

**BYLAWS
OF
NC LIVE FOUNDATION**

ARTICLE I

Principal Office

The principal office of NC LIVE Foundation (hereinafter “NC LIVE Foundation”) shall be located at D. H. Hill, 2 Broughton Drive, NCSU Libraries, Raleigh, North Carolina 27696 (mailing address NCSU Libraries, Campus Box 7111, Raleigh, North Carolina 27695-7111) or at such other place as the Board of Directors may determine.

ARTICLE II

Purposes

The objects and purposes for which NC LIVE Foundation is formed are set forth in its Articles of Incorporation.

ARTICLE III

Directors

1. General Powers. All corporate powers shall be exercised by or under the authority of, and the affairs of NC LIVE Foundation shall be managed under the direction of the Board of Directors of NC LIVE Foundation. Unless indicated otherwise, “Board of Directors” shall mean the Board of Directors of NC LIVE Foundation.

2. Number and Qualification. The Board of Directors shall be comprised of the members of the NC LIVE Librarians Council Executive Committee.

3. Compensation. Directors shall not be compensated for their services as such, but the Board of Directors may provide for the payment of expenses which are incurred by directors in connection with the performance of their duties.

4. Executive Committee. At any annual or special meeting, by action of a majority of the number of directors then in office, the Board of Directors may elect an Executive Committee consisting of the Chair, the Executive Director (who shall serve as an *ex-officio* nonvoting member) and two or more other directors. Subject to such restrictions and limitations as may be imposed from time to time by the Board of Directors, the Executive Committee shall have and may exercise the full authority of the Board of Directors in the management of NC LIVE Foundation, except that it shall have no authority as to the following matters: (a) distributions, as defined in the North Carolina Nonprofit Corporation Act; (b) the dissolution, merger or consolidation of NC LIVE Foundation, the amendment of the charter of NC LIVE

Foundation, or the sale, lease or exchange of all or substantially all of the property of NC LIVE; (c) the designation of any committee of the Board of Directors or the filling of vacancies in the Board of Directors or in any such committee; (d) the amendment or repeal of the bylaws or the adoption of new bylaws; or (e) the amendment or repeal of any resolution of the Board of Directors which by its terms shall not be so amendable or repealable. The Executive Committee shall report to the Board of Directors from time to time with respect to significant actions taken by it.

7. Other Committees. By action of a majority of the number of directors then in office, the Board of Directors may from time to time designate such other committees as in the judgment of the Board of Directors may be necessary to carry out the objects and purposes of NC LIVE Foundation and may determine the duties and tenure of each such committee.

ARTICLE IV

Meetings of Directors

1. Regular Meetings. The Board of Directors may provide, by resolution, the time and place, either within or without the State of North Carolina, for the holding of its annual meeting and any regularly scheduled meetings. The annual meeting shall be held at a time and place to be determined by the Board of Directors

2. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair, the Executive Director, the Secretary-Treasurer or any two directors. Such meetings may be held within or without the State of North Carolina.

3. Notice of Meetings. Annual meetings and regular meetings of the Board of Directors may be held with five (5) days prior notice. The person or persons calling a special meeting of the Board of Directors shall, at least 48 hours before the meeting provide an agenda to the Board of Directors. Notice under this provision may be given by any usual means of communication, including without limitation, personal notice, written notice and electronically communicated notices. Such notice need not specify the purpose for which the meeting is called.

4. Waiver of Notice. Any director may waive any required notice before or after the date and time stated in the notice. Attendance at or participation by a director in a meeting shall constitute a waiver of notice of such meeting, unless the director at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting any business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

5. Quorum. One-half of the directors in office shall constitute a quorum for the transaction of business at a board meeting of the Board of Directors. One-half of the members of a committee of the Board of Directors shall constitute a quorum for the transaction of business at a meeting of the committee.

6. Manner of Acting. Except as otherwise provided by law, the Articles of Incorporation or these bylaws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

7. Conflict of Interest Transactions.

A. Definition: “Conflict of interest transaction” means any transaction in which a director has a direct interest or an indirect interest. A director has a direct interest in a transaction if the director or a member of the director’s immediate family has either a material financial interest in the transaction or a relationship with the other parties to the transaction that might reasonably be expected to affect his or her judgment. A director has an indirect interest in a transaction if either (i) another entity in which the director has a material financial interest or in which the director is a general partner is a party to the transaction, or (ii) another entity of which the director is also a director or is an officer or trustee is a party to the transaction and the transaction is of sufficient importance that it should be considered by the Board of Directors of NC LIVE Foundation.

B. Special Requirements: A conflict of interest transaction is not voidable by NC LIVE Foundation solely because of a director’s interest in the transaction if (1) the material facts of the transaction and the director’s interest were disclosed or known to the Board of Directors or a committee of the Board and the Board or Committee authorized, approved or ratified the transaction, or (2) the transaction was fair to NC LIVE Foundation.

C. Disclosure: A director who has a direct or indirect interest in any transaction presented to the Board of Directors or any committee of the Board shall disclose his or her interest.

D. Approval: A conflict of interest transaction must be authorized, approved or ratified by the affirmative vote of a majority of the directors (not less than two) on the Board of Directors (or the appropriate committee) who have no direct or indirect interest in the transaction and to whom the material facts of the transaction and of any director’s interest in the transaction were disclosed or known. If a majority of the directors, who have no direct or indirect interest in the transaction vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking such action. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken in accordance with this paragraph.

8. Presumption of Assent. A director of NC LIVE Foundation who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken shall be deemed to have assented to the action taken unless the director objects at the beginning of the meeting (or promptly upon arrival) to holding it or transacting business at the meeting, the director’s dissent or abstention from the action is entered in the minutes of the meeting, or the director files written notice of dissent or abstention with the presiding officer of the meeting before its adjournment or with NC LIVE Foundation immediately after the adjournment of the meeting. The right of dissent or abstention is not available to a director who voted in favor of the action taken.

9. Attendance by Telephone or Video Conference. The Board of Directors may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

10. Informal Action by Directors. Action taken without a meeting is nevertheless Board action if written consent to the action in question, describing the action taken, is signed by all the directors and filed with the minutes of the proceedings of the Board or filed with the corporate records, whether done before or after the action so taken. Such action shall be effective when the last director signs the consent, unless the consent specifies a different effective date.

ARTICLE V

Officers

1. Number. The officers of NC LIVE Foundation shall consist of a Chair, Executive Director, Secretary, Treasurer, and such Vice Chairs, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect. The Chair from the prior year shall serve as an officer for the immediately following year. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

2. Election and Term. The Board of Directors shall elect a Chair each year at its annual meeting. The Board of Directors shall select an individual to serve as the Executive Director of NC LIVE Foundation. A director may not serve as the Executive Director. The other officers of NC LIVE Foundation shall be elected by the Board of Directors at any annual, regular or special meeting of the Board. Each officer shall hold office until death, resignation, retirements, removal, and disqualification or until his or her successor is elected and qualified. Each officer shall be elected to serve a term of two (2) years. The Board of Directors may designate a Vice Chair of the Board as its Chair-Elect.

3. Compensation. Officers shall not be compensated for their services as such, but the Board of Directors may provide for the payment of expenses incurred by officers in connection with the performance of their duties.

4. Chair. The Chair of the Board of Directors shall, when present, preside at all meetings of the Board of Directors and, in general, shall perform all duties as may be assigned by the Board of Directors from time to time.

5. Executive Director. The Executive Director shall be the principal operating officer of NC LIVE Foundation, shall oversee the day-to-day operations of NC LIVE Foundation and shall perform such other duties as may be assigned from time to time by the Chair or the Board of Directors.

6. Vice Chairs. The Vice Chairs shall perform such duties as may be assigned to them, respectively, from time to time by the Chair or the Board of Directors. The Board of Directors should consider appointing the immediate past Executive Director and the incoming Executive Director as Vice Chairs.

7. Secretary/Treasurer. The Secretary/Treasurer shall keep accurate records of the acts and proceedings of all meetings of directors, shall give all notices required by law and by these bylaws, shall have general charge of the corporate records and books and of the corporate seal, and shall affix the corporate seal to any lawfully executed instruments requiring it. The Secretary/Treasurer shall also have custody of all funds and securities belonging to NC LIVE Foundation, shall receive, deposit and disburse the same under the direction of the Board of Directors, and shall keep full and accurate accounts of the finances of NC LIVE Foundation in books especially provided for that purpose, provided that the Board of Directors may from time to time designate one or more fiscal agents to perform all or any part of these duties. The Secretary/Treasurer shall, in general, perform all duties incident to the office of Secretary or Treasurer and such other duties as may be assigned from time to time by the Chair or by the Board of Directors.

8. Assistant Secretaries and Assistant Treasurers. The Assistant Secretaries and Assistant Treasurers 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-Treasurer, respectively, or by the Chair, the Executive Director or the Board of Directors.

ARTICLE VI

Indemnification

1. Extent. In addition to the indemnification otherwise provided by law, NC LIVE Foundation shall indemnify and hold harmless its directors and officers against liability and expenses, including reasonable attorneys' fees, incurred in connection with any action, suit, proceeding or claim arising out of their status as directors or officers or their activities in any of such capacities or in any capacity in which any of them is or was serving, at NC LIVE's request, in another corporation, Foundation, joint venture, trust or other enterprise; provided, however, that NC LIVE Foundation shall not indemnify a director or officer against any liability or litigation expense that the director or officer may incur on account of activities that at the time taken were believe or known (or reasonably should have been known) by the director or officer to be clearly in conflict with the best interests of NC LIVE Foundation or if the director or officer received an improper personal benefit. NC LIVE Foundation shall also indemnify a director or officer for reasonable costs, expenses and attorneys' fees in connection with the enforcement of rights to indemnification granted herein, if it is determined in accordance with Section 2 of this Article that the director or officer is entitled to indemnification.

2. Determination. Indemnification under Section 1 of this Article shall be paid by NC LIVE Foundation with respect to any action, suit, proceeding or claim only after a determination that the liability and/or litigation expenses for which indemnification is sought (a)

were not incurred on account of activities which at the time taken were believe or now (or reasonably should have been know) by the person seeking indemnification to be clearly in conflict with the best interests of NC LIVE Foundation and (b) did not involve any transaction from which the person seeking indemnification derived an improper personal benefit. Such determination shall be made (i) by the affirmative vote of a majority (but not less than two) of the directors who were not parties to the action, suit or proceeding or against whom the claim was not asserted (“disinterested directors”) even though less than a quorum, (ii) by independent legal counsel in a written opinion, or (iii) by a court of competent jurisdiction.

3. Advanced Expenses. Expenses incurred by a director or officer in defending any action, suit, proceeding or claim 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, be paid by NC LIVE Foundation in advance of the final disposition of such action, suit, proceeding or claim upon receipt of an undertaking by or on behalf of the director or officer to repay such amount less it shall ultimately be determined that the director or officer is entitled to be indemnified against such expenses by NC LIVE Foundation.

4. Reliance and Consideration. Any director or officer who at any time after the adoption of this Article VI series or has served in any of the aforesaid capacities for or on behalf of NC LIVE Foundation 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 this Article VI. No amendment, modification or repeal of this Article VI 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.

5. Insurance. NC LIVE Foundation may purchase and maintain insurance on behalf of its directors, officers, employees and agent and those persons who were serving at the request of NC LIVE Foundation as a director, officer, partner, trustee, employee, or agent of, or in some other capacity in, another corporation, Foundation, joint venture, trust, employee benefit plan, or other enterprise against any liability asserted against or incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not NC LIVE Foundation would have the power to indemnify against such liability under the provisions of this Article VI 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 VI shall relieve NC LIVE Foundation of its liability for indemnification provided for in this Article VI or otherwise to the extent of such payment, and no insurer shall have a right of subrogation against NC LIVE Foundation with respect to such payment.

ARTICLE VII

General Provisions

1. Management of Corporate Funds. No funds received by donation, bequest or any other means shall be diverted from the use specified by the donor, testator or testatrix, unless said use is contrary to or in conflict with the purposes of NC LIVE Foundation. No funds shall be used for any purpose other than to effect the purposes of NC LIVE Foundation. Each officer and employee or agent having custody of Foundation funds shall be covered by an appropriate fidelity bond. NC LIVE Foundation will designate a depository and establish policies on deposits and withdrawals of funds from such accounts by resolution at its initial meeting. Until the initial meeting is held, the Executive Director is authorized to establish an account with a bank or depository, with all funds of NC LIVE Foundation deposited in the name of "NC LIVE Foundation FOUNDATION." Withdrawals from such accounts shall be made only by check or similar order signed by the Executive Director and any other individuals as designated by the board of directors.

2. Exempt Activities. Notwithstanding any other provision of these bylaws, no director, officer, employee or representative of this Foundation shall take any action or carry any activity by or on behalf of NC LIVE Foundation not permitted to be taken or carried on by an organization exempt from taxation under Section 501(c) of the Internal Revenue Code of 1986, as amended, and its Regulations as they now exist, or as they may hereafter be amended.

3. Fiscal Year. Unless otherwise ordered by the Board of Directors, the fiscal year of NC LIVE Foundation shall be from July 1 to June 30.

4. Amendments. These bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of a majority of the directors then in office at any regular or a special meeting of the Board of Directors.

5. No Personal Liability. No director or officer of NC LIVE Foundation shall be liable or responsible for the debts or obligations of NC LIVE Foundation.

6. Annual Review. The accounts of NC LIVE Foundation shall be reviewed on an annual basis by a qualified accountant and the report submitted to the Board of Directors within ninety days following the close of the fiscal year.

7. Emergency Bylaws.

(a) In accordance with N.C.G.S. §55A-2-07(d), the bylaws set forth in this section shall be effective only in the event that a quorum of the board of directors cannot be assembled because of some catastrophic event.

(b) In the event of an emergency described in (a) above and in N.C.G.S. §55A-2-07(d), a meeting of the board of directors may be called by giving notice only to those directors whom it is practicable to reach and may be given by any practicable manner, including by publication or by radio. One or more of the officers present at the meeting of the board of directors may be deemed to be a director for the meeting, in order of rank and

within the same rank in order of seniority, as necessary to achieve a quorum.

- (c) During the emergency, the board of directors may modify lines of succession to accommodate the incapacity of any director, officer, employee or agent, and relocate the principal office, designate alternate principal offices or regional offices or authorize the officers of NC LIVE Foundation to do any of the foregoing.
- (d) All other provisions of these bylaws consistent with this section shall remain effective during the emergency described in (a) above.
- (e) Corporate action taken in good faith in an emergency pursuant to these bylaws and N.C.G.S. §55A-3-03 to further the ordinary business affairs of NC LIVE Foundation shall be binding upon NC LIVE Foundation.

8. Non-Discrimination. This Foundation shall operate entirely on a non-discriminatory basis with respect to age, sex, race, religion, and national origin. This policy shall apply to membership, boards, committees, staff, and services.

**Adopted through a Resolution for the
Meeting of the Board of Directors of the
NCLIVE Foundation without Meeting
Formally Convened on 12/19/2012.**

Formally ratified on _____, 2013