

BYLAWS OF CAROLINA BEACH MURAL PROJECT

A Nonprofit Public Benefit Corporation

PREAMBLE

The following Bylaws shall be subject to, and governed by, the Non-Profit Corporation Act of North Carolina and the Articles of Incorporation of Carolina Beach Mural Project. In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Non-Profit Corporation Act of North Carolina, said Non-Profit Corporation Act shall be the prevailing controlling law. In the event of a direct conflict the provisions of these Bylaws and the Articles of Incorporation of Corporation/Organization, it shall then be these Bylaws which shall be controlling.

ARTICLE I. Name

Section 1. The legal name of the non-profit organization shall be Carolina Beach Mural Project (hereinafter referred to as the "CBMP").

ARTICLE II. PURPOSE

"CBMP" is established within the meaning of the IRS Publication 557 Section 501 (c) (3) Organization of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code and shall be operated exclusively for the following purpose.

Section 1. **General Purpose:** The purpose of the "CBMP" is to collect donations, create fundraising events and apply for grants to be used to compensate artists and to pay for expenses associated with the painting of murals on buildings, both public and private, located in the Carolina Beach business corridor and downtown Boardwalk District. Proposals will be solicited from professional, experienced artists offering to paint thematic murals that will present Carolina Beach's history. Agreements will be reached with owners of the buildings that will receive the murals that will preserve the murals for a minimum five (5) year period. Contracts will then be entered into with the artists as independent contractors to paint mural designs that have been pre-approved by "CBMP". The collection of murals will not only present the history

of the city but will promote tourism and positively impact the business district for local retailers.

Section 2. **The Organization:** "CBMP" is a collective group of Carolina Beach residents with the goal to enhance the island through murals. The objective and purpose shall be carried out by members and volunteers who commit themselves to work under the policies and procedures established by the Board of Directors.

In addition, "CBMP" has been formed for the purpose of performing all things incidental to, or appropriate in, the foregoing specific and primary purposes. However, the "CBMP" shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

The "CBMP" shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the State of North Carolina and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of "CBMP". At no time and in event shall the CBMP participate in any activities which have not been permitted to be carried out by a "CBMP" exempt under Section 501 (c) of the Internal Revenue Code of 1986 (the "Code").

ARTICLE III. OFFICES

Section 1. **Principal Office:** The Corporation's principal office is located at 1407 Croaker Lane., Carolina Beach, NC 28428. The Board of Directors (hereinafter referred to as the "Board") is granted full power and authority to change said principal office from one location to another. Any such change shall be noted in the Bylaws opposite this Section or this Section may be amended to state the new location.

Section 2. **Other Offices:** The Board may at any time establish branch offices at any place or places where the corporation is qualified to conduct its activities.

ARTICLE IV. DEDICATION OF ASSETS

Section 1. The properties and assets of the organization are irrevocably dedicated to and for non-profit purposes only. No part of the earnings, properties, or net assets of this organization, on dissolution or otherwise, should inure to the benefit of any person or member, director, or officer of this

organization. On liquidation or dissolution, all remaining properties or assets shall be distributed or paid over to an organization dedicated to non-profit purposes which has established its tax-exempt status pursuant to Section 501 (c) of the code.

ARTICLE V. BOARD OF DIRECTORS

Section 1. **General Powers:** Subject to the provisions and limitations of the Non-profit Corporation Act of North Carolina and any other applicable laws, and subject to any limitations of the Articles of Incorporation or Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

Section 2. **Appointments and Terms of First Directors:** At its December 2020 meeting, the original "CBMP" committee members, upon adoption of the Bylaws, shall be the Board of Directors. At the same meeting, the Directors shall elect a President, Vice-President, Second Vice President, Secretary and Treasurer. The terms of the original Board of Directors will be three (3) years.

Section 3. **Number of Directors and Appointment:** The Board shall have up to eleven (11), but no fewer than five (5) Board members. The number of Board members may be increased beyond 11 members or decreased to less than 5 members by the affirmative majority vote of the then serving Board of Directors. In addition to the regular membership of the Board, representative of such other organizations or individuals as the Board may deem advisable to elect shall be *Ex-Officio Board Members*, which will have the same rights and obligations, including voting power, as the other directors.

Section 4. **Qualifications:** The directors of this Corporation shall be residents of the State of North Carolina.

Section 5. **Board Compensation:** The Board shall receive no compensation other than for reasonable expenses. However, provided the compensation structure complies with Sections relating to "Contracts Involving Board Members and/or Officers" as stipulated under those Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving the Corporation/ Organization in any other capacity and receiving compensation for services rendered.

Section 5. Election and Term of Office/Chairman: At each annual meeting of the Board, a number of directors shall be elected by the Board equal to the number of directors whose terms shall have expired at the time of such meeting, and such directorships as shall be vacant and for whom prospective directors have been nominated by the Nominating Committee. Directors shall be elected for a term of three (3) years and may be re-elected for subsequent terms of three (3) years. New and renewing Board members shall be approved by a simple majority of those Board members at a Board meeting at which a quorum is present.

Section 6. Vacancies: A vacancy on the Board of Directors may exist at the occurrence of the following conditions:

- a) The death, resignation, or removal of a Director;
- b) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a Director, or has missed 3 consecutive meeting of the Board of Directors of a total of 3 meetings of the Board during any one calendar year;
- c) An increase in the authorized number of Directors; or
- d) The failure of the Director(s), at any annual or other meetings of Directors at which Director(s) are to be elected, to elect the full authorized number of Directors.

The Board of Directors, by way of affirmative two-thirds vote of the Directors then currently in office, may remove any Director without cause at any regular or special meeting, provided that the director to be removed has been notified in writing in the manner set forth in Article 5- Meetings that such action would be considered at the meeting.

Except as provided in this paragraph, any Director may resign effective upon giving written notice to the Chair of the Board, the President of CBMP, the secretary of CBMP, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. Unless the Attorney General of North Carolina is first notified, no director may resign when the CBMP would then be left without a duly elected director in charge of its affairs.

Any vacancy on the Board may be filled by vote of two-thirds majority of the directors then in office, whether or not the number of directors then in office is less than a quorum or by vote of a sole remaining director. No reduction of the

authorized number of directors shall have the effect of removing any Director before that Director's term of office expires.

A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 7. **Resignation:** Each Board member shall have the right to resign at any time upon written notice thereof to the Chair of the Board, Secretary of the Board, or the Executive Director. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make effective.

Section 8. **Removal:** A Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a two-thirds majority of then-serving Board members.

Section 9. **Place of Meetings of Directors:** Meetings of the directors shall be held at any place within or outside North Carolina designated by the Board. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Meetings may also be held via ZOOM or any other virtual medium.

Section 10. **Meetings and Quorum:** The Board shall hold quarterly business meeting and may hold other meetings as needed. A majority of the number of Directors authorized by the Bylaws shall constitute a quorum. The act of a majority of Directors present at a meeting at which the quorum is present shall be an act of the Board. Notice of the time and place of all special meetings

Section 11. **Regular Meetings:** Regular meetings of the Board shall be held at the principal office of the Corporation or via ZOOM as needed. Other regular meetings of the Board may be held upon the same notice as for special meeting at such time and place as the Board may fix from time to time.

Section 12. **Special Meetings:** Special meetings of the Board for any lawful purpose may be called at any time by the President of the Board or by one-third (1/3) of the directors. Notice of the time and place of all special meetings shall be given by the Secretary to each Director by actual notice at least 24 hours before the meeting; or by email 48 hours before the meeting; however, that meeting may be held without notice if all Directors are present and waive notice of the meeting in writing. This pertains to all Virtual Meetings as well. In

cases where decisions need to be made and a meeting is not practical or timely, the board may vote via email.

Section 13. **Voting:** Each member shall only have one vote.

Section 14. **Proxy:** Board members shall be allowed to vote by written proxy including via email.

Section 15. **Action by Written Consent:** Any action required or permitted to be taken of the Board may be taken without a meeting if all the directors of the Board shall individually or collectively consent in writing or email to such action.

Section 16. **Minutes:** The Secretary shall be responsible for recording all the minutes of each meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event the Secretary is unavailable, the Chair of the Board shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to the CBMP to be placed in the minute books or filed online. A copy of the minutes shall be delivered to each Board member via either mail, hand delivered, emailed, or faxed within 7 business days after the close of each Board meeting.

Section 17. **Board Member Attendance:** An elected Board Member who is absent from 3 consecutive regular meetings of the Board during a fiscal year shall be encouraged to reevaluate with the Chair of the Board his/her commitment to CBMP. The Board may deem a Board member who has missed 3 consecutive meetings without such an evaluation with the Chair to have resigned from the Board.

ARTICLE VI. OFFICERS

Section 1. **Officers of the Organization:** The officers of the organization shall be a President, a First Vice President, a Second Vice President, a Secretary and a Chief Financial Officer, each of whom shall be a member of the Board.

Section 2. **Election of Officers:** At the first regular meeting each year after the annual meeting, the Directors, by simple majority, shall elect the Officers. The officers of the Corporation shall be chosen by, and shall serve at the pleasure of the Board, and shall hold their respective offices until their

resignation, removal or other disqualification from service, or until their respective successors shall be elected.

Section 3. Removal and Resignation of Officers: Any officer may be removed either with or without cause by a majority of the directors at any meeting of the Board. Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect as of the date the notice is received, or at any later time specified in the notice; unless otherwise specified in the notice, the resignation need not be accepted to be effective.

Section 4. Vacancies in Office: A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to that office; provided, however, that vacancies need not be filled except on an annual basis.

Section 5. President: Subject to such supervisory powers as may be otherwise given by the Board, its President shall be the Chief Executive Officer of the Organization and shall, subject to the control of the Board, have general supervision, direction and control of the business and affairs of the Organization. He/She shall preside at all meetings of the Board of Directors and shall be an ex-officio member of all committees except as otherwise provided by the Board. He/She shall have the general powers and duties of management usually vested in the office of President and such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 6. Vice Presidents: The Vice Presidents shall have such powers and perform such duties as from time to time may be prescribed for them respectively by the Board of Directors, the President or any other officer supervising such Vice President. In the absence or disability of the President, the First Vice President shall substitute for and assume the duties, powers and authority of the President, and if he/she should be unavailable or unable to serve as such substitute, the Second Vice President shall do so. In addition, the President shall appoint each of the First Vice President and Second Vice President to serve on at least one standing committee in addition to the Executive Committee.

Section 7. Secretary: The Secretary shall keep a record of the minutes of all meetings of the Director and members, and shall give notice of meetings as provided by these Bylaws; shall have the custody of all books, records and papers of "CBMP"; and shall perform such other duties as from time to time shall be assigned to them by the Board of Directors.

Section 8. Chief Financial Officer: The Chief Financial Officer shall be the treasurer of the Organization and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and of the business transactions of the Organization, including the accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any director. He/She shall disburse or cause to be disbursed, the funds of the Organization in such manner as may be ordered by the Board, shall render to the Board and its Chairman, whenever the same may be requested, an account of all his/her transactions as Chief Financial Officer and of the financial condition of the Organization. The Chief Financial Officer shall have such other powers and perform such other duties as may be prescribed by the Board or these Bylaws. Further, this Chief Financial Officer shall assist the Board in carrying out its responsibility of exercising reasonable business judgment and shall have the duties and responsibilities to monitor the financial affairs of the Organization; participate in the financial reporting process; and maintain liaison and consider matters relating to accounting, audit and reporting practices, including participation in the engagement of independent auditors and the scope of their assignments. The CFO shall see that all accountings and tax reporting necessary to attain and maintain non-profit, tax-exempt and deductible-contribution status is done in a timely manner. It shall be the responsibility of the Chief Financial Officer to keep the Board fully apprised with respect to each of the foregoing activities.

ARTICLE VII. COMMITTEES

Section 1. Board Committees: Except as otherwise provided in these Bylaws, the Board shall have the power to appoint committees necessary to meet the objectives of the organization. A list of approved committees and designated chairs and co-chairs (if applicable) is approved, maintained and published by the Board of Directors at least annually. This document will also include purpose, chair and co-chair and committee responsibilities.

Section 2. Meetings and Actions of Committees: Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings of the Board and Board action, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or by committee chairperson.

ARTICLE VIII. MEMBERS

Section 1. **Members:** Any action which would otherwise require approval by a majority of all members or approval by the members shall require only approval of the Board. All rights which would otherwise vest in the members shall vest in the directors. Annual dues for various classes of membership shall be established by the Board of Directors. Any individual, family, organization, or business may apply for membership in the Corporation in the appropriate class. The Board of Directors may classify and recognize donors who contribute amounts above the membership fee with additional benefits.

Section 2. **Term of Membership and Fees:** A membership shall last for one year, starting at the first day of the new year. The Board shall set the nature of the fee and when it will be paid.

Section 3. **Incidents of Membership:** Members shall have no vote. The Board of Directors shall determine membership privileges consistent with laws applying to non-profit tax-exempt organizations.

ARTICLE IX. INDEMNIFICATION

Section 1. **Definitions:** Each Director and Officer of the corporation shall be indemnified by the Organization against expenses reasonably incurred by them in connection with any action, suit, or proceedings to which they may be made party by reason of them being or having been a Director or Officer of "CBMP" (whether or not they continue to be a Director or an Officer at the time of incurring such expenses), except in relation to matters to which they shall finally be adjudged in such action, suit or proceeding to be personally liable. The foregoing right of indemnification shall not be exclusive of other rights to which any Director or Officer may be entitled by matter of the law.

Section 2. **Insurance:** The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent of the Organization, as defined in this section, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such whether or not the Organization would have the power to indemnify the agent against such liability under the provisions of the law.

ARTICLE X. CONFLICT OF INTEREST

The purpose of the Conflict of Interest policy is to protect the Organization's interest when it is contemplating entering into a transaction or arrangement that may benefit the private interest of one of its officers or directors, or that might otherwise result in a possible excess benefit transaction. 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 and is not intended as an exclusive statement of responsibilities.

Section 1. **Duty to Disclose:** Whenever a director or officer has a financial or personal interest in any matter coming before the board of directors, the affected person shall

- a. Fully disclose the nature of the interest
- b. Withdraw from discussion, lobbying and voting on the matter.

Section 2. **Vote/ Transaction:** Any transaction or vote involving a potential conflict of interest shall be approved only when a majority of disinterested directors determine that it is in the best interest of the organization to do so. The minutes of the meetings at which such votes are taken shall record such disclosure, abstention and rationale for approval.

ARTICLE XI. GENERAL PROVISIONS

Section 1. **Contributions and Gifts:** The Board is authorized to receive and administer for the Organization, gifts, endowments, and contributions in accordance with the request of the donor and the objects and purposes of the Organization.

Section 2. **Endowment Fund:** The Organization may establish, maintain, manage and operate a permanent endowment fund (the "Endowment Fund"). All funds and other assets maintained in the Endowment Fund shall be so designated in the Organization's book and records. Funds and other assets may be placed in the Endowment Fund either by specific designation by a donor, or approval by the Board. Unless otherwise voted by the Board, the investment income from the Endowment Fund shall be placed into the Organization's general fund, and used for its general purposes. No portion of the Endowment Fund principal may be used for any purpose other than financial investment without the vote of two-thirds (2/3) of all of the Directors.

The Board will periodically establish goals and standards for the maintenance and use of the Endowment Fund.

Section 3. **Draft, Checks and Securities:** All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness issued in the name or payable to the Organization and any and all securities owned or held by the Organization requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board.

Section 4. **Loans:** No loans shall be contracted on behalf of the Organization and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors.

Section 5 **Execution of Contracts:** The Board, except as in these Bylaws otherwise provided, may authorize its President, any Vice President, any other officer or officers, or other agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of this Organization, and such authority may be general or confined to specific instances and, unless so authorized by the Board, no officer, agent or employee shall have any power and authority to bind the Organization by any contract or agreement or to pledge its credit or to render it liable for any purpose or in any amount.

Section 6 **Fiscal Year:** The fiscal year of this service shall commence on the first day of January of each year and shall end on the last day of December of the same year.

Section 7. **Maintenance of Corporation Records:** The Organization shall keep:

- (1) Adequate and correct books and records of account;
- (2) Written minutes of the proceedings of its Board and committees of the Board; and
- (3) A record of each Director's name, address, and telephone number.

Section 8. **Financial Records:** The books and accounts of the Organization shall be kept in accordance with approved accounting procedures and may be audited annually by independent auditors selected by the Board.

ARTICLE XII. ADOPTION AND CHANGE OF BYLAWS

Section 1. **Initial Adoption:** The initial Bylaws shall be adopted by the unanimous vote of the initial Board of Directors at its December 2020 organizational meeting.

Section 2. **Changes:** Alteration, amendment, or repeal of the Bylaws of adoption of new Bylaws must be by two-thirds majority of the number of Directors authorized in the Bylaws existing at the time the change is to be voted upon. Notification in writing that amendments and/or repeals will be voted upon and the proposed amendments and/or repeals shall be sent to the members of the Board at least twenty (20) days prior to the meeting at which they will be acted upon.

CERTIFICATE OF SECRETARY

THIS IS TO CERTIFY that I am the duly elected, qualified and acting Secretary of the Carolina Beach Murals Project and that the above and foregoing Bylaws, constituting a true original copy, were duly adopted as the Bylaws of said Corporation by the Board of Directors of said Organization.

EXECUTED on this 1st day of __December, 2020__, in the County of New Hanover in the State of North Carolina.

____Susan Barbee_____
Duly Elected Secretary