

RESTATED AND AMENDED BYLAWS  
OF  
HOUSING AND ECONOMIC OPPORTUNITIES, INC.  
A NONPROFIT CORPORATION

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HOUSING AND ECONOMIC OPPORTUNITIES, INC.  
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ARTICLE I

OFFICES

Section 1.1 Principal Office. The principal office of the corporation shall be located at 508 S. Front Street, Wilmington, NC 28402.

Section 1.2 Registered Office and Agent. The registered office of the corporation required by the North Carolina Nonprofit Corporation Act to be maintained in the State of North Carolina may be, but need not be, identical with the principal office. The Registered Agent of the corporation at the registered office is Benjamin J. Quattlebaum, II.

Section 1.3. Other Offices. The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine, or as the affairs of the corporation may require.

ARTICLE II

MEMBERS

Section 2.1 Membership. The corporation shall have no members.

ARTICLE III

DIRECTORS

Section 3.1 General Powers. The activities and affairs of the corporation shall be directed and managed by the Board of Directors or by such other committees as the Board may establish pursuant to these Bylaws.

Section 3.2 Number, Term, and Qualifications. The number of directors constituting the Board of Directors of the corporation shall be not less than four (4) and no more than thirteen (13) directors as from time to time may be changed within said minimum and maximum pursuant to the provisions of this Section 3.2 below.

There shall be two (2) categories of directors, Category A and Category B.

The number of directors in Category A shall be no more than nine (9), with the possibility that there may be none. Category A directors shall consist of the nine (9) properly appointed members of the Board of Commissioners of the Housing Authority of the City of Wilmington, North Carolina (the "Housing Authority") as long as such Commissioners are willing to serve as directors on the corporation's Board. Such willingness to serve shall be presumed unless a member of the Board of Commissioners of the Housing Authority provides the Secretary of the corporation at any time with written notice of such individual's unwillingness to serve as a director of the corporation. Unwillingness of a Commissioner of the Housing Authority to serve as a director

of the corporation, as set forth above, does not create a vacancy but instead shall eliminate that individual's directorship in the corporation and accordingly reduce the number of directors of the corporation until such individual's position on the Board of Commissioners of the Housing Authority is filled by another individual who is willing to serve as a director of the corporation, at which time the number of directors of the corporation in this category shall increase accordingly. The death, resignation, retirement, removal, or disqualification of a Commissioner as a Commissioner of the Housing Authority who has been willing to serve as a director of the corporation shall create a vacancy on the Board of Directors of the corporation.

The number of directors in Category B shall be up to four (4). The members of Category B shall serve on the Board of Directors by election by a majority of directors then sitting and shall serve a term of five (5) years or until such director's death, resignation, retirement, removal, or disqualification. Despite the expiration of a member's term, the director continues to serve as such until the director's successor is elected, designated, or appointed and qualifies, or there is a decrease in the number of directors.

Section 3.3 Election of Directors. Except as provided in Section 3.5 of this Article, the directors in Category B shall be elected, at any meeting of directors. If any Director so demands, elections of directors in Category B shall be by written ballot.

Section 3.4 Resignations and Removal. Any director in Category B may resign from the Board at any time by giving written notice to the Executive Director or the Secretary of the corporation and, unless otherwise specified herein, acceptance of such resignation shall not be necessary to make it effective.

Any Category A director may be removed at any time with or without cause by an amendment to these Bylaws deleting or changing the provision containing the designation. Further, the resignation, death, retirement, disqualification, or removal of a Category A director from the Board of Commissioners of the Housing Authority shall simultaneously create a vacancy of such directorship.

Any Category B director may be removed from office at any time with or without cause by a majority vote of the directors then in office.

Section 3.5 Vacancies. Any vacancy occurring among the directors shall be filled as follows:

Category A: If a vacant directorship was held by a Category A director, the vacancy shall remain vacant until such time as a person is properly appointed to fill the vacancy on the Board of Commissioners of the Housing Authority that is creating the vacancy on the Board of Directors of the corporation, provided that such person is willing to serve on the Board of Directors of the corporation pursuant to the provisions of Section 3.2 of these Bylaws.

Category B: If a vacant directorship was held by a Category B director, the vacancy may be filled by the Board at any meeting of the Board. If the directors in office do not constitute a quorum of the Board, the directors may fill the vacancy by the affirmative vote of a majority of the remaining directors, or by the sole remaining director, as the case may be. The term of a Category B director filing a vacancy expires at the end of the unexpired term that such director is filing.

Section 3.6 Chair of the Board. There shall be a Chair of the Board of Directors elected by the directors from their number at any meeting of the Board. The Chair, if elected, shall be an officer of the corporation, preside at all meetings of the Board of Directors and perform such other duties as may be directed by the Board.

Section 3.7 Vice-Chair of the Board. There may be a Vice-Chair of the Board of Directors elected by the directors from their number at any meeting of the Board. The Vice-Chair, if elected, shall, in the absence or disability of the Chair, perform the duties and exercise the powers of that office, and perform such other duties as may be directed by the Board.

Section 3.8 Compensation. The Board of Directors shall not compensate directors for their services as such but may authorize the reimbursement of any out-of-pocket expenses incurred by directors in attending regular or special meetings of the Board and otherwise in handling the affairs of the corporation; but nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

Section 3.9 Committees of the Board: The Board of Directors, by resolution of a majority of directors in office, may designate two or more directors to constitute an Executive Committee and such other committees as the Board shall deem advisable, each of which, to the extent authorized by the North Carolina Nonprofit Corporation Act and provided in such resolution, shall have and may exercise all of the authority of the Board of Directors in the management of the corporation. Each committee member serves at the pleasure of the Board of Directors. The provisions of these Bylaws governing meetings, action without meeting, notice, and waiver of notice, and quorum and voting requirements of the Board of Directors apply to any committees of the Board of Directors established pursuant to this Section. The designation of any committee of the Board of Directors and the delegation thereto of the Board's authority shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed upon him or her by law.

Section 3.10 Other Committees: Other committees not having and exercising the authority of the Board of Directors in the management of the corporation may be designated by resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Such committee shall have such duties and responsibilities as may be set forth in the resolution designating the committee.

## ARTICLE IV

### MEETING OF DIRECTORS

Section 4.1 Annual Regular Meetings. An annual regular meeting of the Board of Directors shall be held in April of each year, at a time and place to be set by the Board of Directors, for the purpose of electing the directors in Category B, if applicable, of the corporation and for such other business as may be properly brought before the Board. In the event that the date set for the annual regular meeting falls on a holiday, the annual regular meeting shall be held the following business day or on such date as may be set by the Board of Directors.

Section 4.2 Monthly Regular Meetings. The Board of Directors shall hold regular monthly meetings each month, at a time and place to be set by the Board, for such business as may be properly brought by the Board. In the event that the date set for the regular meeting falls on a holiday, the regular meeting shall be held the following business day or on such date as may be set by the Board.

Section 4.3 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board, if any, the Executive Director, or any two (2) directors. Such meetings may be held either within or without the State of North Carolina.

Section 4.4 Notice of Meetings. Regular meetings of the Board may be held without notice. Special meetings of the Board shall be held upon notice sent by any usual means of communication not less than five

(5) days before the meeting. The notice need not describe the purpose of the special meeting. Any duly convened regular or special meeting may be adjourned by the directors to a later time without further notice.

Notwithstanding the foregoing provisions of this Section, notice for any meeting of directors shall be made as may be required otherwise by the North Carolina Nonprofit Corporation Act, including without limitation, meetings of directors where any of the following matters are to be approved: (a) amendment to the corporation's Articles of Incorporation or Bylaws, (b) plan of merger or dissolution, or (c) sale of assets other than in the regular course of the corporation's activities.

Section 4.5 Waiver of Notice. Any director may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the director entitled by notice, and delivered to the corporation for inclusion in the minutes or filing with the corporate records. The attendance by a director at, or the participation of a director in, a meeting shall constitute a waiver of any required notice of such meeting, unless the director, at the beginning of the meeting (or promptly upon the director's arrival thereat), objects to holding the meeting or to transacting any business at the meeting and does not thereafter vote for or assent to the action taken at the meeting.

Section 4.6 Quorum. The attendance of one third (1/3) of the directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 4.7 Voting and Manner of Acting. Each director shall be entitled to one (1) vote on all matters that come before the corporation. Unless a higher vote is required by the corporation's Articles of Incorporation or these Bylaws or the North Carolina Nonprofit Corporation Act, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 4.8 Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless (a) such director objects at the beginning of the meeting (or promptly upon the director's arrival thereat) to holding the meeting or to transacting any business at the meeting, or (b) such director's contrary vote is recorded or such director's dissent or abstention from the action taken otherwise is entered in the minutes of the meeting, or (c) such director files written notice of dissent or abstention to such action with the person presiding at the meeting before the adjournment thereof or forwards such notice by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right of dissent or abstention is not available to a director who voted in favor of the action taken.

Section 4.9 Informal Action by Directors. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board and evidenced by one or more written consents signed by each director before or after such action, describing the action taken, and delivered to the Secretary of the corporation for inclusion in the minutes or filing with the corporate records.

## ARTICLE V

### OFFICERS

Section 5.1 Number. The officers of the corporation shall consist of a Chair of the Board, Vice-Chair, Executive Director, a Secretary, a Treasurer, and such Assistant Executive Directors, Assistant Secretaries, Assistant Treasurers and other officers as the Board of Directors may from time to time elect. Any

two (2) or more offices may be held by the same person, except for the offices of Executive Director and Secretary. In addition, no officer may act in more than one capacity where action of two or more officers is required.

Section 5.2 Election and Term. The officers of the corporation shall be elected annually by the Board of Directors. Such election shall be held at the annual regular meeting of the Board. Each officer shall hold office for a term of one (1) year or until such officer's death, resignation, retirement, removal, or disqualification, or until the election and qualification of such officer's successor.

Section 5.3 Removal and Registration. Any officer or agent may be removed by the Board at any time with or without cause; but such removal shall be without prejudice to the contract rights, if any, of the person so removed. An officer may resign at any time by notifying the corporation, orally or in writing, of such resignation. A resignation shall be effective upon receipt by the corporation unless it specifies in writing a later effective date. In the event a resignation so specifies a later effective date, the Board of Directors may fill the pending vacancy prior to such date; however, the successor to the resigning officer may not take office until the effective date. An officer's resignation does not affect the corporation's contract rights, if any, with such officer. Vacancies resulting from removal or resignation shall be filled by the Board.

Section 5.4 Compensation. The compensation, if any, of all officers of the corporation shall be fixed by the Board of Directors in accordance with the Articles of Incorporation of the corporation. The election of an officer does not itself create any contract rights.

Section 5.5 Executive Director. The Executive Director shall be the chief executive officer of the corporation and, subject to the control of the Board, shall supervise the affairs and management of the corporation in accordance with these Bylaws. The Executive Director shall sign all official documents or instruments of the corporation as authorized by the Board of Directors and shall make reports to the Board of Directors. The Executive Director shall perform all duties and exercise all powers incident to that office and such other powers and duties as from time to time may be prescribed by the Board.

Section 5.6 Assistant Executive Director. In the absence of the Executive Director or in the event of the Executive Director's death, inability or refusal to act, the Assistant Executive Directors in the order of their length of service as Assistant Executive Directors, unless otherwise determined by the Board of Directors, shall perform the duties of the Executive Director, and when so acting shall have all the powers of and be subject to all the restrictions upon the Executive Director. Any Assistant Executive Director shall perform such other duties as from time to time may be assigned by the Executive Director or by the Board of Directors.

Section 5.7 Secretary. The Secretary of the corporation shall keep accurate records of the acts and proceedings of all meetings of the directors. The Secretary shall give all notices required by law and these Bylaws. The Secretary shall have general charge of the corporate books and of the corporate seal, and shall affix the corporate seal to any lawfully executed instrument requiring it. The Secretary shall keep all records required by law at the principal office of the corporation. The Secretary shall sign such instruments as may require the Secretary's signature. In general, the Secretary shall perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 5.8 Assistant Secretaries: In the absence of the Secretary or in the event of the Secretary's death, inability or refusal to act, the Assistant Secretaries in the order of their length of service as Assistant Secretaries, unless otherwise determined by the Board of Directors, shall perform the duties of the Secretary, and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary.

Assistant Secretaries shall perform such other duties as from time to time may be assigned by the Secretary, by the Executive Director, or by the Board of Directors.

Section 5.9 Treasurer. The Treasurer of the corporation shall have custody of all funds and securities of the corporation and shall receive and deposit or disburse the same under the direction of the Board of Directors. The Treasurer shall maintain appropriate accounting records as may be required by law. In general, the Treasurer shall perform all duties incident to the office of the Treasurer and such other duties as from time to time may be assigned by the Executive Director or by the Board of Directors.

Section 5.10 Assistant Treasurers: In the absence of the Treasurer or in the event of the Treasurer's death, inability or refusal to act, the Assistant Treasurers in the order of their length of service as Assistant Treasurers, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. Assistant Treasurers shall perform such other duties as from time to time may be assigned by the Treasurer, by the President, or by the Board of Directors.

## ARTICLE VI

### CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 6.1 Contracts. Consistent with the purpose of the corporation as set forth in the corporation's Articles of Incorporation, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. The Board of Directors may enter into employment contracts on such terms and conditions as the Board deems necessary or desirable.

Section 6.2 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 a resolution of the Board of Directors. Such authority may be general or specific in nature and scope. Notwithstanding the foregoing, no loan, guaranty, or other form of security shall be made or provided by the corporation to or for the benefit of any of its directors, officers, or employees, if any.

Section 6.3 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 or officers or such agent or agents of the corporation and in such manner as from time to time shall be determined by resolution of the Board of Directors.

Section 6.4 Deposits. All funds of the corporation not otherwise employed from time to time shall be deposited to the credit of the corporation in such depositories as the Board of Directors shall direct.

Section 6.5 Grants. The Board of Directors may from time to time accept on behalf of the corporation any contribution, gift, bequest or devise for the general purpose or any special purpose of the corporation.



## ARTICLE VII

### GENERAL PROVISIONS

Section 7.1 Seal. The corporate seal of the corporation shall consist of two concentric circles between which is the name of the corporation and in the center of which is inscribed SEAL; and such seal, in the form approved and adopted by the Board of Directors, shall be the seal of the corporation .

Section 7.2 Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.3 Amendments. These Bylaws may be amended or repealed and new bylaws may be adopted by the Board of Directors. The corporation shall provide at least five (5) days written notice of any meeting of directors at which an amendment to the Bylaws is to be voted upon, and such notice shall state that the purpose, or one of the purposes, of the meeting is to consider a proposed amendment to the Bylaws and shall contain or be accompanied by a copy or summary of the amendment or state the general nature of the amendment. Any amendment to the Bylaws shall be approved by a majority of the directors in office at the time that such amendment is adopted.

Section 7.5 Financial Reports. The corporation shall furnish copies of its annual financial reports to the Housing Authority.

Section 7.6 Inconsistencies. In case any provision of these Bylaws shall be inconsistent with the Articles of Incorporation, the Articles of Incorporation shall govern.

## ARTICLE VIII

### INDEMNIFICATION

The corporation shall indemnify, to the fullest extent permitted by law and this Article, any person who is or was a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding (and any appeal therein), whether civil, criminal, administrative, arbitrative, or investigative and whether or not brought by or on behalf of the corporation, by reason of the fact that such person is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise or as a trustee or administrator under an employee benefit plan, or arising out of such party's activities in any of the foregoing capacities, against all liability and litigation expense, including reasonable attorneys' fees; PROVIDED, however, that the corporation shall not indemnify any such person against liability or expense incurred on account of such person's activities which were at the time taken known or believed by such person to be clearly in conflict with the best interests of the corporation or if such person received an improper personal benefit from such activities. The corporation likewise shall indemnify any such person for all reasonable costs and expenses (including attorneys' fees) incurred by such person in connection with the enforcement of such person's right to indemnification granted herein.

The corporation shall pay all expenses incurred by any claimant hereunder in defending a civil or criminal action, suit, or proceeding as set forth above in advance of the final disposition of such action, suit, or proceeding upon receipt of and undertaking by or on behalf of such claimant to repay such amount unless it

ultimately shall be determined that such claimant is entitled to be indemnified by the corporation against such expenses.

The Board of Directors of the corporation shall take all such action as may be necessary and appropriate to authorize the corporation to pay the indemnification required by this Bylaw, including without limitation, (a) a determination by a majority vote of disinterested directors (i) that the activities giving rise to the liability or expense for which indemnification is requested were not, at the time taken, known or believed by the person requesting indemnification to be clearly in conflict with the best interests of the corporation and (ii) that the person requesting indemnification did not receive an improper personal benefit from the activities giving rise to the liability or expense for which indemnification is requested, and (b) to the extent needed, giving notice to the members of the corporation.

Any person who at any time after the adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the corporation shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.

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