

BYLAWS

LYNCHBURG REGIONAL BUSINESS ALLIANCE

ARTICLE I- GENERAL

1. NAME - The name of the corporation shall be the Lynchburg Regional Business Alliance (the Alliance).

2. PRINCIPAL OFFICE - The principal office for the transaction of the activities, affairs, and business of the Alliance (principal office) is located at 2015 Memorial Avenue, Lynchburg, Virginia. The Board of Directors may change the principal office.

3. PURPOSE/MISSION - The mission of the Lynchburg Regional Business Alliance is to lead regional economic development through:

- (i) generating jobs and investment,
- (ii) promoting the region's brand and image globally,
- (iii) cultivating talent, and
- (iv) enhancing business climate.

4. LIMITATION - The Alliance shall observe all local, state and federal laws which apply to a non-profit organization as defined in Section 501 (c)(6) of the Internal Revenue Code.

5. SERVICE AREA — The Alliance's service area shall include, but is not limited to the Lynchburg, Virginia metropolitan statistical area, including the city of Lynchburg, the counties of Amherst, Appomattox, Bedford, and Campbell, and the towns of Altavista, Amherst, Appomattox, Bedford, and Brookneal.

ARTICLE II- MEMBERSHIP AND ECONOMIC DEVELOPMENT INVESTORS

1. ELIGIBILITY - Any person, association, corporation, partnership or sole proprietorship having an interest in the objectives of the Alliance shall be eligible to apply for membership.

2. APPROVAL - Applications for membership shall be signed by the applicant. Any applicant shall become a member upon payment of the appropriate membership investment, subject to the requirements of membership from time to time enacted or approved by the Board. Applications must be approved by the CEO (Chief Executive Officer) of the Alliance for the applicant to become a member.

3. MEMBERSHIP DUES/ECONOMIC DEVELOPMENT INVESTOR COMMITMENTS - The membership dues schedules shall be determined by the Board of Directors. The Board of Directors may also issue rules and guidelines regarding economic development investment in the Alliance and determine the rights and privileges associated with the same.

4. RESIGNATION - Any member may withdraw from the Alliance by submitting a written resignation to the Board of Directors. No prorated refund of dues shall be made.

5. DELINQUENCY - Any member who fails to pay his, her or its investment within sixty days after due date shall receive a written notice of delinquency and deemed not in good standing. The Board of Directors shall be informed of the delinquent status of the account. Any member who fails to pay his, her or its dues within ninety days after the due date shall receive a final notice. Such membership may be terminated by the CEO after final notice unless payment is made or extension is granted for cause by the CEO.

6. TERMINATION AND SUSPENSION OF MEMBERSHIP

A. EXPULSION. Any member may be expelled by the Board of Directors based on a good faith determination by the Board of Directors, or by a committee authorized by the Board of Directors, that the member has engaged in conduct contrary or damaging to the Alliance or aims of the Alliance.

B. SUSPENSION OF MEMBERSHIP. A member may be suspended based on the good faith determination by the Board of Directors or a committee authorized by the Board of Directors that the member has engaged in conduct materially and seriously prejudicial to the purposes and interest of the Alliance. A person whose membership is suspended shall not be a member during the period of suspension.

C. PROCEDURE FOR EXPULSION OR SUSPENSION. If grounds appear to exist for expulsion or suspension of a member the procedure set forth below shall be followed:

(1) The member shall be given fifteen (15) days prior written notice of the proposed action and the reasons for it. Notice shall be sent by first class or registered mail to the member's main contact as set forth below.

(2) The member shall be given notice of its opportunity to be heard, either orally or in writing, at least five (5) days before the date the matter is to be considered by the Board Of Directors or a committee to be appointed by it for that purpose.

(3) If heard by a committee appointed by the Board of Directors, the committee shall make a recommendation to the Board of Directors as to whether or not the Member shall be expelled or suspended.

(4) The Board of Directors shall then decide whether the member should be expelled or suspended.

7. PRIVILEGES OF MEMBERSHIP. The Board of Directors may from time to time provide for certain privileges of membership. All members shall identify one individual as the main contact to exercise the privileges of membership and to receive communications from the Alliance.

8. NO RIGHT TO VOTE. The members shall have no right to vote on any matters affecting the Alliance.

ARTICLE III - MEMBERSHIP MEETING

1. ANNUAL MEETING - An annual membership meeting shall be held during each year at which the Board of Directors will report on the state of the Alliance, its ongoing initiatives, and its plans for the future.

ARTICLE IV –BOARD OF DIRECTORS

1. BOARD TERMS/COMPOSITION - The governance of the Alliance shall be vested in the Board of Directors which shall be referred to as the Board of Directors and which shall have the control of its property and the direction of its affairs (sometimes referred to herein as the “Board”). Initially, the Board of Directors shall consist of persons as determined in the Consolidation Agreement dated December 10, 2015 between the Lynchburg Regional Chamber of Commerce and Virginia’s Region 2000 Business and Economic Development Alliance, who shall serve the terms described in such Agreement. After December 31, 2016, the Board of Directors shall consist of persons elected by the Board by virtue of their standing in the business community and shall include where possible the CEOs or CFOs of the region’s largest employers, the CEOs or other heads of local colleges and universities, and the local head or manager of any large area employer whose main office is elsewhere other than within the region (“Elected Directors”). In addition, the Board of Directors shall include the following persons by virtue of their positions for so long as such persons hold those positions (“Ex Officio Directors”):

a) The chief administrative officer of each locality represented by the Alliance, so long as the locality is an economic development investor in the Alliance and current in its payments.

b) The Executive Director of the Local Government Council.

c) The chair of the Small Business Committee.

d) The chair of the Legislative Affairs Committee.

e) The chair of the Investor Relations Committee.

f) The chair of the Ambassador Team.

g) The chair of the Young Professionals of Central Virginia board.

h) The chair of the Region 2000 Technology Council board.

i) The chair of the Future Focus Foundation board.

j) The chair of the Central Virginia Industries Council board.

k) The vice-chair of the Region 2000 Technology Council board.

l) The chair of the LRTAG board.

m) The chair of the Leadership Council.

n) The chair of the Regional Economic Developers Team.

o) The chair of the Center for Advanced Engineering & Research board.

p) The chair of the Workforce Development Board.

All persons serving on the Board of Directors to be eligible to be appointed or elected, or while serving, whether serving by election or by virtue of position with a locality, must be a representative of a then current member of, or economic development investor in, the Alliance. Any person serving on the Board of Directors representing an individual, organization, county or city that is not then a current member of or economic development investor in the Alliance shall immediately be deemed to have forfeited his or her seat on the board and such seat shall be deemed vacant.

The Board of Directors shall have between ten (10) and fifty (50) directors. Elected board directors shall serve terms of three (3) years each without limit as to consecutive terms. The Board of Directors shall meet quarterly on a schedule to be determined by the Board annually and shall also meet jointly with the Executive Board at its annual meeting. The joint meeting with the Executive Board may count as a quarterly meeting if so determined by the Board of Directors.

2. POWERS OF THE BOARD - The Board of Directors shall develop and recommend strategies to the Executive Board, shall provide feedback on corporate policies, shall annually approve the budget for the corporation, and shall provide resources, advice and counsel to the Executive Board and to the CEO. Only the Board of Directors shall have the authority of a board of directors under Virginia state law. The Board of Directors shall have the power to:

A. Select and remove the Chief Executive Officer (herein referred to as the “CEO”); prescribe any powers and duties for the staff of the Corporation that are consistent with applicable law, the Articles of Incorporation and these Bylaws; and fix compensation for the CEO.

B. Change the principal office of the corporation.

C. Adopt and use a corporate seal.

D. Levy annual dues, assessments, or fees upon members, and set the date or dates for their payment; change the amount of such dues, assessments or fees from time to time, and provide for collection or penalties for non-payment of any such dues, assessments or fees.

E. Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, and other evidences of debts and securities.

F. Adopt, amend or repeal bylaws of the corporation. The Board shall adopt such rules and regulations as may be required to conduct the affairs of the organization.

G. The Board reserves to itself all powers of governance, direction, and management vested in it by its Articles of Incorporation, its By-Laws, and by applicable state law, except such powers as it may specifically delegate to the CEO, or his/her designee. The Board also reserves to itself full authority to revoke or modify any such delegated powers at any time and from time to time.

H. Adopt a budget for the Alliance.

3. **NOMINATION OF DIRECTORS** - The Chair of the Board of Directors shall charge the Nominating Committee to present a slate of candidates to replace the elected directors whose regular terms are expiring. The Nominating Committee shall meet as often as needed and make regular reports to the Board of Directors about its progress in recruiting suitable candidates. Each candidate must be an economic development investor or an active member in good standing and must have agreed to accept the responsibility of a directorship.

A. Nominees will be presented to the Board of Directors at its last meeting of each calendar year to be elected at such meeting. In the event of a contested election, ballots will be distributed to directors. Directors can be elected by a majority vote of the Board at any meeting where a quorum is present. Board terms begin on January 1.

B. The Board of Directors may, at any regular meeting, appoint additional persons as may be deemed appropriate to serve as non-voting members of the Board.

4. RESIGNATION

A. **VOLUNTARY** - Any director may resign, effective immediately, or at a later time specified by the director, by notification to the Chair of the Board, the CEO, or the Board of Directors. If the resignation is effective at a future time, a successor may be selected in advance to fill the vacancy when the resignation becomes effective.

B. CHANGE OF AFFILIATION - Should any Director change his or her firm or locality affiliation during the term of his or her elected or appointed directorship, that seat shall be automatically resigned and the seat declared vacant.

5. REMOVAL — Any member of the Board of Directors may be expelled based on a good faith determination by the Board of Directors, that the board member has engaged in conduct contrary or damaging to the Alliance or aims of the Alliance. Action can be taken upon a majority vote of the Board of Directors.

6. VACANCIES - Vacancies occurring in the seat of an elected director on the Board of Directors may be filled by majority vote of the Board of Directors. Vacancies occurring in the seat of an ex officio director shall be filled by the appropriate locality, board, council, or agency assigned such ex officio seat.

7. ABSENTEEISM - Any member of the Board of Directors who shall be absent from four (4) meetings per year may be removed from the Board of Directors by a majority vote of the Board of Directors.

8. FEES & COMPENSATION - Directors and members of committees shall serve without compensation for their services. This section shall not preclude any Director from serving the corporation in any other capacity, as officer, agent, employee, or otherwise and receiving compensation for that service. If a director or committee member other than an employee of the Alliance receives compensation for services, such compensation shall be pre-approved by the Board of Directors. This requirement shall not preclude the Alliance from conducting business in the normal course with firms or businesses that are represented on the Board or committees.

9. MANAGEMENT - The Board of Directors shall employ a CEO and shall determine the salary and other compensations of employment. The Board of Directors shall define the duties and responsibilities of the CEO and shall annually conduct a written performance review under the direction of the Chair of the Board and the Executive Committee.

10. QUORUM – The presence in person or by electronic communication at any meeting of at least one-third (1/3) of the directors then in office shall constitute a quorum. The majority of such a quorum shall prevail on votes of the Board whether in person or by electronic communication.

11. ADJOURNMENT - A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting.

ARTICLE V – EXECUTIVE BOARD

1. BOARD TERMS/COMPOSITION - When the Board of Directors is not in session, the Executive Board shall have and may exercise all of the authority of the Board of Directors. However, the Executive Board shall not have the authority to: (a) amend, alter or repeal these Bylaws, (b) appoint or remove any Director or officer of the Corporation, (c) amend or restate the Articles, (d) adopt a plan of merger or consolidation with another corporation, (e) authorize the

sale, lease, exchange or mortgage of all, or substantially all, of the property and assets of the Corporation, (f) authorize the voluntary dissolution of the Corporation or adopt a plan for the distribution of the assets of the Corporation, or (g) amend, alter or repeal any resolution of the Board of Directors. Prior to December 31, 2016, the Executive Board may be comprised of between twelve (12) and twenty-eight (28) directors, in order that the members of the Collaboration Task Force not otherwise serving on the Executive Board can each serve a term of one (1) year on the Executive Board, beginning January 1, 2016. From and after January 1, 2017, the Executive Board shall be composed of between twelve (12) and twenty-one (21) directors. Except as otherwise provided herein, the Executive Board shall have two (2) classes of directors, namely: (i) directors elected by the Board of Directors from its membership (“elected directors”) and ex officio directors who serve on the board by virtue of their positions (“ex officio directors”). Both classes of directors will be referred to herein collectively as “directors” and the board as thus constituted shall be referred to herein as the “Executive Board”. Notwithstanding the foregoing, from January 1, 2016 the Executive Board shall consist of the individuals set forth in the Consolidation Agreement dated December 10, 2015 between the Lynchburg Regional Chamber of Commerce and Virginia’s Region 2000 Business and Economic Development Alliance who shall serve the terms described in such Agreement. Upon the expiration of any such individual’s terms as described in the Agreement, the Executive Board shall be constituted as otherwise set forth in these bylaws.

2. ELECTION OF THE ELECTED DIRECTORS – There may be up to seven (7) elected directors who shall be elected to the Executive Board by a vote of the Board of Directors for one (1) year terms. Such elected directors may serve a total of three (3) consecutive terms, after which such director may not be reelected to another term until one (1) year has passed since his or her last service on the board.

3. EX OFFICIO DIRECTORS. The following shall serve as Executive Board members by virtue of their positions and for so long as such member holds such position:

- a) The immediate past Chair of the Board of Directors (who shall be the person who was serving as Chair immediately preceding the then currently serving Chair).
- b) The Chair of the Board of Directors (who shall also act as Chair of the Executive Board).
- c) The Incoming Chair of the Board of Directors.
- d) The Vice Chair of the Board of Directors.
- e) The chair of the Finance Committee.
- f) The chair of the Region 2000 Technology Council board.
- g) The chair of the Legislative Affairs Committee.
- h) The chair of the Young Professionals of Central Virginia board.
- i) The chair of the Small Business Committee.
- j) The chair of the Investor Relations Committee.
- k) The chair of the Regional Economic Developers Team.
- l) The Executive Director of the Local Government Council.
- m) Two local government managers from the counties or city represented by the Alliance, the individuals of whom that will serve will be elected by the managers from among the managers.

4. MONTHLY AND SPECIAL MEETINGS - The Executive Board shall hold regular monthly meetings. Special meetings of the Executive Board for any purpose may be called at any time by the Chair of the Executive Board, or in his/her absence, by the Chair-Elect. Notice of the time and place of any special meeting of the Executive Board shall be given to each Director by four days' notice by first class mail or 48 hours' notice delivered in person or by telephone, fax, or e-mail to the Director's contact information shown on the records of the corporation. Unless otherwise provided by Virginia

law, directors may participate in an annual, regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all directors participating may simultaneously hear each other during the meeting including, but not limited to, conference telephone or similar communications equipment, so long as no fewer than ten (10) members are present in person.

5. **QUORUM** – The presence at any meeting of the greater of (i) at least twelve (12) of the members of the Executive Board, or (ii) at least one-half (1/2) of the members of the Executive Board, shall constitute a quorum. The majority of such a quorum shall prevail on votes of the Board whether in person or by electronic communication, but in no event shall such majority prevail with fewer than eight (8) votes.

6. **TERMINATION OF PARTICIPATION** – A member of the Executive Board whose membership on the Board of Directors expires or terminates due to resignation, expiration of term, expulsion, change of affiliation, or any other cause whatsoever, may no longer serve as a member of the Executive Board.

ARTICLE VI

OFFICERS AND STANDING COMMITTEE CHAIRS

1. **ELECTION OF OFFICERS AND CHAIRS** - The Nominating Committee shall create a slate of nominees for the offices of Chair, Chair-elect, Vice Chair, secretary, treasurer, and chairs of the standing committees. This slate shall be presented to the Board of Directors at its last meeting of each calendar year for election at that meeting. In addition to the nominees presented by the Nominating Committee, nominees will be accepted from the floor. Directors present will vote by secret ballot should there be a contest. Officers shall take office on the first day of January and serve until the last day of December.

2. **ELIGIBILITY** - All officers and chairs of standing committees shall be appointed from those elected to, or eligible by position for, membership of the Board of Directors. No officer may serve in the same capacity for more than three (3) consecutive terms.

3. DUTIES

A. **Chair of the Board.** The Chair of the Board of Directors shall preside at all meetings of the Board of Directors and Executive Board.

B. **Immediate Past Chair.** The Immediate Past Chair shall serve as full voting member of the Executive Board and Board of Directors regardless of whether he or she has served more than the number of consecutive terms as a director as may be allowed in these Bylaws.

C. **Chair Elect.** The Chair Elect acts as the presiding officer of the Alliance in the absence of the Chair and assist the Chair in all duties and responsibilities.

D. **Vice Chair.** The Vice Chair shall be the person elected to succeed the Chair Elect when the Chair Elect becomes Chair. The Vice Chair acts as the presiding officer of the Alliance in the absence of the Chair and Chair Elect. The Vice Chair shall act as the Secretary. The Vice Chair shall

also act as the Parliamentarian of the Board of Directors and of the Executive Board and shall be responsible for the interpretation of the Bylaws and other rules of parliamentary procedure applicable to the proceedings of the Board and Executive Board.

E. Treasurer. The Treasurer serves as Chair of the Finance Committee, which reviews the monthly financial statements, oversees the development of an annual budget and other financial recommendations to the Board of Directors.

F. Secretary. The Secretary causes to be prepared notices, agendas, and minutes of all meetings of the Board and Executive Board.

G. Chair of the Legislative Affairs Committee. The Chair of the Legislative Affairs Committee acts as head of the Legislative Affairs Committee.

H. Chair of the Strategic Planning Committee. The Chair of the Strategic Planning Committee acts as head of the Strategic Planning Committee.

I. Chair of the Investor Relations Committee. The Chair of the Investor Relations Committee acts as head of the Investor Relations Committee.

J. Chair of the Leadership Council. The Chair of the Leadership Council acts as head of the Leadership Council.

K. Chair of the Ambassador Team. The Chair of the Chamber Host and Ambassador Team acts as head of the Chamber Host and Ambassador Team.

L. Regional Economic Development Team. The Chair of the Regional Economic Development team acts as the head of the Regional Economic Development Team.

M. CEO. The CEO shall be the chief administrative officer of the Alliance and shall serve as the Alliance's manager. The CEO shall:

- (1) serve as advisor to the Executive Board, to the Board of Directors, to all committees of the Board and advisory committees, and to the officers of the Alliance,
- (2) be responsible for administration of the annual business plan in accordance with the policies and regulations of the Board,
- (3) together with the Chair of the Board, be the sole spokesperson for the Alliance in communications with the public except for specific areas assigned to others,
- (4) be responsible for preparation of an operating budget covering all activities of the Alliance, in conjunction with the Treasurer, subject to approval of the Board, and
- (5) be responsible for all expenditures within Board approved budget allocations, shall be
- (6) responsible for hiring, discharging, directing and supervising all employees of the Alliance,
- (7) assemble information and data and cause to be prepared all reports directed by the annual business plan or by the Board,
- (8) assist the Secretary of the Alliance in the preparation of notices, agendas, and minutes of all meetings,
- (9) assist the Treasurer of the Alliance in the preparation and maintenance of books and accounts, and
- (10) have such other powers and duties as the Board or Bylaws may prescribe.

ARTICLE VII – COMMITTEES

1. **IN GENERAL** – Committee members will be elected by the Board of Directors, except where otherwise noted. The Board of Directors may elect members to committees who are not also directors. The Board of Directors will determine the size of each committee.

2. **FINANCE COMMITTEE** - The Finance Committee shall consist of the Treasurer and such other members as may be elected by the Executive Board, but no fewer than three (3). The Treasurer shall be the Chair of the committee. The committee shall (i) assist the Board of Directors and the CEO in the preparation of an annual budget, (ii) review the financial condition of the Alliance and report on the same to the Board of Directors at each of its meetings, (iii) review the investment policy of the Alliance and make recommendations to the Board of Directors for adjustments to the policy or to Alliance investments, (iv) review and make recommendations to the Board of Directors regarding a capital replacement budget, (v) review and recommend to the Board of Directors financial control policies of the Alliance, (vi) coordinate the Alliance's annual audit and review and make recommendations regarding the same, and (vii) carry out such other duties as may be assigned by the Board of Directors.

3. **NOMINATING COMMITTEE** - There shall be a Nominating Committee that shall consist of three (3) members. The Immediate Past Chair, Chair Elect, and Vice Chair shall serve as members of the Nominating Committee and the Chair Elect shall serve as the chair of the Nominating Committee. In addition to such other duties as the Board of Directors may time to time prescribe, the Nominating Committee shall

- a. Nominate for election to the Board of Directors persons to fill vacancies on the Board of Directors and on the Executive Board which occur during the year or as terms of members of those boards expire;
- b. Annually, develop for recommendation to the Board of Directors nominations for the offices of Chair, Chair Elect, Secretary, Treasurer, and chairs of standing committees.

4. **STRATEGIC PLANNING COMMITTEE** - There shall be a Strategic Planning Committee which shall consist of not less than 5 nor more than 11 members, each of whom shall be elected by the Board of Directors. The Strategic Planning Committee shall be charged with:

- i) developing and implementing a strategic economic development plan for the Region;
- ii) monitoring Corporation's progress toward the achievement of its goals; and,
- iii) performing such other duties as may be set by the Board of Directors.

If so determined by the Board of Directors, the Executive Board may serve as the Strategic Planning Committee.

5. **INVESTOR RELATIONS COMMITTEE** - There shall be an Investor Relations Committee the members of which shall be elected by the Board of Directors and which shall be responsible for regular and periodic communications with the Alliance's public and private economic development investors. The committee shall give an annual report to the Board of Directors providing economic development investor feedback and shall provide such other economic development investor feedback as may from time to time be prudent.

6. **LEADERSHIP COUNCIL** – There shall be a Leadership Council that oversees all

Leadership Lynchburg programs including YEA, Flagship and the Executive Forum.

7. **AMBASSADOR TEAM** – There shall be an Ambassador Team that shall act as the Alliance’s event volunteers and which shall engage in efforts focused on member recruitment and retention.

8. **LEGISLATIVE AFFAIRS COMMITTEE** – There shall be a Legislative Affairs Committee that will identify, discuss and, through the Board of Directors, act upon state and federal issues that potentially affect members.

9. **REGIONAL ECONOMIC DEVELOPMENT TEAM** – There shall be a Regional Economic Development Team that is charged with (i) developing a strategic marketing plan to attract and retain businesses to the region, (ii) fostering and encouraging a broad base of support for economic development within the region, (iii) and advancing the Alliance’s goals of attracting, retaining, and promoting the growth of, businesses to and within the region. The team shall consist of an economic development director appointed by each locality in good standing with, and represented by, the Alliance, plus two (2) members elected by the Board of Directors. The chair of the committee shall be elected by the committee from among its members.

10. **OTHER COMMITTEES AND TASK FORCES** - The Board of Directors may create committees and task forces for such tasks and for such time periods as it deems necessary or desirable to carry out the purposes of the Alliance (such other committees shall not be standing committees, but shall only survive for a stated period or until the work assigned to such committee is completed). The Board of Directors Chair shall appoint the Chair of each such committee and task force annually from members of the Board of Directors, unless the Board of Directors reserves to itself the right to elect the same. Committee chairs may not serve more than three consecutive years in the same position unless otherwise approved by the Board of Directors. Those members of a committee or task force present at a properly called meeting shall constitute a quorum which shall be required for official action of the committee or task force to take place. Unless otherwise stated in these Bylaws or charged by the Board of Directors, Committees are advisory to such Board only and no committee shall have the authority to bind or commit the Alliance to any course of action, contract, or financial commitment unless such authority has been specifically granted by the Board of Directors.

11. **TERMS** - Officers and Committee chairs serve one (1), one-year terms beginning January 1. Members of all committees who are not otherwise serving by virtue of their positions shall be elected by the Board of Directors at its final meeting of each calendar year from a list of nominees submitted by the Nominating Committee.

ARTICLE VIII - FINANCES

1. **FUNDS** - All money paid to the Alliance shall be placed in a general operating fund, except those restricted for a specific purpose, which shall be held in a segregated account. Excess funds beyond an appropriate amount required to operate shall be held in an interest bearing “reserve” account at a financial institution as appropriate..

2. **DISBURSEMENTS** - Upon approval of the budget, the CEO is authorized to approve disbursements on accounts and expenses provided for in the budget without additional approval of the Board of Directors. All disbursements shall be made by check, as practically possible. All checks shall require the signature of a corporate officer.

3. FISCAL YEAR - The fiscal year of the Alliance shall close on December 31st.

4. BUDGET - The budget for the ensuing calendar year shall be approved no later than at the final Board of Directors meeting in each calendar year.

5. AUDIT - The accounts of the Alliance shall be audited annually at the close of the year's business. The Board of Directors shall select an independent auditor and it shall be the duty of the auditor to examine and audit the books of the corporation and report its findings to the Finance Committee and to the Board of Directors.

6. INDEMNIFICATION & BONDING - In accordance with Section 13.1 – 876 and 878 of the Code of Virginia, the Board of Directors shall have full power to indemnify any officer or Director of the Alliance against any expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with any threatened, pending or completed action, suite or proceeding. Directors and Officers Liability insurance must be maintained for the organization in an amount to be determined annually by the Board of Directors during the budget process.

ARTICLE IX - DISSOLUTION

The Alliance shall use its funds only to accomplish the objects and purposes specified in these Bylaws, and no part of said funds shall inure or be distributed to the members of the Alliance. Upon dissolution of the corporation, any funds remaining shall be distributed to one or more regularly organized and qualified charitable, educational, scientific, or philanthropic organizations to be selected by the Board of Directors.

ARTICLE X - PARLIAMENTARY AUTHORITY

The proceedings of the Alliance's meetings shall be governed by the latest addition of Robert's Rules of Order when not in conflict with (i) the Alliance's articles of incorporation, (ii) its bylaws, (iii) accepted past parliamentary practice, or (iv) other rules instituted and agreed to by the Board.

ARTICLE XI - AMENDMENTS

These Bylaws may be amended or altered by a 2/3 majority of the Board of Directors at any regularly scheduled or special meeting, provided the notice of the meeting includes the proposals for amendments.

ARTICLE XII - SEAL

The corporation seal of the Alliance shall be a circular disc bearing the words "Lynchburg Regional Business Alliance".

These Bylaws were approved and adopted on this _____ day of _____, 2016.

_____, Chair of the Board of Directors