or more Assistant Secretaries, which person shall have the same rights and responsibilities as that of the Secretary as set forth herein.

Section 7: Treasurer.

The Treasurer shall have charge of all the monies and securities belonging

to the corporation. The Treasurer shall deposit or cause to be deposited said property with such banks as the Board of Directors shall designate in the name of the corporation. The Treasurer shall control the records of all receipts and disbursements, and shall have charge of all records of the corporation relating to its finances. The Treasurer shall cause funds to be distributed in accordance with orders of the Board of Directors, insuring that proper vouchers are taken for such disbursements. The Treasurer shall perform such other duties as are incident to the office of the Treasurer and shall have such other powers and duties as may be conferred upon the Treasurer by the Board of Directors. The Board of Directors may elect one or more Assistant Treasurers, which person shall have the same rights and responsibilities as that of the Treasurer as set forth therein.

Section 8: Vacancies.

A vacancy in any office because of the death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

ARTICLE X - EMPLOYEES AND AGENTS

Section 1: Number.

This corporation may have such agents and employees as shall be determined and appointed from time to time by the Board of Directors, including, without limitation, an Executive Director.

The Executive Director, if designated, shall not be a member of the Board of Directors and shall take his or her direction from the Board of Directors. The duties and responsibilities of such agents and employees shall be assigned and defined by the Board of Directors or its Executive Committee. Any annual review of such employees shall be made pursuant to personnel policies of the corporation or as directed by the Board of Directors or its Executive Committee.

ARTICLE XI - CONTRACTS, CHECKS AND DEPOSITS

Section 1: Contracts.

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2: Checks and Drafts.

All checks, drafts or other orders for the payment of money issued in the name of the corporation shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 3: Deposits.

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such depositories as the Board of Directors shall direct.

ARTICLE XII - GENERAL PROVISIONS

Section 1: Fiscal Year.

The fiscal year of the corporation shall be a year ending June 30.

Section 2: Amendments.

Except as otherwise provided herein, these Bylaws may be amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the Directors then holding office at any regular or special meeting of the Board of Directors; provided, however, no amendment, alteration, or rescission shall be made to Article XIII or XIV of these Bylaws as it relates to the prohibition against the sharing of corporate earnings and distribution of assets. No alteration, amendment or rescission of a Bylaw shall be voted upon unless notice thereof has been given in the notice of the meeting or unless all of the Directors of the corporation execute a written waiver of notice stating that action upon the Bylaws is to be taken at the meeting, and the original of such waiver shall be recorded in the Minute Book.

Section 3: Limitation on Liability

No officer, director or employee shall be liable for his or her actions acting in such capacity, which actions are taken in good faith, provided that such officers, directors or employees may be liable for gross negligence or willful misconduct. The corporation agrees to indemnify its officers, directors and employees for any expenses, claims or liabilities suffered by or against any of such persons acting in their respective capacities as officers, directors or employees of the corporation, to the extent permissible by law. Such indemnification shall not apply to the extent that the actions of the officers, directors or employees constitute gross negligence or willful misconduct.

ARTICLE XIII

PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No officer, director or employee of or member of a committee of or person connected with the corporation, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the corporation, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the corporation in effecting any of its purposes as shall be fixed by the Board of Directors; and no such person or persons shall be entitled to share in the distribution or winding up of the affairs of the corporation, whether voluntary or involuntary. The assets of the corporation, after all debts have been satisfied, then remaining in the

hands of the Board of Directors, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board of Directors may determine or as may be determined by a court of competent jurisdiction upon application of the Board of Directors, exclusively to charitable, religious, scientific, literary, or educational organizations which would then qualify under the applicable provisions of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended relating to charitable organizations.

ARTICLE XIV

PROHIBITION AGAINST NONCHARITABLE ACTIONS

No Director, officer, or employee of this corporation shall take any action or shall fail to act in such a manner as to result in violation of Chapter 55A of the General Statutes of North Carolina or the loss of status as a charitable organization under current interpretation of the Internal Revenue Code.

The undersigned certify the foregoing Amended and Restated Bylaws have been adopted in accordance with Chapter 55A of the General Statutes of North Carolina, as of the 20th day of May, 2004.

_____(SEAL)

_____, President

_____(SEAL)

_____, Secretary

**AMENDMENT NO. 1 TO THE RESTATED BYLAWS OF THE
CARTERET COUNTY ECONOMIC DEVELOPMENT COUNCIL, INC.**

The following Amendment No. 1 to the Restated Bylaws of the Carteret County Economic Development Council, Inc., was adopted by the Board of Directors of the Carteret County Economic Development Council, Inc., at a regular meeting on August 19, 2004. Amendment No. 1 amends the Restated Bylaws of Carteret County Economic Development Council, adopted the 20th day of May, 2004 as follows:

1. Article VII, Section 1 is amended to add the Past President of the Board of Directors to the Executive Committee and shall read as follows:
 - a. There shall be a standing committee known as the Executive Committee which shall be comprised of the President, Vice-President, Secretary and Treasurer and Past President of the corporation

The undersigned President and Secretary of the Carteret County Economic Development Council, Inc., hereby certify that the fore-going Amendment No. 1 to Restated Bylaws of Carteret County Economic Development Council, Inc., was duly adopted by the Board of Directors at a properly convened meeting of the Board of Directors on September 16, 2004.

DERRYL GARNER, President

GAYE MASHBURN, Secretary

**AMENDMENT NUMBER TWO TO AMENDED AND RESTATED BYLAWS OF
CARTERET COUNTY ECONOMIC DEVELOPMENT COUNCIL, INC**

The following Amendment Number Two to Amended and Restated Bylaws of the Carteret County Economic Development Council, Inc. was adopted by the Board of Directors of Carteret County Economic Development Council, Inc., at its regular meeting on January 20th, 2005. Amendment Number One amends the Amended and Restated Bylaws of Carteret County Economic Development Council, Inc. dated as of May 20th, 2004. The Bylaws are hereby amended as follows:

Article VI, Section 4: Removal. Directors may be removed from office with or without cause by not less than a two-thirds vote of the Directors entitled to vote at any meeting. If any Directors are so removed, new Directors may be elected at the same meeting for membership-elected Directors. A Board of Commissioners appointed Director shall be appointed by the Board of Commissioners.

The undersigned President and Secretary of the Carteret County Economic Development Council, Inc. hereby certify the foregoing Amendment Number one to Restated Bylaws of Carteret County Economic Development Council, Inc., was duly adopted by the Board of Directors at a properly convened meeting of the Board of Directors on January 20, 2005.

_____(SEAL)

_____, President

_____(SEAL)

_____, Secretary