

# SUMMARIES

## PROPOSED 2017 AMENDMENTS TO BYLAWS OF PIEDMONT CRAFTSMEN INC.

	<b>Current Provision</b>	<b>Proposed Provision</b>	<b>Reason for Change</b>
1	The governing board of the corporation is currently called the Board of Trustees.	The proposed Bylaws would change the name to the Board of Directors.	The change is to conform with best practices, as PCI is a nonprofit corporation and not a "trust".
2	Purpose and Mission.	Most recent mission statement.	Updated and restated.
3	The quorum for meetings is 10%.	The quorum for meetings of members would be reduced to 5%.	This makes it easier for the Company to act on important issues when necessary, since many members historically have not voted when votes are requested.
4	Minimum number of Board members is 9 with no maximum.	Sets the minimum at 12 and a maximum of 26, including CEO and Immediate Past Chair.	Stabilizes the size of the Board.
5	Board terms of service is 1 to 3 years.	Proposes that terms are set at 3 years with 1/3 being elected each year.	2/3 of the members would remain on the Board and 1/3 would be new.
6	No provisions for assistant secretaries or treasurers.	Opens the option for having an assistant secretary or treasurer.	Gives the Board the flexibility to appoint these positions as needed.
7	Bylaws contain 6 committees and 9 named ad hoc committees.	Re-structures 6 standing committees and gives option of creating ad hoc committees. Standards Committee remains unchanged.	Many of the committees currently in the bylaws are no longer necessary or have been combined with another committee. This allows the Board to have ad hoc committees as needed for the workload.
8	Contains a provision indemnifying Board Members against personal liability.	Extends the protection to officers, employees and agents.	Permitted by Chapter 55A of the North Carolina General Statutes

## PROPOSED 2017 AMENDMENTS TO ARTICLES OF INCORPORATION OF PIEDMONT CRAFTSMEN INC.

1. Update and re-states purpose of corporation, see #2 under Proposed Bylaws Amendments.
2. Changes name of Board of Trustees to Board of Directors, see #1 above.
3. Specifies that Board have 12 to 26 members, see #4 above.
4. Add a provision indemnifying the Directors against liability, which is specifically allowed by Chapter 55A of the North Carolina General Statutes. Chapter 55A curiously does not specifically permit officers, employees and agents to be indemnified in the Articles of Incorporation, but permits them to be indemnified in the Bylaws, see #8 above.
5. Although the current Bylaws, which were adopted by the Members in 2011, state that the Bylaws may be amended by either the Board or by the Members, the current Articles of Incorporation specify only allow amendment by the Members. The proposed amended Articles would allow amendments as set forth in the current Bylaws, by either the Members or by 2/3 vote of the Board of Directors.

**Amended and Restated Bylaws  
of  
Piedmont Craftsmen, Inc.**

**ARTICLE I**

***Name and Offices***

**Section 1. Name.** The name of the organization is Piedmont Craftsmen, Inc., hereinafter called the "Corporation".

**Section 2. Offices.** The principal office and registered agent of the Corporation shall be located in Forsyth County, North Carolina. The Corporation may have such other offices, inside or outside the City of Winston-Salem, North Carolina, as designated by the Board of Directors, or as appropriate or necessary for the conduct of the affairs of the Corporation.

**ARTICLE II**

***Purpose and Mission***

**Purpose.** The Corporation is a non-profit North Carolina corporation which promotes the value of fine craft; we champion quality fine crafts produced and sold in the United States; we stimulate innovation and creative design and use of materials; we provide an outlet for the exhibition and sale of artist members' works; and we provide education and foster connections among artists and the community. The Corporation shall operate exclusively for charitable and educational purposes and in a manner consistent with Chapter 55A of the General Statutes of North Carolina and Section 501(c)(3) of the Internal Revenue Code or any successor provisions thereto.

**ARTICLE III**

***Membership***

**Section 1. General Rights and Powers.** Subject to the categories delineated below and except as otherwise provided by law, the Articles of Incorporation, or by these Bylaws, the number, classes, qualifications, rights, privileges, dues, fees, responsibilities, and the provisions governing the withdrawal, suspension and expulsion of members shall be determined by the Board of Directors. Unless otherwise required by law, by the Articles of Incorporation, or by these Bylaws, any rights of members to vote shall expire upon termination of membership. The liability of any member for any sum due the Corporation shall survive any such termination, unless otherwise expressly waived by the Board of Directors.

**Section 2. Qualifications for Membership.** Membership is comprised of the following categories:

**A. Exhibiting Members.** Exhibiting Membership may be granted to individuals or to teams of two members (such as spouses or partners), upon application to the Corporation, successful completion of the jury process, the recommendation of the Corporation's Standards Committee, and the subsequent approval of the Board of Directors.

***Transferability of Exhibiting Membership.*** Once received, exhibiting membership cannot be sold, assigned, conveyed, assumed, deeded or otherwise transferred. Exhibiting Membership shall be conferred only to the individuals or teams who have successfully completed the application process and jury selection and received Board approval. Upon termination of a team with Exhibiting Membership, neither team member will retain the status of an Exhibiting Member, unless he or she re-applies for individual membership and is accepted as an Exhibiting Member.

***Exhibiting Member Leave of Absence.*** An Exhibiting Member may take a Leave of Absence of up to three years as set forth in the Corporation's written policies, upon written notification to the Corporation. During any Leave of Absence, the inactive member shall not be considered as a member for any reason and shall not pay dues as an Exhibiting Member.

By written notice delivered to the Corporation by an Exhibiting Member on leave of absence prior to the expiration of the Leave of Absence, and upon payment of his or her annual membership contribution for the year of reinstatement, he or she shall automatically be reinstated to active membership, without having to re-apply or re-jury. If an Exhibiting Membership is not re-activated prior to expiration of the Leave of Absence, such membership shall expire and the inactive member or members shall have to re-apply and submit to the full application and jury process applicable to new members.

**B. *Supporting Members.*** Membership shall be granted to individuals interested in the work of the Corporation, upon registration and payment of annual membership contributions as set forth in the Corporation's written policies. Supporting membership benefits, other than voting rights, shall extend to the immediate family members (spouse, partner, and minor children of the household) of all individual Supporting Members.

**C. *Life Members.*** Membership may be granted by the Board of Directors to: (i) founding members for their contribution to the organization of the Corporation; and (ii) other individuals, for their extraordinary contribution to the Corporation. No annual membership contributions shall be required from Life Members.

***Section 3. Voting Privileges.*** All active members shall have voting privileges at the Annual Meeting or at any other membership meeting of the Corporation. A Member who is not in good standing (e.g., who has not paid the required annual membership contribution) and Exhibiting Members on approved leave of absence shall not have voting privileges.

***Section 4. Annual Membership Contributions.*** Unless specifically exempted as set forth above, all members shall pay annual membership contributions as set forth in the Corporation's written policies. Supporting Membership and its privileges shall continue for a 12-month period, commencing with the month in which a Supporting Member has remitted the annual membership contribution set forth in the Corporation's written policies. Exhibiting Membership and its privileges shall lapse for any Exhibiting Member who fails to remit the annual membership contribution by June 30<sup>th</sup> of each calendar year or such other date as established by the Board of Directors. Any Exhibiting Member whose membership has lapsed will be required to re-apply and to submit to the full application and jury process applicable to new members.

## **ARTICLE IV**

### ***Meetings of Members***

**Section 1. *Place of Meetings.*** All meetings of the Members shall be held at the principal office of the Corporation, or at such other place, either inside or outside the State of North Carolina, as designated by the Board of Directors.

**Section 2. *Annual Meetings.*** The Annual Meeting of the Members shall be held each year at such date, time and place as designated by the Board of Directors, for the purpose of electing directors of the Corporation and for the transaction of such other business as may be properly brought before the meeting.

**Section 3. *Special Meetings.*** Special meetings of the Members may be called at any time by the Board of Directors or upon written demand of at least five percent (5%) of the members entitled to vote on any issue proposed to be considered at such meeting pursuant to such demand, delivered to the Secretary of the Corporation. The Secretary shall send notice of a special meeting called upon the demand of members within thirty (30) days after receipt of the demand by the Secretary. The record date for determining members entitled to call a special meeting shall be either the date on which the first member signs the written demand or forty-five (45) days prior to the delivery of such demand upon the Secretary, whichever later occurs.

**Section 4. *Notice of Meetings.*** The Corporation shall give notice of meetings of Members by electronic means, by first class mail or by any other means permitted under the North Carolina Nonprofit Corporations Act, sent no less than 15 days nor more than 30 days prior to the meeting date. Any written notice shall describe the purpose or purposes for which the meeting has been called and shall set forth the date, time and place of such special meeting.

**Section 5. *Quorum Requirement.*** Unless the Articles of Incorporation or Bylaws provide for a higher or lower quorum at the time a meeting of Members is called, five percent (5%) of the members entitled to vote on any matter presented for a vote at a meeting of Members shall constitute a quorum on that matter.

## **ARTICLE V**

### ***Directors***

**Section 1. *General Powers.*** All powers conferred upon the Corporation under state law and the Articles of Incorporation shall be exercised by or under the authority of the Board of Directors, to further the purpose, mission, and affairs of the Corporation.

**Section 2. *Number, Term and Qualification.*** There shall be a minimum of twelve (12) and a maximum of twenty-six (26) directors, including (a) the immediate past Chairperson of the Board, if his or her term as an elected director has expired, who shall continue to serve as a director for one year following his or her term as Chairperson; (b) the Chief Executive Officer shall serve as an director for a term to coincide with his or her tenure in office, and upon the expiration of his or her term of office, his or her successor shall automatically serve as a director, *in lieu* thereof.

The terms of elected directors shall be set, so that approximately one-third of the Board shall be elected each year. A director who is elected or approved by the Board to fill a vacancy or a to fill a newly-created directorship shall be assigned by the Board to an initial term of one year, two years, or three years, to correspond to such person's class of elected directors. Except for the above, each elected director shall serve for a term of three years which will end on the last day of the year of the third annual meeting after his or her election. Elected directors may not serve on the Board for more than two consecutive three-year terms. A term of less than two (2) years resulting from the staggering of terms of new directorships or the filling of a vacancy on the Board shall not be considered in calculating the number of consecutive terms filled by an elected director. After he or she has served two (2) full terms as an elected director, he or she shall not be eligible for re-election to the Board until the next annual meeting following the end of his or her prior elected term, except that the immediate past Chairperson, may serve an additional one-year term as set forth in the first paragraph of this Section 2.

Subject to the foregoing limitations with respect to the of the size of the Board and the terms of directors, the Board by resolution shall set the number of directors and the prospective term of each director prior to the Annual Meeting of members to be effective for the immediately following calendar year.

No resolution reducing the number of directors below the number of directors then in office shall of itself have the effect of removing any director prior to the expiration of such his or her term of office. Any positions on the Board of Directors created by an increase in the number of directors pursuant to such a resolution and not filled by the members shall be treated as vacancies to be filled by, and in the discretion of, the Board of Directors. The number of directors fixed pursuant to such a resolution shall be deemed to be the number of directors prescribed by these Bylaws, until such time as modified by a subsequent resolution of the Board.

Unless otherwise provided at the time of election, the effective term of an elected director shall commence on the first day of the calendar year immediately following the annual meeting at which he or she was elected and shall continue through December of the third calendar year thereafter. If an elected director dies, resigns, or is removed from the Board for any reason, as determined by the Board of Directors, the Board of Directors shall appoint a successor director to fill his or her unexpired term.

All directors must be members in good standing of the Corporation.

**Section 3. Election of Directors.** Elected directors whose terms expire that year, shall be replaced or re-elected at the Annual Meeting of Members.

**Section 4. Voting for Directors.** Directors shall be elected by a plurality of the votes cast by the Members who are entitled to vote in the election of directors at the Annual Meeting of Members or at a duly-called meeting of Members for that purpose, at which a quorum is present or votes. A Member's proxy to vote at that meeting shall be deemed to be the same as his or her presence at the meeting, for the purposes of determining whether or not a quorum is present.

**Section 5. Removal of Directors.**

**a.** If a director, elected or appointed, is absent without due cause from four (4) board meetings in a period of six months, that director shall automatically be removed from the Board.

- b.* Any elected director may be removed, with or without cause, by majority vote of the members at a duly-called meeting of members at which a quorum is present, provided that the notice of such meeting includes the proposed removal as a purpose of the meeting.
- c.* Any director appointed to fill a vacancy under Section 6 of this Article V may be removed by vote of two-thirds (2/3) of the directors at a duly-called meeting of the Board at which a quorum is present, after which his or her position may be declared vacant and be filled under Section 6 below.

**Section 6. Vacancies.** A vacancy occurring in the Board of Directors, including positions not filled by vote of the Members, or those resulting from an increase in the number of directors, may be filled by resolution of the Board.

## **ARTICLE VI**

### ***Meetings of Directors***

**Section 1. Regular Meetings.** The annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of members. In addition, 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 additional regular meetings.

**Section 2. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the Chairperson, the Chief Executive Officer, or any two (2) elected directors. Such meetings may be held either inside or outside the State of North Carolina.

**Section 3. Notice of Meetings.** Regular meetings of the Board of Directors may be held on seven (7) days' notice, or if that notice is waived by all the directors.

The person or persons calling a special meeting of the Board of Directors shall, at least one (1) week before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

A director's attendance at or participation in a meeting shall constitute a waiver by such director of notice of such meeting, unless the director at the beginning of the meeting (or promptly upon his/her arrival) objects to holding the meeting or to the transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

**Section 4. Quorum.** One-third (1/3) of the number of directors fixed or prescribed by these Bylaws shall be required for, and shall constitute, a quorum for the transaction of business at any meeting of the Board of Directors. However, in the event of vacancies on the Board of Directors, then a quorum shall consist of one-third (1/3) of the directors then in office.

**Section 5. Manner of Acting.** Except as otherwise provided in these Bylaws or as required by applicable law, the affirmative vote of a majority of the directors present at a duly-called meeting of the Board of Directors shall be the act of the Board of Directors, if a quorum is present at that meeting.

**Section 6. Organization.** The Chairperson shall preside over each meeting of the Board of Directors, and in his or her absence or at his or her request, the Vice-Chair shall preside, or in the absence of both the Chairperson and the Vice-Chair, the Chief Executive Officer or any person selected by the board shall preside, by vote of a majority of the directors present. The Secretary, or in the absence or at the request of the Secretary, any person designated by the person presiding at the meeting, shall act as secretary of the meeting.

**Section 7. Action without Meeting.** Unless the Articles of Incorporation or the Bylaws provide otherwise, action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by unanimous written consent of all members of the Board, with the same effect as a vote at a duly-called meeting of the Board of Directors at which a quorum was present. The action shall be evidenced by one or more written consents signed by each director before or after such action, describing the action taken, and shall be kept in the corporate records and included with the minutes of Board meetings. If permitted by the Articles of Incorporation, a director's consent to action without meeting may be signed in electronic form and delivered by electronic means. Any action so taken shall be effective when all the directors shall have signed such consent, either personally or electronically, unless the written consent specifies a different date.

**Section 8. Participation by Conference Telephone.** Any one or more directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications device that allows all persons participating in the meeting to simultaneously hear each other during the meeting, and such participation in a meeting shall be deemed to be presence in person at such meeting.

## **ARTICLE VII**

### ***Officers***

**Section 1. General.** The officers of the Corporation shall consist of a Chairperson, Vice-Chair, Second Vice-Chair, Chief Executive Officer/President, a Secretary and a Treasurer, and may also include any other officers as appointed by the Board of Directors. The title of any officer may include any additional designation descriptive of such officer's duties, as the Board of Directors prescribes.

**Section 2. Appointment and Term.** The officers of the Corporation shall be elected for one (1) year terms at the annual meeting of the Board of Directors, to be effective at such time as determined by the Board of Directors.

**Section 3. Removal.** Any officer may be removed by a majority of the then-serving members the Board of Directors, at any time and with or without cause; but such removal shall not affect the contract rights, if any, of the person so removed.

**Section 4. Chairperson.** Subject to the direction and control of the Board of Directors, the Chairperson shall supervise and control the meetings of the Board of Directors, shall facilitate the implementation of all Board policies and shall have such duties and authority as are normally incident to the position of chairperson of a nonprofit corporation, and such other duties and authority as prescribed from time to time by the Board of Directors, or as are provided for elsewhere in these Bylaws.

**Section 5. Chief Executive Officer/President.** Subject to the direction and control of the Board of Directors, the Chief Executive Officer shall supervise and control the management and operations of the Corporation, shall have such duties and authority as are normally incident to the position of chief executive officer of a nonprofit corporation, and such other duties as may be prescribed from time to time by the Board of Directors, or as are provided for elsewhere in these Bylaws. The Chief Executive Officer may also sign documents, when so authorized by the Board of Directors, as President of the Corporation.

**Section 6. Vice-Chair.** The Vice-Chair shall, in the absence or disability of the Chairperson, have the authority and perform the duties of the Chairperson. In addition, the Vice-Chair shall perform such other duties and have such other powers as are normally incident to the office of Vice-Chair of a nonprofit corporation or as prescribed by the Board of Directors. Serving as Vice-Chair shall prepare the person so serving to serve as Chairperson at the discretion of the Board of Directors.

**Section 7. Second Vice-Chair.** The Second Vice-Chair shall, in the absence or disability of the Chairperson and Vice-Chair, have the authority and perform the duties of Chairperson. In addition, the Second Vice-Chair shall perform such other duties and have such other powers as are normally incident to the office of Second Vice-Chair of a nonprofit corporation or as prescribed by the Board of Directors. Serving as Second Vice-Chair shall prepare the person so serving to serve as Vice-Chair and Chairperson at the discretion of the Board of Directors.

**Section 8. Secretary.** The Secretary shall have the responsibility and authority to maintain and authenticate the records of the Corporation; shall keep, or cause to be kept, accurate records of the acts and proceedings of all meetings of members and directors; shall give, or cause to be given, all notices required by law and by these Bylaws; shall have general charge of the corporate books and records and the corporate seal, and shall affix the corporate seal to any lawfully-executed instrument so requiring it; shall have general charge of the membership books of the Corporation and shall keep, or cause to be kept, all records of members as required by applicable law or these Bylaws; shall sign such instruments as require the signature of the Secretary; and, in general, shall perform all duties incident to the office of Secretary and such other duties as assigned to him or her from time to time by the Chairperson, the Chief Executive Officer, or the Board of Directors.

**Section 9. Treasurer.** The Treasurer shall serve as the Chair of the Finance Committee, shall verify the proper use of all grant monies received, shall review the monthly financial statements of the Corporation, shall present periodic reports on the finances of the corporation to the Board of Directors, and shall generally perform all other duties incident to the office of Treasurer and such other duties as are assigned to him or her from time to time by the Chairperson, the Chief Executive Officer, or the Board of Directors.

**Section 10. Assistant Secretaries and Assistant Treasurers.** The Board of Directors may appoint assistant secretaries and assistant treasurers in the discretion of the Board, with such powers and duties not inconsistent with these Bylaws, as determined by the Board of Directors.

**Section 11. Person May Hold More than One Office.** The same individual may simultaneously hold more than one office in the Corporation, but no individual may act in more than one capacity where the action of two or more officers is required.



## **ARTICLE VIII**

### ***Committees***

The work of the Corporation shall be shared and shall draw upon the skills of its members through the use of Committees and Task Forces established by the Board of Directors. Committees and shall be charged with the conduct of all corporate business and the formulation of goals, objectives and programs. The Chairperson shall appoint members to serve on all committees, except for the Standards Committee, the membership of which shall be instituted in accordance with the Policies adopted by the Board of Directors. Committees shall be authorized to create subcommittees for any specific purposes, in their discretion.

The Corporation shall have the following standing committees:

***Section 1. Executive Committee.*** The Executive Committee shall be composed of the Chairperson, the Chief Executive Officer, the Vice-Chair, the Second Vice-Chair, the Secretary, the Treasurer, and in the discretion of the committee, up to two (2) additional directors designated by the committee at its first meeting of the year. The Executive Committee shall implement policies as established by the Board of Directors and shall assure that all activities of the Corporation meet the charitable objectives of the Corporation.

***Section 2. Finance Committee.*** The Finance Committee shall be composed of the Treasurer; the Chairperson; the Chief Executive Officer, and a minimum of two (2) additional members as selected by the Board of Directors. The Treasurer shall serve as Chair of the committee. The duties of the Finance Committee shall be to review the budget, to evaluate the financial status of the corporation to the Board of Directors, to oversee and report the status of the Endowment, and to interface with the auditors.

***Section 3. Governance and Board Development.*** The Governance and Board Development Committee shall review at least annually and shall update as needed the Bylaws and other governing documents and policies, to assure their accuracy and continued relevance to the work of the Corporation. Additionally, the Committee shall develop and maintain a current list of individuals which it deems qualified to serve as members of the Board of Directors. The Committee shall oversee the makeup of the Board and shall strive to assure that the Board contains within its membership individuals of diverse backgrounds and ethnicities who can contribute time, talent and professional experience sufficient to maximize the effectiveness of the Board. Annually and at such times as it deems appropriate, the Committee shall develop and submit for nomination and election to the Board a slate of new members to fill existing or anticipated Board vacancies

***Section 4. Standards Committee.*** The Standards Committee shall be composed of thirteen (13) members, none of whom may be a current member of the Board of Directors, one (1) of whom shall serve as Chair and shall vote only in the case of a tie. Nine (9) committee members shall be Exhibiting Members, roughly reflecting the discipline proportions of all Exhibiting Members. Two (2) members shall be from an art or craft-related field, and one (1) member shall be a Supporting Member. The term of service shall be for one (1) year, as determined by the Board of Directors, with the exception that one Exhibiting Member shall serve as a voting Vice-Chair of the Committee for one year and become the non-voting Chair the following year.

The making, altering, amending and rescinding of approved policies, standards and procedures of the Standards Committee shall require the approval of the Board of Directors and a majority vote of the votes cast by Exhibiting Members. All such approved actions will become effective for the jurying and re-jurying process during the next calendar year following approval.

**Section 5. Exhibiting Members Committee.** The Exhibiting Members Committee shall assess annually the programs, services and opportunities in place for the benefit of Exhibiting Members and shall make recommendations to the Board for strategies to improve the relationship between the Corporation and its Exhibiting Members. As it deems necessary or appropriate, the Committee shall enlist the ideas of the Exhibiting Members for ways to improve the overall effectiveness of the Corporation in serving the marketing interests of its Exhibiting Members and shall make recommendations to assure that the Corporation is providing relevant, progressive and state-of-the-art marketing for their work.

**Section 6. Community Development, Marketing and Membership Committee.** This Committee shall (a) develop and implement strategies to retain and broaden community membership and to attract community members to participate in activities and fundraising for the Corporation; (b) provide oversight to all fundraising strategies and activities, including grant writing and recordkeeping, and the gift acknowledgement, and shall advocate within the Board the resources needed to achieve the best practices in donor cultivation and solicitation; and (c) to supervise and improve the effectiveness of marketing, including traditional marketing and materials, the website, social media and other forms of marketing which promote the services and products generated by the Corporation and its Exhibiting Members. The Committee shall solicit suggestions from the Exhibiting Members for ways to improve the overall effectiveness of the Corporation in serving their marketing interests and needs. The Committee shall research best practices in the field and shall make recommendations to assure that the Corporation provides up-to-date and effective marketing for the work of its Exhibiting Members.

**Section 7. Ad Hoc Committees and Task Forces.** The Corporation shall have *ad hoc* committees as determined by the Board of Directors from time to time. In addition, the Board by resolution may establish such other committees and Task Forces as deemed appropriate to further the objectives of the Corporation. Members of *ad hoc* committees need not be directors.

## **ARTICLE IX**

### ***Amendments to the Bylaws***

**Section 1. Notice to Amend Bylaws.** The voting members of the Corporation by a majority vote of the votes cast, shall have the power to amend the Bylaws of the Corporation, provided the intent of such action be stated in written notice sent to the members at least ten (10) days prior to the date of the meeting.

**Section 2. Amendment by Board.** The Board of Directors may also amend the Bylaws by two-thirds ( $\frac{2}{3}$ ) vote of the Board at a regular or special meeting.

## **ARTICLE X**

### ***Indemnification***

**Section 1. General.** To the fullest extent permitted by applicable law as it now exists or may hereafter be amended, the Corporation shall indemnify any one or more persons serving as directors, officers,

employees or agents of the Corporation against liability and expenses in any proceeding (including without limitation a proceeding brought by or on behalf of the Corporation itself) arising out of their status as such, or their activities in any of the following activities in any of the foregoing capacities; provided, however, that the Corporation shall not indemnify or agree to indemnify a person against liability or expenses the person may incur on account of which at the time taken, known (or reasonably should have been known) or believed by the person to be in conflict with the best interests of the Corporation, or if the person received an improper personal benefit. Any provision permitted under this section may include provisions for recovery from the Corporation of reasonable costs, expenses and attorney fees in connection with the enforcement of rights to indemnification granted in these Bylaws and may further include provisions establishing reasonable procedures for determining and enforcing the rights herein.

**Section 2. No Personal Liability.** To the fullest extent permitted by applicable law, as it now exists or may hereafter be amended, no director, officer, employee or agent of the Corporation shall have any personal liability arising out of any action, whether by or in the right of the Corporation or otherwise, for monetary damages for breach of his or her duty as a director, officer, employee or agent of the Corporation. This section shall not impair any right to receive indemnity or insurance from the Corporation or any third party which any director, officer, employee or agent of the Corporation may now or hereafter have. Any repeal or modification of this section shall not impair or otherwise adversely affect any limitation on, or elimination of, the personal liability of a director affected thereby with respect to acts or omissions occurring prior to such repeal or modification.

**Section 3. Former Directors, Officers, Employees or Agents of the Corporation.** The indemnification provided in this Article shall continue for a person who has ceased to be a director, officer, employee or agent of the Corporation and shall inure to the benefit of the heirs, executors or administrators of that person.

**Section 4. Insurance.** The Corporation shall purchase and maintain insurance on behalf of any persons who are or were directors, officers, employees or agents of the Corporation against liability asserted against or incurred by him or her in that capacity or arising from his or her status as a director, officer, employee or agent of the Corporation, whether or not the Corporation would have the power to indemnify him or her against the same liability under any provision of Chapter 55A of the General Statutes of North Carolina.

**Section 5. Impact on Tax-Exempt Status.** The rights of indemnification set forth in this Article are expressly conditioned upon such rights' not violating the Corporation's status as a tax-exempt corporation as described in Chapter 55A of the General Statutes of North Carolina and Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

## **ARTICLE XI**

### ***Audits***

The Corporation's accounts shall be audited annually by a reputable certified public accountant, whose report shall be submitted to the Board of Directors for acceptance.

## **ARTICLE XII**

### ***Contracts, Loans and Deposits***

**Section 1. Contracts.** The Board of Directors may authorize any officer(s) or agent(s) to enter into any contract or execute and deliver any document or instrument on behalf of the Corporation, and such authority may be general or confined to specific instances. Any resolution of the Board of Directors authorizing the execution of documents by the proper officers of the Corporation or by the officers generally and not specifying particular officers shall be deemed to authorize such execution by the Chairperson, the Chief Executive Officer/President, the Vice-Chair, or Second Vice-Chair, or by any other officer, if such execution is within the scope of the duties of such officer. The Board of Directors may by resolution authorize such execution by means of one or more facsimile signatures.

**Section 2. Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

**Section 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 from time to time determined by resolution of the Board of Directors.

**Section 4. Deposits.** All funds of the Corporation not otherwise employed or invested shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors direct.

## **ARTICLE XIII**

### ***Records and Reports***

**Section 1. General.** The Corporation shall keep all records and submit and file all reports and filings as are required by applicable law. Unless the Board of Directors otherwise directs, the Treasurer shall be responsible for keeping, or causing to be kept, all financial and accounting records of the Corporation and for submitting or filing, or causing to be submitted or filed, all reports and filings of a financial or accounting nature, and the Secretary shall be responsible for keeping, or causing to be kept, all other records and for submitting or filing, or causing to be submitted or filed, all other reports and filings.

The Corporation shall keep as permanent records of the Corporation all minutes of meetings of its Members and its Board of Directors, a record of all actions taken by the Members or Board of Directors without a meeting, and a record of all formal action taken by committees which are not subsequently approved and included in Board minutes. The Corporation shall maintain appropriate accounting records. The Corporation shall maintain a record of its members. The Corporation shall maintain its records in written form or in another form capable of conversion into written form, within a reasonable time.

**Section 2. Records at Principal Office.** The Corporation shall keep a copy of the following records at the Corporation's principal office:

- (a) Its Articles or restated Articles of Incorporation and all amendments to them which are currently in effect;

- (b) Its Bylaws or restated Bylaws and all amendments to them which are currently in effect;
- (c) The minutes of all meetings of Board of Directors, and records of all actions taken without meeting by the Board;
- (d) The minutes of all meetings of Members, and records of all action taken without meeting by Members for the past three (3) years;
- (e) All written communications to Members generally within the past three (3) years and the financial statements required by law to be made available to the Members for the previous three (3) years; and
- (f) A list of the names and addresses of the Corporation's current directors and officers.

#### **ARTICLE XIV**

##### ***General Provisions***

***Section 1. Corporate Fiscal Year.*** The Corporation's Fiscal Year shall run from January 1 until the following December 31.

***Section 2. Annual and Financial Reports.*** The Board of Directors shall make available to the membership an Annual Report of its actions, a financial statement and recommendations for the future.

***Section 3. Seal.*** The seal impressed on the margin of this page shall be the corporate seal of the Corporation or such other seal including the name of the corporation and its state of organization as adopted by the Board of Directors from time to time. The seal may be used by causing it or a facsimile thereof to be impressed, affixed, stamped or reproduced by any means. Any officer of the Corporation authorized to execute or attest a document on behalf of the Corporation may affix or reproduce on such document, as and for the corporate seal of the Corporation, a seal in any other form sufficient to evidence that it is intended by such officer to represent the corporate seal of the Corporation, in which case such seal shall be as effective as the corporate seal in the form herein prescribed.

**State of North Carolina**  
**Department of the Secretary of State**

**ARTICLES OF RESTATEMENT**  
**FOR NONPROFIT CORPORATION**

Pursuant to North Carolina General Statutes § 55A-10-06, the undersigned nonprofit corporation hereby submits the following, for the purpose of restating its Articles of Incorporation:

1. The name of the corporation is Piedmont Craftsmen, Inc.
2. The text of the Restated Articles of Incorporation is attached.
3. The Restated Articles of Incorporation contain an amendment which required member approval, and member approval was obtained as required by Chapter 55A of the North Carolina General Statutes.
4. These articles will be effective upon filing with the office of the Secretary of State of North Carolina.

This \_\_\_ day of November, 2017.

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Secretary

**AMENDED AND RESTATED  
ARTICLES OF INCORPORATION  
OF  
PIEDMONT CRAFTSMEN, INC.**

**ARTICLE I**

The name of corporation is PIEDMONT CRAFTSMEN, INC.

**ARTICLE II**

The principal and registered office of the corporation is 601 North Trade Street, Winston-Salem, Forsyth County, North Carolina 27101. The registered agent at that address is B. Jane Doub. The corporation may have one or more other offices or places of business, either inside or outside the State of North Carolina.

**ARTICLE III**

The period of existence of the corporation is perpetual.

**ARTICLE IV**

This corporation is a “charitable or religious corporation” as that term is defined in the North Carolina Nonprofit Corporation Act, Chapter 55A of the North Carolina General Statutes, and it is not organized for monetary profit. There shall be no capital stock, and qualifications for membership and voting privileges shall be prescribed by the Bylaws of the corporation.

**ARTICLE V**

This corporation shall have one or more classes of members as set forth in the bylaws, including exhibiting members, supporting members and life members.

**ARTICLE VI**

The purposes of this corporation are:

- (1) To champion quality fine crafts produced and sold in the United States;
- (2) To stimulate innovation and creative design and use of materials;
- (3) To provide an outlet for the exhibition and sale of artist members’ works, and;
- (4) To provide education and to foster connections among artists and the community.

The corporation may promote, establish, conduct and maintain activities on its own behalf, or it may contribute to or otherwise assist other corporations, organizations and institutions which carry on

similar activities, and for such purposes it may solicit and receive funds or other property, real, personal or mixed, and interests therein, by gift, transfer, devise or bequest, and invest, reinvest, hold, manage, administer, expend and apply such funds and property, subject to such conditions and limitations, if any, as may be expressed in any instrument evidencing such gift, transfer, devise or bequest.

The corporation may solicit and receive funds or property for the purpose of bringing about cooperation among all agencies and individuals interested in conserving and developing fine crafts in the area and the United States.

No part of the net earnings or assets of the corporation shall inure to the benefit of, or be distributed to any member, director or officer of the corporation, or to any other private individual; but reimbursement for expenditures or the payment of reasonable compensation for services rendered shall not be deemed to be a distribution of income or assets. The private property of the members of the corporation shall not be liable for debts of the corporation.

#### **ARTICLE VII**

The corporation shall have all the powers set forth in Chapter 55A of the North Carolina General Statutes, in addition to the following:

- (a) To acquire by gift, purchase or lease or in any other manner, any real or personal property, both within and without the State of North Carolina, including goods, wares and merchandise, as in the judgment of the Board of Directors are necessary or appropriate to the conduct of its business, and also, subject to the limitations of applicable corporate law, to sell and convey, mortgage or exchange any of such property from time to time;
- (b) To borrow money subject to any restrictions set out in the Bylaws;
- (c) To administer charitable trusts and trusts for benevolent and philanthropic purposes, consistent with the objectives and purposes of the corporation;
- (d) To conduct educational programs and grant such certificates of accomplishment within the field of its proper activities as provided in the Bylaws;
- (e) To engage in the exhibition, marketing and sale of crafts and members' work;
- (f) To do anything and everything reasonably necessary and appropriate, and which is lawful, proper and suitable, for the achievement of any or all of the purposes stated above, or in furtherance of the purposes of the corporation.

#### **ARTICLE VIII**

Donations may be made from the funds of the corporation from time to time, to any educational, charitable or civic organization or purpose as permitted by the Internal Revenue Code for 501(c)(3) organizations and by the North Carolina Nonprofit Corporations Act, under such terms and conditions as the Bylaws prescribe.



## **ARTICLE IX**

The management of the corporation and its properties and affairs shall be vested in its Board of Directors (“Board”), which shall consist of at least twelve (12) and not more than twenty-six (26) members, at least five (5) of whom shall be exhibiting members of the corporation. All corporate powers shall be exercised by or under the direction of the Board of Directors, in furtherance of the purpose, mission and affairs of the Corporation.

## **ARTICLE X**

No director shall be liable for monetary damages arising out of an action, whether by or in the right of the corporation or otherwise, for breach of any duty as a director. This provision shall not be effective with respect to (i) acts or omissions that the director at the time of the breach knew or believed were clearly in conflict with the best interests of the corporation, (ii) any liability under G.S. 55A-8-32 Or G.S. 55A-8-33, (iii) any transaction from which the director derive an improper personal financial benefit, or (iv) acts or omissions occurring prior to the date the provision became effective. As used herein, the term “improper personal financial benefit” does not include a director’s reasonable compensation or other reasonable incidental benefit for or on account of his or her service as a director, officer, employee, independent contractor, attorney or consultant of the corporation.

## **ARTICLE XI**

The Board of Directors shall also have the power to make, alter, amend and rescind the Bylaws by action of at least two-thirds of the Directors then in office, at a duly-called meeting of the Board, provided that the written notice of the meeting must disclose that the alteration, amendment or rescission of the Bylaws will be considered, possibly modified, and voted upon, at the meeting.

## **ARTICLE XII**

If for any reason it becomes necessary to dissolve this corporation, or if for any reason this corporation ceases to exist, its assets shall be applied so far as feasible towards carrying out the purposes stated in these Articles. In the event and to the extent that in the judgment of the Directors it is not feasible to apply the assets toward carrying out the purposes stated in these Articles, the assets shall be applied to and for the use of such charities qualified for tax exemption under the Internal Revenue Code of the United States as determined by the Board of Directors.

*Adopted the \_\_ day of November, 2017, and effective upon filing with the Department of the Secretary of State, State of North Carolina.*