

**BYLAWS  
OF  
SITEINDEX, INC.**

**ARTICLE 1 - NAME**

The name of the corporation shall be SiteIndex, Inc. (the “Exchange”), all the shares of stock of which are solely and wholly-owned by the Charlotte Region Commercial Board of REALTORS®, INC. (“CRCBR”).

**ARTICLE 2 - OFFICES**

- A. **Principal Office:** The principal office of the Exchange shall be located at such place as the Board of Directors may fix from time to time.
- B. **Registered Office:** The registered office of the Exchange required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.
- C. **Other Offices:** The Exchange may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may designate or as the affairs of the Exchange may require from time to time.

**ARTICLE 3 - PURPOSES**

The Exchange serves as an information exchange. A commercial information exchange is not a Multiple Listing Service. No offers of cooperation and compensation are communicated through filing information on a property with the Exchange. Any compensation agreements related to property included in the Exchange compilation must be made on an individual basis outside the Exchange between the Participants or Submitters of Data involved.

**ARTICLE 4 - SERVICE AREA**

The area within which the Exchange shall function shall at all times be within the territorial jurisdiction of CRCBR.

**ARTICLE 5 - PARTICIPATION**

- A. **Participation Defined:** The following shall be considered “Participants”:
  - 1. **REALTOR® Participant:** Any REALTOR® member of CRCBR who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws or the Rules and Regulations adopted by the Exchange, shall be “REALTOR® Participants” and eligible to participate in the Exchange upon agreeing in writing to conform to the Rules and Regulations and Bylaws thereof and to pay the costs incidental thereto. Brokers and provisional brokers other than principals are not “Participants” of the Exchange but have access to and use the data from the information exchange through the Participants with whom they are affiliated. REALTOR®

Participant status is offered also to individuals who are licensed or certified by a state regulatory agency to engage in the appraisal of real property.

2. **Primary Broker Participant.** Any Primary Broker (either Principal or Managing Broker) member of Commercial Brokers of the Carolinas, Inc. (“CBC”) who is a principal, partner, corporate officer, or branch office or real estate department manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these bylaws or the Rules and Regulations adopted by the Exchange, shall be “Primary Broker Participants” and eligible to participate in the Exchange upon agreeing in writing to conform to the Rules and Regulations and Bylaws thereof and to pay the costs incidental thereto. Brokers and provisional brokers other than principals are not “Participants” of the Exchange but have access to and use the data from the information exchange through the Participants with whom they are affiliated.
  
2. **Community and Economic Development Affiliate Participants:** Any individual who, while not engaged in the real estate profession as defined in Article 1 Section 1 of the Bylaws of CRCBR, is recognized as being a community and/or economic development professional engaged in the attraction, retention, or expansion of the economic base of the region and has interests requiring information concerning commercial real estate data shall be a “Community and Economic Development Affiliate Member Participant” and eligible to participate in the Exchange as provided herein upon agreeing in writing to conform to the Rules and Regulations and Bylaws thereof and to pay the costs incidental thereto. Such individuals are not engaged in the sale, lease, exchange or brokerage of real property. They shall be able to receive and use data from the information exchange solely for community and/or economic development purposes.

**Every Participant must agree in writing to conform to the Exchange Rules and Regulations, including these Bylaws, and to pay the fees and charges of the Exchange assessed to the Participant.** Only Participants and their affiliated licensees/staff may have access to and use of the current property information generated by the Exchange.

- B. **Submitters of Data:** In view of the fact that the Exchange is not a Multiple Listing Service or a Commercial Listing Service, and no offers of cooperation or compensation can be extended through the Exchange, it is not essential that a Participant retained by a property owner to market the property have an exclusive right to sell, exclusive agency, or open listing. Other forms of agreement through which the Participant agrees to provide certain marketing services may be the basis for authorizing the submission of property information to the Exchange. Since it is the goal of the Exchange to have a comprehensive database of commercial real estate in its market, managers, developers, and owners of commercial property are eligible to submit data into the information exchange.
  
- C. **Application for Participation:** Application for participation shall be made in such manner and form as may be prescribed by the Exchange Board of Directors and made available to any REALTOR® (principal) of CRCBR, any Primary Broker (either Principal or Managing Broker) of CBC, or any other Board/Association requesting it. The application form shall contain a signed statement agreeing to abide by these bylaws and any other applicable Rules and Regulations of the Exchange as from time to time adopted or amended.
  
- D. **Discontinuance of Exchange:** Participants of the Exchange may discontinue their participation in the Exchange by submitting a written resignation. Participants shall not be entitled to any refund for initial participation fee or any charges paid. Further, upon resignation all accounts must be paid in full.

## ARTICLE 6 - SERVICE CHARGES

The charges made for participation in the Exchange shall be as determined and as amended from time to time, by the Exchange Board of Directors.

## ARTICLE 7 - MEETINGS OF SHAREHOLDERS

- A. **Place of Meetings:** All meetings of shareholders shall be held at the principal office of the Exchange, or at such other place, either within or without the State of North Carolina, as shall in each case be (i) fixed by the President or the Board of Directors and designated in the notice of the meeting or (ii) agreed upon by a majority of the shareholders entitled to vote at the meeting.
- B. **Annual Meetings:** The annual meeting of shareholders shall be held in December of each year on any day (except Saturday, Sunday, or a legal holiday) in that month as determined by the Board of Directors.
- C. **Substitute Annual Meeting:** If the annual meeting shall not be held on the day designated by these bylaws, a substitute annual meeting may be called in accordance with the provisions of Section D of this Article 7. A meeting so called shall be designated and treated for all purposes as the annual meeting.
- D. **Special Meetings:** Special meetings of the shareholders may be called at any time by the President or the Board of Directors, and shall be called pursuant to the written request of the holders of not less than one-fourth of all the votes entitled to be cast on any issue proposed to be considered at the meeting.
- E. **Notice of Meetings:** Written notice stating the date, time, and place of the meeting shall be given not less than ten nor more than sixty days before the date of any shareholders' meeting, either by personal delivery, or by telegraph, teletype, or other form of wire or wireless communication, or by facsimile transmission or by mail or private carrier, by or at the direction of the Board of Directors, the President or other person calling the meeting, to each shareholder entitled to vote at such meeting; provided that such notice must be given to all shareholders with respect to any meeting at which a merger or share exchange is to be considered and in such other instances as required by law. If mailed, such notice shall be deemed to be effective when deposited in the United States mail, correctly addressed to the shareholder at the shareholder's address as it appears on the current record of shareholders of the Exchange, with postage thereon prepaid.

In the case of a special meeting, the notice of meeting shall include a description of the purpose or purposes for which the meeting is called; but, in the case of an annual or substitute annual meeting, the notice of meeting need not include a description of the purpose or purposes for which the meeting is called unless such a description is required by the provisions of the North Carolina Business Corporation Act.

When a meeting is adjourned to a different date, time, or place, notice need not be given of the new date, time, or place if the new date, time, or place is announced at the meeting before adjournment and if a new record date is not fixed for the adjourned meeting; but if a new record date is fixed for the adjourned meeting (which must be done if the new date is more than 120 days after the date of the original meeting), notice of the adjourned meeting must be given as provided in this section to persons who are shareholders as of the new record date.

- F. **Waiver of Notice:** Any shareholder may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the shareholder, and delivered to the Exchange for inclusion in the minutes or filing with the corporate records. A shareholder's attendance, in person or by proxy, at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the shareholder or his proxy at the beginning of the meeting objects to holding the meeting or transacting business at the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder or his proxy objects to considering the matter before it is voted upon.
- G. **Shareholders' List:** Before each meeting of shareholders, the Secretary of the Exchange shall prepare an alphabetical list of the shareholders entitled to notice of such meeting. The list shall be arranged by voting group (and within each voting group by class or series of shares) and show the address of and number of shares held by each shareholder. The list shall be kept on file at the principal office of the Exchange, or at a place identified in the meeting notice in the city where the meeting will be held, for the period beginning two business days after notice of the meeting is given and continuing through the meeting, and shall be available for inspection by any shareholder, his agent or attorney, at any time during regular business hours. The list shall also be available at the meeting and shall be subject to inspection by any shareholder, his agent or attorney, at any time during the meeting or any adjournment thereof.
- H. **Voting Group:** All shares of one or more classes or series that under the articles of incorporation or the North Carolina Business Corporation Act are entitled to vote and be counted together collectively on a matter at a meeting of shareholders constitute a voting group. All shares entitled by the articles of incorporation or the North Carolina Business Corporation Act to vote generally on a matter are for that purpose a single voting group. Classes or series of shares shall not be entitled to vote separately by voting group unless expressly authorized by the articles of incorporation or specifically required by law.
- I. **Quorum:** Shares entitled to vote as a separate voting group may take action on a matter at the meeting only if a quorum of those shares exists. A majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for action on that matter.

Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

In the absence of a quorum at the opening of any meeting of shareholders, such meeting may be adjourned from time to time by the vote of a majority of the votes cast on the motion to adjourn; and, subject to the provisions of Section E of Article 7 herein, at any adjourned meeting any business may be transacted that might have been transacted at the original meeting if a quorum exists with respect to the matter proposed.

- J. **Proxies:** Shares may be voted either in person or by one or more proxies authorized by a written appointment of proxy signed by the shareholder or by his duly authorized attorney in fact. An appointment of proxy is valid for eleven months from the date of its execution, unless a different period is expressly provided in the appointment form.
- K. **Voting of Shares:** Subject to the provisions of the articles of incorporation, each outstanding share shall be entitled to one vote on each matter voted on at a meeting of shareholders.

If a quorum exists, action on a matter by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless a greater vote is required by law or the articles of incorporation or these bylaws.

Absent special circumstances, shares of the Exchange are not entitled to vote if they are owned, directly or indirectly, by another corporation in which the Exchange owns, directly or indirectly, a majority of the shares entitled to vote for directors of the second corporation; provided that this provision does not limit the power of the Exchange to vote its own shares held by it in a fiduciary capacity.

Shares of the Exchange registered in the name of another domestic or foreign corporation may be voted on by the president under the authority of the Board of Directors of that corporation.

- L. **Informal Action by Shareholders:** Any action that is required or permitted to be taken at a meeting of the shareholders may be taken without a meeting if one or more written consents, describing the action so taken, shall be signed by all of the shareholders who would be entitled to vote upon such action at a meeting, and delivered to the Exchange for inclusion in the minutes or filing with the corporate records.

If the Exchange is required by law to give notice to nonvoting shareholders of action to be taken by unanimous written consent of the voting shareholders, then the Exchange shall give the nonvoting shareholders, if any, written notice of the proposed action at least ten (10) days before the action is taken.

## **ARTICLE 8 – BOARD OF DIRECTORS**

- A. **Government of the Exchange:** All corporate and governmental powers of the Exchange shall be exercised by or under the authority of, and the business and affairs of the Exchange shall be managed under the direction of, the Board of Directors.

The Exchange Board of Directors shall have control of all affairs of the Exchange and shall authorize all expenditures of funds. The Exchange Board of Directors shall adopt a budget reflecting projected income and expenses for the coming year for the Exchange.

- B. **Number and Qualifications:** Unless otherwise determined from time to time by the shareholders, there shall be a total of five (5) elected Directors, including the President, Vice President, Secretary and Treasurer of the Exchange. The Board of Directors may, at any time, increase the number of directors up to a maximum of nine or decrease the number of directors except that any such decrease shall not result in the removal of a director, except in the case of a director named by the Board of Directors solely to fill a vacancy. The President of CRCBR, or a person appointed by the President, and the President Elect of CRCBR shall serve as the President and Vice President, respectively, of the Exchange with full voting privileges. All directors shall be natural persons. Directors need not be residents of the State of North Carolina or shareholders of the Exchange.
- C. **Nomination and Election of Directors:** Prior to the end of the calendar year, the Board of Directors of CRCBR shall elect the Exchange Directors for the upcoming year. They shall take office at the first Exchange Board of Directors meeting of the next calendar year.
- D. **Term of Directors:** Each initial director shall hold office until the first shareholders' meeting at which directors are elected, or until such director's death, resignation, or removal. All other directors shall be elected to serve for terms of one year, beginning on January 1 of each calendar year, except for directors elected to fill a vacancy whose term shall begin immediately upon their election and last only until the end of the then current calendar year or until a qualified successor is elected by the shareholders or until such director's death, resignation or removal. A decrease in the number of

directors does not shorten an incumbent director's term. Despite the expiration of a director's term, such director shall continue to serve until a successor shall be elected and qualifies or until there is a decrease in the number of directors.

- E. **Removal:** Any director may be removed at any time with or without cause by a vote of the shareholders if the number of votes cast to remove such director exceeds the number of votes cast not to remove him. A director may not be removed by the shareholders at a meeting unless the notice of the meeting states that the purpose, or one of the purposes, of the meeting is removal of the director. If any directors are so removed, new directors may be elected at the same meeting.

A director may be removed at any time, with or without cause, by the affirmative vote of a majority of the remaining directors present if the director was named by the Board of Directors to fill a vacancy, and the shareholders have not elected directors in the interval between the time of appointment to fill the vacancy and the time of removal.

- F. **Vacancies:** Any vacancy occurring in the Board of Directors, including without limitation a vacancy resulting from an increase in the number of directors or from the failure by the shareholders to elect the full authorized number of directors, may be filled by affirmative vote of the majority of the remaining directors. If the directors remaining in office do not constitute a quorum, the directors may fill the vacancy by the affirmative vote of a majority of the remaining directors.
- G. **Compensation:** The Board of Directors may provide for the compensation of directors for their services as such and for the payment or reimbursement of any or all expenses incurred by them in connection with such services.

## ARTICLE 9 – MEETINGS OF DIRECTORS

- A. **Regular Meetings:** A regular meeting of the Board of Directors shall be held no less frequently than quarterly at such place as the Board of Directors may designate.
- B. **Special Meetings:** Special meetings of the Board of Directors may be called at any time and place by the President, by the Vice President, or by any three Directors. The person or persons calling a special meeting of the Board of Directors shall, at least 24 hours before the meeting, give notice thereof by any usual means of communication. Such notice shall specify the purpose for which the meeting is called.
- C. **Notice of Meetings:** Regular meetings of the Board of Directors may be held upon not less than five calendar days' prior notice.
- D. **Waiver of Notice.** Any director may waive notice of any Board of Directors' meeting held without proper notice, either before or after the meeting is held.

Attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the purpose of objection 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.

Failure of a director who did not attend a meeting held without proper call or notice to file with the Secretary or Assistant Secretary of the Exchange a written objection to the holding of the meeting or to any specific action so taken promptly after having knowledge of the action taken and of the insufficiency of notice shall constitute ratification of the action taken at the meeting.

- E. **Quorum; Manner of Acting:** A quorum at all meetings of the Board of Directors shall consist of a majority of the total number of directors holding office. Except as set forth in the Articles of Incorporation, these Bylaws, or as otherwise required by law, the affirmative vote of a majority of a quorum shall be necessary and sufficient at any meeting to authorize any action of the Board of Directors. Written records setting forth all action taken in any meeting of the Board of Directors and the voting thereon shall be kept in a permanent minute book of the Exchange.

The vote of a majority of the directors then in office shall be required to adopt, amend, or repeal a Bylaw and to adopt a resolution dissolving the Exchange. Approval of a transaction in which one or more directors have an adverse interest shall require a majority of the disinterested directors present, even though less than a quorum.

- F. **Informal Action by Directors:** Action taken by the directors without a meeting is nevertheless a Board of Directors action if written consent to the action in question is signed by all the directors and filed with the minutes of the proceedings of the Board of Directors, whether done before or after the action so taken.
- G. **Attendance by Electronic Means:** Any one or more directors may participate in a meeting of the Board of Directors by means of a conference telephone, videoconference, or similar device which allows all persons participating in the meeting to hear each other, and a person so participating in a meeting shall be deemed present in person at such meeting. Provided that in order to so participate, (i) the Director shall make a request to the Board of Directors to participate by means of a conference telephone, videoconference, or similar device which allows all persons participating in the meeting to hear each other, and (ii) the Board of Directors approves the Director's request to participate by such means.
- H. **Electronic Transactions.** Any transactions, consents, and votes of the directors may be conducted by electronic means.
- I. **Compensation and Reimbursement of Expenses.** No salary or compensation shall be paid to a director for any services rendered as a director of the Exchange. The directors may be reimbursed out of the funds of the Exchange for all reasonable and necessary out-of-pocket expenses incurred in the performance of their services as directors.

## ARTICLE 10 - OFFICERS

- A. **Officers of the Exchange:** The officers of the Exchange shall consist of a President, a Vice President, a Secretary, a Treasurer and other officers as may from time to time be appointed by or under the authority of the Board of Directors. None of the offices of President, Vice President, Secretary and Treasurer may be held by the same person.
- B. **Appointment and Term:** All officers of the Exchange shall be appointed by the Board of Directors or by a duly appointed officer authorized by the Board of Directors to appoint one or more officers or assistant officers. Each officer shall hold office until his death, resignation, retirement, removal, disqualification, or his successor shall have been appointed.
- C. **Compensation of Officers:** The compensation of all officers of the Exchange shall be fixed by or under the authority of the shareholders, and no officer shall serve the Exchange in any other capacity and receive compensation therefor unless such additional compensation shall be duly authorized. The appointment of an officer does not itself create contract rights.

- D. **Removal:** Removal of the President, Vice President, Secretary or Treasurer shall be in accordance with the provisions of Section E of Article 8 herein. Removal of any other officer can only occur with the approval and at the direction of the Board of Directors. Any of such other officers may be removed by the Board of Directors at any time with or without cause; but such removal shall not itself affect the officer's contract rights, if any, with the Exchange.
- E. **Resignation:** An officer may resign at any time by communicating his resignation to the Exchange, orally or in writing. A resignation is effective when communicated unless it specifies in writing a later effective date. If a resignation is made effective at a later date that is accepted by the Exchange, the Board of Directors may fill the 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 Exchange's contract rights, if any, with the officer.
- F. **Bonds:** The Board of Directors may by resolution require any officer, agent, or employee of the Exchange to give bond to the Exchange, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position, and to comply with such other conditions as may from time to time be required by the Board of Directors.
- G. **President:** The President shall be the principal executive officer of the Exchange and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Exchange. He shall, when present, preside at all meetings of the shareholders. He shall sign, with the Secretary, or any other proper officer of the Exchange thereunto authorized by the Board of Directors, certificates for shares of the Exchange, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these bylaws to some other officer or agent of the Exchange, or shall be required by law to be otherwise signed or executed; and in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- H. **Vice Presidents:** In the absence of the President or in the event of his death, inability or refusal to act, the Vice President, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary, certificates for shares of the Exchange; and shall perform such other duties as from time to time may be prescribed by the President or Board of Directors.
- I. **Secretary.** The Secretary shall: (a) keep the minutes of the meetings of shareholders, of the Board of Directors, and of all committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these bylaws or as required by law; (c) maintain and authenticate the records of the Exchange and be custodian of the seal of the Exchange and see that the seal of the Exchange is affixed to all documents the execution of which on behalf of the Exchange under its seal is duly authorized; (d) sign with the President, or a Vice President, certificates for shares of the Exchange, the issuance of which shall have been authorized by resolution of the Board of Directors; (e) maintain and have general charge of the stock transfer books of the Exchange; (f) prepare or cause to be prepared shareholder lists prior to each meeting of shareholders as required by law; (g) attest the signature or certify the incumbency or signature of any officer of the Exchange; and (h) in general perform all duties incident to the office of secretary and such other duties as from time to time may be prescribed by the President or by the Board of Directors.
- J. **Treasurer.** The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Exchange; receive and give receipts for moneys due and payable to the Exchange from any source whatsoever, and deposit all such moneys in the name of the Exchange in such depositories as shall be selected in accordance with the provisions of Section D of Article 14 of these



bylaws; (b) maintain appropriate accounting records as required by law; (c) prepare, or cause to be prepared, annual financial statements of the Exchange that include a balance sheet as of the end of the fiscal year and an income and cash flow statement for that year, which statements, or a written notice of their availability, shall be mailed to each shareholder within 120 days after the end of such fiscal year; and (d) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be prescribed by the President or by the Board of Directors.

## **ARTICLE 11 - FISCAL YEAR**

The fiscal year of the Exchange shall commence on January 1 and shall end on December 31.

## **ARTICLE 12 - AMENDMENTS**

- A. **Amendments to Bylaws:** Amendments to these Bylaws shall be by a majority vote by the Exchange Board of Directors. Amendments to the Bylaws of the Exchange approved by the Exchange Board of Directors shall further be subject to approval of the Board of Directors of CRCBR.
- B. **Amendments to Rules and Regulations:** Amendments to the rules and regulations of the Exchange shall be by consideration and approval of the Exchange Board of Directors.

When approved by the Exchange Board of Directors, the amendments to the rules and regulations of the Exchange shall be effective immediately or as stated in the amending resolution. However, amendments to the rules and regulations of the Exchange approved by the Board of Directors shall not become effective if they supercede or contradict the current By-Laws unless or until approved by the Shareholders pursuant to the provisions of Article 6 herein.

## **ARTICLE 13 - DISSOLUTION**

In the event this Exchange shall at any time terminate its activities, the Exchange Board of Directors shall consider and adopt a plan of liquidation and dissolution with the approval of the shareholders. Said plan shall provide for the collection of all assets, the payment of all liabilities, and that the remaining portions thereof to be distributed to CRCBR, CBC and/or, within its discretion, to any other non-profit tax exempt organization.

## **ARTICLE 14 - CONTRACTS, LOANS, CHECKS, AND DEPOSITS**

- A. **Contracts:** The Board of Directors is authorized to enter into contracts for executive staff services and administrative services, which may include, but are not limited to: activities, accounting, legal counsel, and the billing, processing and record-keeping of membership dues. The Board of Directors may authorize any officers or agents to enter into any contract or execute and deliver any instrument on behalf of the Exchange, and such authority may be general or confined to specific instances.
- B. **Loans:** No loans shall be contracted on behalf of the Exchange and no evidence of indebtedness shall be issued in its name unless authorized by the Exchange Board of Directors. Such authority may be general or confined to specific instances.

- C. **Checks and Drafts:** All checks, drafts, or other orders for the payment of money issued in the name of the Exchange shall be signed by such officers or agents of the Exchange and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- D. **Deposits:** All funds of the Exchange not otherwise employed shall be deposited from time to time to the credit of the Exchange in such depositories as the Board of Directors shall direct.

## **ARTICLE 15 - SHARES AND THEIR TRANSFER**

- A. **Certificates for Shares:** The Board of Directors may authorize the issuance of some or all of the shares of the Exchange's classes or series without issuing certificates to represent such shares. If shares are represented by certificates, the certificates shall be in such form as required by law and as determined by the Board of Directors. Certificates shall be signed, either manually or in facsimile, by the President or a Vice President and by the Secretary. All certificates for shares shall be consecutively numbered or otherwise identified and entered into the stock transfer books of the Exchange. When shares are represented by certificates, the Exchange shall issue and deliver, to each shareholder to whom such shares have been issued or transferred, certificates representing the shares owned by him. When shares are not represented by certificates, then within a reasonable time after the issuance or transfer of such shares, the Exchange shall send the shareholder to whom such shares have been issued or transferred a written statement of the information required by law to be on certificates.
- B. **Stock Transfer Books:** The Exchange shall keep a book or set of books, to be known as the stock transfer books of the Exchange, containing the name of each shareholder of record, together with such shareholder's address and the number and class or series of shares held by him. Transfers of shares of the Exchange shall be made only on the stock transfer books of the Exchange by the holder of record thereof or by his legal representative, who shall furnish proper evidence of authority to transfer, or by his attorney authorized to effect such transfer by power of attorney duly executed and filed with the Secretary, and on surrender for cancellation of the certificate for such shares (if the shares are represented by certificates).
- C. **Lost Certificate:** The Board of Directors may direct a new certificate to be issued in place of any certificate theretofore issued by the Exchange claimed to have been lost or destroyed, upon receipt of an affidavit of such fact from the person claiming the certificate to have been lost or destroyed. When authorizing such issue of a new certificate, the Board of Directors shall require that the owner of such lost or destroyed certificate, or his legal representative, give the Exchange a bond in such sum and with such surety or other security as the Board may direct as indemnity against any claim that may be made against the Exchange with respect to the certificate claimed to have been lost or destroyed, except where the Board of Directors by resolution finds that in the judgment of the directors the circumstances justify omission of a bond.
- D. **Fixing Record Date:** The Board of Directors may fix a future date as the record date for one or more voting groups in order to determine the shareholders entitled to notice of a shareholders' meeting, to demand a special meeting, to vote, or to take any other action. Such record date may not be more than seventy days before the meeting or action requiring a determination of shareholders. A determination of shareholders entitled to notice of or to vote at a shareholders' meeting is effective for any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting, which it must do if the meeting is adjourned to a date more than 120 days after the date fixed for the original meeting.

If no record date is fixed by the Board of Directors for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, the close of business on the day before the first notice of the meeting is delivered to shareholders shall be the record date for such determination of shareholders.

The Board of Directors may fix a date as the record date for determining shareholders entitled to a distribution or share dividend. If no record date is fixed by the Board of Directors for such determination, it is the date the Board of Directors authorizes the distribution or share dividend.

- E. **Holder of Record:** Except as otherwise required by law, the Exchange may treat the person in whose name the shares stand of record on its books as the absolute owner of the shares and the person exclusively entitled to receive notification and distributions, to vote, and to otherwise exercise the rights, powers, and privileges of ownership of such shares.
- F. **Shares Held by Nominees:** The Exchange shall recognize the beneficial owner of shares registered in the name of a nominee as the owner and shareholder of such shares for certain purposes if the nominee in whose name such shares are registered files with the Secretary a written certificate in a form prescribed by the Exchange, signed by the nominee, indicating the following: (i) the name, address, and taxpayer identification number of the nominee; (ii) the name, address, and taxpayer identification number of the beneficial owner; (iii) the number and class or series of shares registered in the name of the nominee as to which the beneficial owner shall be recognized as the shareholder; and (iv) the purposes for which the beneficial owner shall be recognized as the shareholder.

The purposes for which the Exchange shall recognize the beneficial owner as the shareholder may include the following: (i) receiving notice of, voting at, and otherwise participating in shareholders' meetings; (ii) executing consents with respect to the shares; (iii) exercising dissenters' rights under Article 13 of the North Carolina Business Corporation Act; (iv) receiving distributions and share dividends with respect to the shares; (v) exercising inspection rights; (vi) receiving reports, financial statements, proxy statements, and other communications from the Exchange; (vii) making any demand upon the Exchange required or permitted by law; and (viii) exercising any other rights or receiving any other benefits of a shareholder with respect to the shares.

The certificate shall be effective ten (10) business days after its receipt by the Exchange and until it is changed by the nominee, unless the certificate specifies a later effective time or an earlier termination date.

If the certificate affects less than all of the shares registered in the name of the nominee, the Exchange may require the shares affected by the certificate to be registered separately on the books of the Exchange and be represented by a share certificate that bears a conspicuous legend stating that there is a nominee certificate in effect with respect to the shares represented by that share certificate.

## **ARTICLE 16 - INDEMNIFICATION**

- A. **Action by Board of Directors:** Except as provided below, the Exchange Board of Directors shall, by vote of a majority of the disinterested directors, take all such action as may be necessary and appropriate to authorize the Exchange to pay any indemnification required by these Bylaws, the Articles of Incorporation of the Exchange, or the North Carolina Business Corporation Act including, without limitation, making a good faith evaluation of the manner in which the claimant for indemnity acted or failed to act and of the reasonable amount of any indemnity due such person. Notwithstanding the foregoing, however, if a majority of the directors shall not be disinterested with respect to an indemnification claim made hereunder, the adversely interested party shall be required

to prove that the transaction is just and reasonable to the corporation as provided in North Carolina Business Corporation Act. The termination of any action, suit, appeal or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner known or believed by such person not to be in or opposed to the best interests of the Exchange and, with respect to any criminal action or proceeding, shall not create the presumption that such person had reasonable cause to believe such conduct was unlawful.

- B. **Insurance:** The Board of Directors may authorize the Exchange to purchase and maintain insurance on behalf of any person who at any time serves or has served as a director, officer, employee or agent of the Exchange, or is or was serving in such capacity at the request of the Exchange for any other corporation, partnership, joint venture, trust or other enterprise, against liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such or acts in such capacity, whether or not the Exchange would have had the power to indemnify the person against such liability under the provisions of these Bylaws or of the North Carolina Business Corporation Act, as amended.
- C. **Indemnified Individual:** Any person who at any time after the adoption of these Bylaws serves or has served as a director or officer of the Exchange or serves or has served in such capacity at the request of the Exchange for any other corporation, partnership, joint venture, trust or other enterprise 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 this Article 16 of these Bylaws.

## **ARTICLE 17 - GENERAL PROVISIONS**

- A. **Distributions:** The Board of Directors may from time to time authorize, and the Exchange may grant, distributions and share dividends to its shareholders pursuant to law and subject to the provisions of its articles of incorporation.
- B. **Definitions:** Unless the context otherwise requires, terms used in these bylaws shall have the meanings assigned to them in the North Carolina Business Corporation Act to the extent defined therein.