

**BYLAWS
of
ALBEMARLE COMMUNITY TRUST**

**ARTICLE I
Offices**

1. Principal Office. The principal office of the Corporation shall be located at 125 Cooperative Way, Hertford, NC 27944-0069, or such place as the Board of Directors may determine.
2. Registered Office. The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.
3. 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
Members**

The Corporation shall have no members.

**ARTICLE III
Directors**

1. General Powers. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors or, to the extent provided by the Board of Directors, under the direction of such Executive Committee and other committees as the Board of Directors may establish pursuant to these Bylaws and under North Carolina Law.
2. Number of Directors. The number of Directors of the Corporation shall equal nine (9). The initial Board of Directors shall be appointed by the Directors of Albemarle Electric Membership Corporation.
3. Term of Office and Representation. The Board of Directors, whose members shall be appointed by Directors of Albemarle Electric Membership Corporation in December of each year, shall, when practicable, represent the five (5) directorate districts, as provided by the Bylaws of Albemarle Electric Membership Corporation or any amendments to or subsequent versions thereof. Directors so appointed shall serve one-year terms.
4. Qualifications. Directors shall be appointed based upon their involvement in the community and their apparent or demonstrated interest in community development or assisting those in need. A Director shall not be a director or incumbent director, or employee of Albemarle Electric Membership Corporation, or a person who, by blood or in law, including step, half, foster or adoptive kin, is either a spouse, child, grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece of a director or incumbent director, or employee of Albemarle Electric

Membership Corporation (collectively “close relatives”). Notwithstanding any provision of these Bylaws relating to close relatives, no incumbent Director shall become ineligible to serve as a Director if he or she becomes a close relative because of a marriage in which he or she was not a party.

5. Standards for Acting. Directors shall be subject to the general standards for acting and conflict of interest provisions as provided in the North Carolina Nonprofit Corporation Act, N.C.G.S. §§ 55A-1 et seq., as it now exists or may exist in the future.
6. Removal. Any Director may be removed from office at any time, with cause, by a vote of the Directors who are not subject to the removal vote. If any Director is removed, a new Director may be elected at the same meeting. A Director may not be removed at a meeting unless the notice of the meeting states that a purpose of the meeting is removal of the Director.
7. Vacancies. A vacancy occurring in the Board of Directors including, without limitation, a vacancy resulting from a decrease in the number of Directors or the failure of the Directors to elect the authorized number of Directors shall be filled by the Directors. If the remaining Directors in office do not constitute a quorum, the Directors may fill the vacancy by the affirmative vote of a majority of the Directors.
8. Compensation. For their services as such, the ACT Board of Directors shall, as determined by the Albemarle EMC Board of Directors, receive on a *per diem* basis, a fixed fee. Directors shall also be reimbursed at the applicable standard mileage rate set forth by the IRS.
9. Executive and Other Committees. Unless otherwise provided in the Articles of Incorporation of the Corporation or these Bylaws, the Board of Directors, by resolution adopted by a majority of the number of Directors then in office, may designate from among its members an Executive Committee consisting of two (2) or more Directors. To the extent specified by the Board of Directors, such committee shall have and may exercise the authority of the Board of Directors in the management of the business and affairs of the Corporation, except that a committee may not (i) approve the dissolution, merger, or sale, pledge, or transfer of all or substantially all of the Corporation’s assets; (ii) elect, appoint, or remove Directors; or (iii) amend, adopt, or repeal the Articles of Incorporation or Bylaws.

Any such committee or any member thereof may be discharged by a majority of the Directors present at a meeting at which a quorum is present, by informal action of the Board of Directors as provided by law, or as otherwise provided in these Bylaws. The provisions in the Bylaws governing meetings of the Board of Directors, action of the Board of Directors without meetings, notice of meetings of the Board of Directors, and waiver of such notice and quorum and voting requirements of the Board of Directors shall apply to committees established hereunder except as otherwise provided in these Bylaws and except as otherwise determined by the Board of Directors.

10. Resignation of Directors. A Director may resign at any time, by communicating his or her resignation to the Board of Directors, the Board President, or to the Corporation. A resignation is effective when communicated unless the notice provides either (1) that the resignation will be effective on a later date, or (2) a subsequent event upon which the notice will be effective.

ARTICLE IV
Meetings of Directors

1. Conduct. The President of the Board, or the Vice-President in his or her absence, shall preside over meetings of the Board of Directors, and shall perform such other duties as may be directed by the Board of Directors. The President and the Vice-President shall be officers of the Corporation. Meetings of the Board of Directors shall be conducted according to Robert's Rules of Order, as they now exist or may exist in the future.
2. Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly, without requirement of notice, and in a manner, time, and place, either within or without the State of North Carolina, as shall in each case be fixed by the President of the Board, the Secretary, or the Board of Directors.
3. Substitute Regular Meetings. If a regular meeting shall not be held according to the schedule designated herein, a substitute regular meeting may be called and such substitute regular meeting shall be designated, conducted, and treated for all purposes as the regular meeting.
4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President of the Board, or any two (2) or more Directors. Such meetings may be held within or without the State of North Carolina.
5. Notice of Special Meetings. The person(s) calling a special meeting of the Board shall, at least two (2) days before the meeting, give or cause to be given notice thereof by any usual means of confirmed communication. Such notice need not specify the purpose for which the meeting is called, unless the purpose for such meeting is the removal of a Director from the Board or removal of a Director from a Committee.
6. Adjournment: Any duly convened regular or special meeting may be adjourned by the Board of Directors to a later time without further notice.
7. Waiver of Notice. Any Director may waive notice of any Directors' meeting held without proper call or notice, either before or after the meeting is held. Except as hereafter provided in this Article IV, any such waiver must be in writing, signed by the Director entitled to the notice and filed with the corporate records or minutes of the associated meeting.

Attendance by a Director at, or participation in, a meeting shall constitute a waiver of notice of such meeting except where a Director, at the beginning of the meeting, or, if the Director is not present at the start of the meeting, promptly upon that Director's arrival at the meeting, objects to holding the meeting or to the transaction of any business because the meeting is not lawfully called and does not thereafter vote for or assent to action taken at the meeting.
8. Quorum. Except as otherwise provided by applicable law, the Articles of Incorporation, or these Bylaws, a majority of the number of Directors fixed by or pursuant to these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.
9. Manner of Acting. Except as otherwise provided by applicable law, in the Articles of Incorporation, or in this Article IV of these Bylaws, an 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. If,

during a meeting, a sufficient number of Directors leave the meeting such that a quorum is no longer present, any action taken thereafter shall not be considered to be an act of the Board of Directors unless such action is approved as otherwise provided by this Article IV.

The vote of two-thirds (2/3) of the Directors shall be required to adopt, amend, or repeal a Bylaw, or adopt a resolution dissolving the Corporation. Approval of a transaction by the Board of Directors in which one (1) or more Directors have an adverse interest shall require a vote of the majority (not less than two (2)) of the disinterested Directors present, even though less than a quorum, after all such disinterested Directors have been apprised of the material facts of the transaction and of the interested Director's adverse interest therein or if there are less than two (2) disinterested Directors, by the affirmation vote of all of the Directors.

10. Presumption of Assent. A Director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless:

- (a) The Director objects at the beginning of the meeting or, if the Director is not present at the start of the meeting, promptly upon that Director's arrival, to holding the meeting or to transacting business at the meeting; or
- (b) The Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
- (a) The Director files written notice of dissent or abstention from the action taken with the presiding officer of the meeting before its adjournment, or with the Corporation immediately after the adjournment of the meeting.

The right to dissent or abstain is not available to a Director who votes in favor of the action taken.

11. Informal Action by Directors. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if written consent to the action in question, describing the action taken, is signed by all of the Directors and filed with the minutes of the proceedings of the Board or with the corporate records, whether done before or after the action so taken.

12. Attendance by Telephone or Other Electronic Means. The Board of Directors may permit any or all Directors to participate in any regular or special meeting of the Board of Directors by, or conduct the meeting through the use of, any means of communication by which all Directors participating may simultaneously communicate with each other during the meeting. A Director participating in a meeting by this means shall be deemed to be present in person at such meeting and shall be counted in determining whether a quorum is present.

ARTICLE V
Officers

1. Number. The officers of the Corporation shall consist of a President, Vice-President, Secretary, Treasurer, and such other officers as may from time to time be appointed by or under the authority of the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary may not be held by the same person.
2. Election and Term of Officers. The Board shall elect officers of the Corporation annually. Such election may be held at any regular or special meeting of the Board. Each officer shall hold office until his or her death, resignation, retirement, removal, or disqualification, or until his or her successor is elected and qualified.
3. Removal. The Board of Directors may remove any officer or agent at any time with or without cause by a majority of the Directors then holding office.
4. Resignation. An officer may resign at any time by communicating his resignation to the Corporation orally or in writing. A resignation is effective when communicated, unless it specifies a later effective date in writing. The Board may fill any pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date. An officer's resignation does not affect the Corporation's contract rights, if any, with the officer.
5. President. The President of the Board of Directors shall be the principal executive officer of the Corporation, and, subject to the control of the Board and in accordance with these Bylaws, shall control the management of the Corporation. The President shall, when present, preside at all meetings of the Board of Directors. The President shall sign, with any other proper officers, any deeds, mortgages, bonds, contracts, or other instruments which may lawfully be executed on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent; and, in general, the President shall perform all duties incident to the office of the President and such other duties as may be prescribed by the Board of Directors from time to time.
6. Vice-President. Unless otherwise determined by the Board, the Vice President shall, in the absence or disability of the President, perform the duties, exercise the powers, and be subject to all the restrictions of that office. In addition, he/she shall perform such other duties and have such other powers as the Board shall prescribe.
7. Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Board of Directors, and of all committees of the Board of Directors. The Secretary shall give all notices required by law and by these Bylaws. The Secretary shall have general charge of the corporate records, minute books and of the corporate seal, and shall affix the corporate seal to any lawfully executed instruments requiring it. The Secretary shall sign such instruments as may require the Secretary's signature, and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned to the Secretary from time to time by the President of the Board or the Board of Directors.

8. Treasurer. The Treasurer shall have the custody of all funds and securities belonging to the Corporation and shall be responsible for the receipt, deposit or disbursement of moneys to and by the Corporation. The Treasurer shall keep full and accurate accounts of the finances of the Corporation in books especially provided for such purpose and shall cause financial statements for the Corporation, including a balance sheet and income and cash flow statements, to be prepared for each fiscal year of the Corporation in reasonable detail, which financial statements or written notice of their availability shall be mailed to each Director within four (4) calendar months after the close of each such fiscal year. The Treasurer shall, in general, perform all duties incident to the office of Treasurer and such other duties as may be assigned to him from time to time by the President of the Board or by the Board of Directors. The Treasurer may, with the approval of the Board, delegate the physical work of bookkeeping, accounting, auditing, and tax preparation to other qualified persons, but the Treasurer shall be responsible for seeing that all duties hereunder are performed in a competent manner.
9. Assistant Secretaries and Treasurers. Assistant Secretaries and Assistant Treasurers, if appointed, in the order of their length of service as such unless otherwise determined by the Board of Directors, shall, in the absence or disability of the Secretary or the Treasurer, respectively, perform the duties and exercise the powers of those offices and shall, in general, perform such other duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the President of the Board or the Board of Directors.
10. Bonds. The Board of Directors may by resolution require any or all officers, agents and employees of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of their respective offices or positions and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE VI Indemnification

1. Extent. In addition to the indemnification otherwise provided by law, the Corporation may indemnify and hold harmless any person who at any time serves or who has served as a Director or officer of the Corporation against liability and expenses in any proceeding, including amounts with respect to: (1) reasonable attorneys' fees and reasonable expenses incurred in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitrative action, suit or proceeding (and any appeal therein), whether or not brought by or on behalf of the Corporation, seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity; and (2) reasonable payments made in satisfaction of any judgment, money decree, fine (including an excise tax assessed with respect to an employee benefit plan), penalty, or settlement for which he or she may have become liable in any such action, suit, or proceeding.
2. Determination. The Board shall take all such action as may be necessary and appropriate under this Article to effectuate its provisions. Indemnification, if any, shall be paid by the Corporation only after a good faith determination that the Director or officer did not act in a manner, at the

time the activities were taken, that was known or reasonably should have been known by such Director or officer to be clearly in conflict with the best interest of the Corporation and that indemnification is permissible given the circumstances. Such determination shall be made:

- (a) By the affirmative vote of a majority (but not less than two) of Directors who are or were not parties to such action, suit, or proceeding or against whom any such claim is asserted ("disinterested directors") even though less than a quorum;
 - (b) If a majority (but not less than two) of disinterested directors so direct, by independent legal counsel in a written opinion;
 - (c) If there are less than two disinterested directors, by the affirmative vote of all of the Directors;
 - (d) By a court of competent jurisdiction.
3. Advanced Expenses. Expenses incurred by a Director or officer in defending a civil or criminal claim, action, suit or proceeding may, upon approval of a majority (but not less than two) of the disinterested directors, even though less than a quorum, or, if there are less than two disinterested directors, upon unanimous approval of the Board of Directors, may be paid by the Corporation in advance of the final disposition of such claim, action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director or officer to repay such amount unless it shall ultimately be determined that he/she is entitled to be indemnified against such expenses by the Corporation.
 4. Officer. For purposes of this Article, "Officer" shall refer to all officers of the Corporation who are appointed by the Board of Directors.
 5. Reliance and Consideration. If the Corporation resolves to indemnify according to the provisions of this Article, any Director or officer who at any time after the adoption of these Bylaws serves or has served in any of the aforesaid capacities for or on behalf of the Corporation shall be deemed to be doing, or to have done, so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of these Bylaws. No amendment, modification, or repeal of this Article shall adversely affect the right of any Director or officer to indemnification hereunder with respect to any activities occurring prior to the time of such amendment, modification, or repeal.
 6. Insurance. The Corporation may purchase and maintain insurance on behalf of its Directors, officers, employees, and agents and those persons who were serving at the request of the Corporation as a Director, officer, partner, trustee, employee, or agent of, or in some other capacity in, another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise against any liability asserted against any Director, officer, employee or agent and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article or otherwise. Any full or partial payment made by an insurance company under any insurance policy covering any Director, officer, employee or agent made to or on behalf of a person entitled to indemnification under this Article shall relieve the Corporation of its liability

for indemnification provided for in this Article or otherwise to the extent of such payment, and no insurer shall have a right of subrogation against the Corporation with respect to such payment.

ARTICLE VII Contracts, Checks and Deposits

1. Contracts. The Board of Directors may authorize any officer(s) or agent(s) to enter into any contract or execute and deliver any instrument in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.
2. Loans. No Loan shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board, and such authority may be general or confined to specific instances.
3. Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer(s) or agent(s) of the Corporation and in such manner as shall from time to time be determined by or under the authority of the Board of Directors.
4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as may be selected by or under the authority of the Board of Directors.
5. Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general or special purposes of the Corporation.

ARTICLE VIII Disbursement of Funds

1. Accumulation of Funds. Albemarle Electric Membership Corporation shall transfer funds it has collected for the benefit of the Corporation on a regular basis, but no less than quarterly. The Corporation may also solicit and accept contributions from other sources, as deemed appropriate by the Board of Directors.
2. Authority to Disburse Funds. Except as otherwise provided by these Bylaws, the Corporation's Board of Directors shall have the full and sole responsibility for the disbursement of all contributions and funds received in accordance with these Bylaws and policies as adopted by the Corporation's Board.
3. Guidelines for Disbursement. Guidelines for disbursements shall be developed by the Board of Directors; however, social welfare organizations, local charities, and service organizations that reside, operate, and provide benefits and/or services within Albemarle Electric Membership Corporation's service area should be given preference. The following are requirements the Board of Directors shall adhere to in developing guidelines and making disbursements:

- (a) Funds shall be allocated first to those projects that serve a broad range of individuals and enhance the community;
 - (b) The Board shall endeavor to distribute funds throughout the geographic area;
 - (c) Funds may be used to enhance the financial infrastructure of the area and to bring jobs to the region; and
 - (d) Funds may only be used for purposes that are educational, or charitable,
4. Amount of Expenditures. Unless otherwise provided herein and in keeping with the Corporation's purpose, the Board of Directors may make annual expenditures of the Corporation's funds by a majority vote of Board members present at the meeting and constituting a quorum according to the following:
- (a) No more than \$1,500 during any consecutive 12-month period to any individual; and
 - (b) No more than \$5,000 during any consecutive 12-month period to any group, organization, or charity.
5. Emergency Expenditures. The President and Secretary of the Corporation, through joint action, may from time to time make expenditures on an emergency basis, in accordance with these Bylaws and policies adopted by the Board of Directors, in an amount not to exceed \$5000, to any person, family, group, organization, or charity. Any emergency expenditure must be fully disclosed by the President and the Secretary at the next regularly called Board meeting.
6. Use of Funds and Trust Costs. One hundred percent (100%) of funds donated to the Corporation shall be disbursed to qualified social welfare organizations, local charities, or local organizations after deduction of expenses necessary to the operation of the Corporation, if any. On a quarterly basis, the Corporation shall provide Albemarle Electric Membership Corporation with a detailed report of the Corporation's revenues and expenses. Each report shall list, at a minimum: gift recipients by name, project, and gift amount; unique donations and their sources; and revenues of the Corporation. Annual financial statements of the Corporation shall be presented to the Members of Albemarle Electric Membership Corporation at its annual member meeting or by mail.
7. Independent Action. The Corporation is an independent entity and shall not rely on any other entity when making decisions regarding the expenditure of its funds. However, the Corporation may seek the advice of other entities or individuals, as desired.

ARTICLE IX
General Provisions

1. Political Contributions. No funds of the Corporation shall in any fashion be used to support any candidate for political office or for any political purpose.
2. Distribution on Dissolution. In the event of dissolution of the Corporation, all remaining funds after all indebtedness is resolved will be determined by resolution of the Board of Directors at its final meeting and must be distributed to an organization or fund recognized as non-profit and tax-exempt under Section 501(c)(3) of the Internal Revenue Code.
3. Fiscal Year. The fiscal year of the Corporation shall end on 31 December or as otherwise determined by the Board of Directors.
4. Seal. The corporate seal of the Corporation shall be as determined by the Board of Directors.
5. Amendments. These Bylaws may be amended or repealed only by the affirmative vote of two thirds (2/3) of the Directors then holding office at the time of any regular or special meeting of the Board, after five (5) days' written notice of the meeting. The notice shall state that a purpose or the purpose, as the case may be, of the meeting is to consider a proposed amendment to the Bylaws. A copy of the proposed amendment must be included with the meeting notice.
6. Definitions. Unless the context otherwise requires, terms used in these Bylaws shall have the meanings assigned to them in the North Carolina Nonprofit Corporation Act to the extent defined therein.

Revised: February 9, 2016; April 15, 2021, December 13, 2022