

**Attachment 2
Exhibit A**

**BYLAWS OF
DON RYAN CENTER FOR INNOVATION, INC.
ADOPTED MARCH 14, 2017.**

ARTICLE I

NAME, SEAL AND OFFICES

1.1 Name. The name of this Corporation is Don Ryan Center for Innovation, Inc. (the “Corporation”).

1.2 Seal. The Board of Directors may adopt, use and alter a corporate seal at pleasure. The seal shall be kept at the principal office of the corporation. Failure to affix the seal to any corporate instrument, however, shall not affect the validity of that instrument.

1.3 Offices. The principal office of the corporation shall be located in the Town of Bluffton, County of Beaufort, State of South Carolina. The Board may at any time, or from time to time, change the location of the principal office from one location to another within said Town and county.

ARTICLE II

**OBJECTIVE, PURPOSE, ACTIVITIES AND
DISPOSITION OF ASSETS ON DISSOLUTION**

2.1 Objective. The Corporation’s objective is to be organized and operated exclusively as a South Carolina public benefit nonprofit corporation existing for the benefit of the Town of Bluffton (the “Town”), a municipal corporation of the State of South Carolina and it’s surrounding region

2.2 General Purpose. The Corporation has not been formed for pecuniary profit or financial gain, and no part of the assets, income, or profits of the Corporation is or shall be distributable to, or inure to the benefit of, its Directors or officers except to the extent permitted under the laws of South Carolina relating to nonprofit corporations. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Bylaws or the Corporation’s Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 115 of the Internal Revenue Code of 1986, as amended (or the corresponding provision of any subsequent United States internal revenue law) (the “IRC”), or (b) by a corporation, contributions to which are deductible under IRC Section 170(c)(1). In no event, however, shall the corporation engage in activities that are not permitted to be carried on: by a corporation exempt under Section 501(c)(3) of the Internal Revenue Code and its regulations, as they now exist or as they may be

amended.

2.3 Specific Purposes. The Corporation is an instrumentality of the Town organized and operated to assist the Town in the following governmental functions and accomplish the following governmental purposes:

(a) To accept, buy, sell, own, hold, develop, lease, operate, mortgage, insure, pledge, assign, transfer or otherwise receive or dispose of interest in real and personal property including transferred development rights.

(b) To engage in the economic development of the Town for the benefit of the Town and the region;

(c) To pursue a wide range of activities and projects, including, but not limited to, developing programs to assist technology start up businesses and/or the relocation of technology based businesses to the region, business recruitment and retention, and for the purpose of carrying on its objects and purposes;

(d) To provide small business start up and development resulting in expanded employment, economic prosperity and business opportunities for businesses and residents and to provide such charitable services that are associated with such specific purposes as allowed by law;

(e) To make contracts and guaranties, incur liabilities, borrow money, issue notes, bonds, and other obligations, and secure any of its obligations by mortgage or pledge of any of its property, franchises, or income;

(f) To lend money, invest and reinvest its funds, and receive and hold real and personal property as security for repayment;

(g) To engage in any and all lawful activities necessary or incident to the foregoing purposes, except as limited herein;

(h) To do any other act or thing incident to or in connection with the foregoing purposes or in advancement thereof but not for the pecuniary profit or financial gain of its Directors or officers except as permitted under the South Carolina Nonprofit Corporation Act of 1994. In furtherance of its corporate purposes, the Corporation shall have all general powers enumerated in Section 33-31-302 of the Code of Laws of South Carolina 1976 as amended.

2.4 Distribution on Dissolution. The properties and assets of the corporation are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or any Director or officer of the corporation. On liquidation or dissolution, all remaining properties and assets of the corporation shall be distributed and paid over to the Town of Bluffton and used for public purposes, or paid over to such organization (or organizations) organized and operated exclusively for charitable purposes, which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue law).

ARTICLE III

ARTICLE 3: MEMBERSHIP

3.1 Sole Member. The Town of Bluffton, a municipal, shall be the sole member of the corporation and is referred to in these bylaws as the "Sole Member." The Sole Member shall act through the Town Council in accordance with its Charter, the Town's Municipal Code, applicable state laws and these bylaws.

3.2 Rights of Membership. The Sole Member shall have the right to vote on: the election and removal of Directors of the Board, subject to the provisions of Article IV of these bylaws; the disposition of all or substantially all of the corporation's assets; any merger and its principal terms and any amendment of those terms; any election to dissolve the corporation; any amendment of the Articles of Incorporation or bylaws; and such other matters as set forth in these bylaws and the Law. In addition, the Sole Member shall have all rights afforded members under the Law and these bylaws. The corporation may benefit, serve, or assist persons who are not members.

The Sole Member shall not be entitled to any dividend or any part of the income of the corporation, except as may be necessary to fulfill any contractual obligations between the corporation and the Sole Member.

3.3 Termination of Membership. The membership shall only terminate upon the resignation of the Sole Member, on reasonable notice to the corporation.

3.4 Expulsion, Suspension or Termination of Membership. The Sole Member may not be expelled or suspended, and no membership or membership rights may be terminated or suspended.

3.5 Transfer of Membership. The membership, or rights arising from membership, shall only be transferred by an official act of the Town of Bluffton.

3.6 Liability for Debts or Obligations. The Town, as the Sole Member of the corporation, is not, as such, liable for the debts, liabilities or obligations of the corporation.

ARTICLE IV

BOARD OF DIRECTORS

4.1 Powers. Subject to the provisions and limitations of the South Carolina Nonprofit Corporation Act of 1994, as amended (the "Act") and any other applicable laws of the State of South Carolina, and subject to any limitations in the Articles of Incorporation and these bylaws regarding actions that require approval of the Sole Member, the business and affairs of the corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. The Board may delegate the management of the day-to-day operation of the business of the corporation to a committee composed of Directors, or other person, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

4.2 Number and Qualifications. The Board of Directors (the “Board”) of the Corporation shall consist of up to eleven (11) voting Directors (the “Directors”) appointed by the Sole Member at its discretion, and such additional Ex Officio members appointed by the Directors pursuant to Section 4.5 of these Bylaws.

4.3 Director Appointments and Classification. Appointments of the Director seats shall be as follows:

(a) The Mayor of the Town of Bluffton shall serve as a Director.

(b) The remaining ten (10) Directors shall be appointed by the Sole Member at its discretion at a regular meeting of the Sole Member. However, if all of the Directors to be elected are not elected at any regular meeting of the Sole Member, they may be elected at any special meeting of the Sole Member held for that purpose.

4.4 Director Terms.

The initial Directors, save and except as otherwise provided, shall have staggered terms of one, two, or three years. It is the intent of these bylaws to have and maintain staggered terms of office for the Directors and to provide that no more than one-third (1/3) of the Directors' offices expire in any given year. Thereafter, appointments of Directors shall occur upon expiration of the initial term and every three (3) years thereafter by the Sole Member at a regular meeting of the Sole Member. However, if all of the Directors to be elected are not elected at any regular meeting of the Sole Member, they may be elected at any special meeting of the Sole Member held for that purpose. Directors appointed to any newly created seat established by an amendment of these bylaws shall serve for a term of three (3) years. No Director shall serve more than three (3) full three (3) year terms. Any partial term less than one-half plus one day of a full term shall not be considered as a full term. Any partial term more than half the full term shall be considered a full term. Terms for each Director shall begin on July 1 and expire on June 30. Each Director, including a Director appointed to fill a vacancy, shall hold office until expiration of the term for which appointed and until a successor has been appointed and qualified.

The following Directors are subject to alternate Terms are as follows:

(a) The Mayor of the Town of Bluffton whose term on the Board shall coincide with the Mayor's term in office.

4.5 Ex Officio Appointments, Classification, and Terms: The Board shall also consist of certain Ex Officio (the “Ex Officio”) members, whose memberships include the right to attend meetings of the Board and to speak at Board meetings but not the right to vote. The Directors shall be responsible for the appointment of all Ex Officio Members in accordance with these Bylaws. The Directors shall appoint the following mandatory Ex Officio members as prescribed below:

(a) One (1) representative consisting of a member of the Town of Bluffton Town Council to be appointed by the Directors upon notification by the Town of Bluffton Town Council whose term on the Board shall coincide with the Council member's term in office; and,

(b) One (1) representative consisting of the Town's Finance Director, or their designee as approved by the Sole Member, to serve as an Ex Officio who shall serve without term limits, so long as they continue employment with the Town of Bluffton.

(c) One (1) representative consisting of the CEO to serve as an Ex Officio who shall serve without term limits, so long as they continue employment with the Town of Bluffton.

Further, the Directors may appoint up to five (5) at-large Ex Officio members to the Board from the following community and industry sectors: Marketing & Communications organizations, Healthcare/Technology organizations, Chambers of Commerce, Hospitality organizations, a Don Ryan Center for Innovation Graduate Innovator and other similar organizations as determined by Town Council, who shall serve for a term of three (3) years and may serve a maximum of three (3) consecutive terms. Any partial term less than of one-half plus one day of a full term shall not be considered as a full term. Any partial term more than half the full term shall be considered a full term. Terms for each Ex-Officio member shall begin on July 1 and expire on June 30. Each Ex-Officio member, including an Ex-Officio member appointed to fill a vacancy, shall hold office until expiration of the term for which appointed and until a successor has been appointed and qualified.

4.6 Resignation. A Director or Ex-Officio member may resign at any time by delivering written notice to the Board, the Chair or the Secretary. A resignation is effective when the notice is delivered unless the notice specifies a later date. Appointments to fill vacant seat(s) shall be in accordance with Article 4 of these Bylaws for the duration of that seat's term.

4.7 Removal/Vacancies. The Town Council may, with or without cause, remove any Director from the Board. The Directors may, with or without cause, remove any Ex-Officio member from the Board. An Ex Officio member of the Board or officer, who ceases to hold that office, shall be deemed automatically removed from the Board of Directors. Appointments to fill vacant seat(s) shall be in accordance with Article 4 of these By-Laws for the duration of that seat's term.

4.8 Attendance. All Directors and Ex-Officio members shall be required to attend at least two-thirds (2/3) of the scheduled and/or special meetings of the Board held during each fiscal year of the Corporation. A Director or Ex-Officio member shall be deemed in attendance if participating by telephone. Any absence excused by a majority vote of the Directors shall not count as an absence for purposes of this Section. Failure of any Director or Ex-Officio member to satisfy this attendance requirement may result in removal of the subject Director or Ex-Officio member by the Sole Member.

4.9 Education Partners. Recognizing the importance of promoting and enhancing programs and initiatives to further workforce development to maintain and improve competitiveness for the region, the Board desires to provide for Education Partners as advisors on applicable matters. Education Partners are non-voting, advisory members on matters pertaining to initiatives, training, and programs as necessary. Education Partners may include representatives from local and regional institutions such as the Beaufort County School District, Savannah College of Art and Design, Technical College of the Lowcountry, University of South Carolina Beaufort, and other similar organizations as determined by the Board.

4.10 Meetings. The Corporation shall hold an annual meeting each June, or as soon thereafter as possible, for the purpose of electing officers of the Board and for transacting such other business as may come before the Board. The meeting shall be held at the principal office of the Corporation or such other location within or without the State of South Carolina as specified by the Board of Directors. Other regular meetings of the Board shall be held monthly at such times as are fixed by the Board. Except as otherwise provided by law, any business may be transacted at any meeting of the Board of Directors.

4.11 Special Meetings. Special meetings of the Board of Directors may be called for any lawful purpose or purposes by the Chair, Sole Member, or at least twenty-five percent (25%) of the Directors then in office.

4.12 Notice of Meetings. Notice of the time, date and place of any regular or special meeting shall be given at least one day prior thereto. Notice may be communicated in person, by telephone, electronic mail, telegraph, teletype or other form of wire or wireless communication or by mail or private carrier or any other lawful means. A Director's attendance at or participation in a meeting waives any required notice of the meeting, unless the Director upon arriving at the meeting (or prior to the vote on a matter not properly noticed in conformity with the law or the Corporation's Articles of Incorporation or these Bylaws) objects to and does not thereafter vote for or assent to the objected to action. Notice of an adjourned meeting need not be given if the time and place are fixed at the meeting adjourning.

4.13 Participation by Telecommunications. Any Director may participate in, and, for purposes of Section 4.8 above, be regarded as present at, any meeting of the Board of Directors by means of conference telephone or any other means of communication by which all persons participating in the meeting can hear each other at the same time.

4.14 Quorum. A majority of the Directors in office immediately before the meeting shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present at the meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

4.15 Action. The Directors shall take action by the affirmative vote of a majority of the Directors participating in a meeting at which a quorum is present, or the affirmative vote of a greater number of Directors where required by the Articles, these Bylaws, the Act or otherwise by law.

4.16 Action Without Meeting. To the fullest extent permitted by the Act and the Freedom of Information Act ("FOIA"), the Board of Directors may take action without a meeting by written consent as to such matters and in accordance with such requirements and procedures authorized by the Act and FOIA. Unless otherwise permitted by the Act and FOIA, such written consent must be signed by all Directors and included in the minutes filed with the corporate records reflecting the action taken.

4.17 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 (i) such Director objects at the beginning of the meeting, or promptly upon arrival, to holding the meeting or transacting business at the meeting, (ii) the Director votes against the action and the vote is entered in the minutes of the meeting, (iii) the Director's dissent or abstention for the action taken is entered in the minutes of the meeting, or (iv) the Director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of such action.

4.18 Committees. The Board of Directors may from time to time designate one or more Committees, who shall render advice to the Board of Directors and oversee specified activities designated by the Board of Directors. Any such Committee may be designated as a standing Committee appointed annually or as a special Committee for specific circumstances or transactions with a limited

duration. Each Committee shall be composed of at least two (2) Directors and such other persons as specified from time to time by the Board of Directors, who shall all serve at the pleasure of the Board of Directors. The duties, constitution, and procedures of any Committee shall be prescribed by the Board of Directors but no Committee shall be granted authority to act upon any matter without approval from the Board of Directors. The Board of Directors shall designate one member of each Committee as its Chair. The Board of Directors shall appoint members to Committees as it deems advisable. The Chair of each Committee shall schedule all Committee meetings and provide appropriate notice to all Committee members and the Secretary. All appointed members of the Committee, including the Chair, shall have a vote on all matters coming before the Committee. Minutes of Committee meetings shall be kept. The results of each vote shall be recorded in the minutes. Minutes of all Committee meetings shall be provided to the Secretary within thirty (30) days after any Committee meeting, but shall remain subject to modification by the Committee at its next meeting.

4.19 Committee Meetings. A majority of each Committee's voting members shall constitute a quorum for the transaction of business by the Committee, and each Committee shall take action by a majority of the Committee's voting members participating in a meeting at which a quorum of the Committee is present. Special meetings of any Committee may be called at any time by any Director who is a member of the Committee or by any person entitled to call a special meeting of the full Board of Directors. Except as otherwise provided in this section, the conduct of all meetings of any Committee, including notice thereof, and the taking of any action by such Committee shall be governed by this Article. Procedures shall be established for all Directors to receive schedules of all Committee meetings, agendas and copies of Committee meeting minutes to keep the Directors informed of matters under consideration by all Committees. In addition, Directors who are not serving on specific Committees are encouraged to attend Committee meetings of interest and participate in such meetings as non-voting members. In this manner, Directors can provide guidance and assistance to the Committees during the process of formulating recommendations to the Board of Directors and gain a better understanding of all of the factors considered by the Committee in making such recommendations.

4.20 No Compensation. Directors, save and except the CEO, shall not receive compensation for serving as a member of the Corporation's Board of Directors. The Board of Directors may by resolution authorize the payment or reimbursement of direct out-of-pocket expenses incurred of each Director related to the Director's service to the Corporation.

4.21 Order of Business. Unless otherwise determined by the Chair, the order of business at the annual meeting, to be set as the first Annual meeting of the Board of Directors in a fiscal year, and so far as practicable at all other meetings of the Board of Directors, shall be as follows:

1. Call to Order;
2. Acknowledge compliance with FOIA;
3. Determination of a quorum;
4. Approval of agenda (amendments if necessary);
5. Reading and disposal of all unapproved minutes;
6. Public Comment;
7. Reports from the CEO;
8. Reports of Officers and Committees, if applicable;

9. Election of Officers and Appointment of Committees, if applicable;
10. Unfinished business, if applicable;
11. New business; and
12. Adjournment.

Unless, and to the extent determined by the Board of Directors or the Chair of the meeting, meetings of the Board of Directors shall not be required to be held in accordance with the current edition of Roberts Rules of Order.

4.22 Agenda. The CEO shall prepare an agenda for each meeting prior to or during a meeting. Each Director of the Corporation shall receive a copy of the agenda and it shall be available for public inspection when it is distributed to the Directors.

The Chair may add an item to an agenda as allowed by law at any time; provided, however, that if a Director objects to an item added after the agenda was distributed to the Directors no action may be taken at that meeting with respect to that item. Any Director may request the Chair to place an item on a future agenda by making such a request at a Board of Director meeting.

4.23 Freedom of Information Act. The Board of Directors and all Committees shall at all times comply with the South Carolina Freedom of Information Act, which includes satisfying the notice provision for all meetings. The Board of Directors may hold closed sessions as provided by the Freedom of Information Act.

Full and accurate minutes of the Corporation's proceedings shall be kept and shall be open to inspection by the public. The results of each vote shall be recorded in the minutes.

4.24 Board Contacts with Public. Board members shall not represent any contacts they have with the media or other members of the public as being representative of the Corporation unless the Corporation has formally taken a position on the matter. Individual Directors shall not release information to the media or the public when that information has been provided to them by the Corporation's attorney as part of a Confidential Attorney-Client memorandum or as part of a Corporation closed session held in compliance with applicable law.

ARTICLE V

OFFICERS

5.1 In General. The Officers of the Corporation shall consist of a Chair, a Vice Chair, a CEO, a Treasurer, and a Secretary and may also include assistant secretaries and other officers and agents as the Board of Directors deems advisable from time to time. The Chair, Vice Chair, and Secretary shall be elected by the Board of Directors to serve at the pleasure of the Board of Directors. Except as may otherwise be provided by the Act, the Corporation's Articles of Incorporation or these Bylaws, the Chair, Vice Chair, and/or Secretary may be removed by the Directors at any time, with or without cause. Any vacancy, however occurring, in any office must be filled by the Directors for the unexpired term. One person may hold two or more offices. Each Officer shall exercise the authority

and perform the duties as may be set forth in these Bylaws and any additional authority and duties as the Board of Directors shall determine from time to time.

5.2 Election of Officers. Officers shall be elected at the earliest convenient time in the first year and then annually at the Annual Meeting of the Board of Directors. The Directors shall elect a Chair, Vice Chair, and Secretary. Officers will be elected by a majority vote of those Directors attending the meeting at which the nominations are made. If the Chair is not available at such meeting, the Vice Chair for the Corporation may preside for the purpose of electing Officers only; thereafter, the new Chair shall preside.

5.3 Chair. The Chair shall be elected by the Board of Directors and shall serve at the pleasure of the Board of Directors and the Town Council. The Chair shall preside at all meetings of the Board of Directors and shall undertake such additional duties and obligations as may from time to time be specified by the Board. Except as otherwise provided herein and as may be specifically limited by resolution of the Board of Directors or an authorized Committee thereof, the Chair shall have full authority to execute on the Corporation's behalf any and all contracts, agreements, notes, bonds, certificates, instruments and other documents. The Chair shall also perform such other duties and may exercise such other powers as are incident to the office of chief executive officer and as are from time to time assigned to him by the Act, these Bylaws or the Board of Directors.

5.4 Vice Chair. The Board of Directors may elect one or more Vice Chairs to serve in such capacities as specified by the Board of Directors from time to time (but such authority shall not exceed that of the Chair), with a Vice Chair designated by the Board of Directors to preside over meetings of the Board of Directors in the absence of the Chair. Except as otherwise determined by the Board of Directors, each Vice Chair shall serve under the direction of the Chair and shall perform such duties and may exercise such powers as are incident to the office.

5.5 Chief Executive Officer. The Sole Member (Town of Bluffton) shall hire, employ, or retain the services of a Chief Executive Officer ("CEO") who shall serve at the pleasure of the Town Manager. The CEO shall, subject to the control, advice and consent of the Town Manager: supervise and conduct the activities and operations of the corporation; keep the Board fully informed; freely consult with the Board concerning the activities of the corporation; and see that all orders and resolutions of the Board are carried into effect. The CEO shall be empowered to act, speak for or otherwise represent the corporation between meetings of the Board.

The CEO may sign, with permission of the Sole Member any deeds, mortgage, bonds, contracts, or other instruments which the Board has authorized to be executed, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board to some other officer or agent; and, in general, the CEO shall perform all duties incident to the office of CEO and such other duties as may be prescribed by the Board from time to time.

5.6 Treasurer. The Treasurer shall be the Finance Director (or equivalent officer) of the Town and shall be the chief financial officer of the Corporation. The Treasurer shall be responsible for all financial matters presented to the Corporation, including the establishment and maintenance of the Corporation's bank accounts and all financial accounting related to the oversight of the Corporation's books and records. The Treasurer shall perform such other duties as are incident to the office of Treasurer, and shall have such other powers and duties as may be conferred upon him or her by the Board.

5.7 Secretary. The Secretary shall be appointed by the Board of Directors and (a) keep the minutes of the meetings of the Board of Directors 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) insure that minutes of all Committee meetings are provided as required herein; (d) be custodian of the corporate records of the Corporation; (e) keep a register of the address of each member of the Board of Directors; (f) authenticate records of the Corporation when such authentication is required; and (g) in general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned by the Chair or the Board of Directors. The Secretary may be assisted in the performance of these duties by a designee of the CEO

ARTICLE VI

INDEMNIFICATION

6.1 Scope. The Corporation shall indemnify, defend and hold harmless the Corporation's Offices and Directors to the fullest extent permitted by, and in accordance with the Act. This plan of indemnification shall constitute a binding agreement of the Corporation for the benefit of the Officers and Directors as consideration for their services to the Corporation, and may be modified or terminated by the Board of Directors only prospectively. Such right of indemnification shall not be exclusive of any other right which such Directors, Officers or representatives may have or hereafter acquire and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any bylaw, agreement, insurance, provision of law, or otherwise, as well as their rights under this Article VI.

6.2 Indemnification Plan. The Board of Directors may from time to time adopt an Indemnification Plan implementing the rights granted in Section 6.1. This Indemnification Plan shall set forth in detail the mechanics of how the indemnification rights granted in Section 6.1 shall be exercised, provided that the Indemnification Plan shall include that the Directors shall not be indemnified until twenty (20) days after effective written notice is given to the South Carolina Attorney General, as set forth in Section 33-31-855(d) of the Act.

6.3 Insurance. The Board of Directors may cause the Corporation to purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Corporation, or is or was serving at the request of the Corporation as a Director or Officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Corporation would have the power to indemnify such person.

ARTICLE VII

TRANSACTIONS

7.1 Procurement. The Board of Directors shall adopt and the Corporation shall abide by an appropriate procurement code.

7.2 Contracts. The Board of Directors may authorize any Officer or Officers, or agent or agents, to enter into any contract or 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.

7.3 Loans. The Board of Directors may authorize any Officer or Officers, or agent or agents, to contract any indebtedness and grant evidence of indebtedness and collateral therefor in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

7.4 Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such Officer or Officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by any two of the Chair, Vice Chair or Treasurer.

7.5 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

7.6 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

7.7 Voting of Shares in Other Corporations Owned by the Corporation. Subject always to the specific directions of the Board of Directors, any share or shares of stock or membership interest issued by any other corporation and owned or controlled by the Corporation may be voted at any shareholders' or members' meeting of the other corporation by the Chair or by any other Officer specifically designated by the Board of Directors. Whenever, in the judgment of the Chair, or in his absence, of any designated Officer, it is desirable for the Corporation to execute a proxy or give a shareholders' or members' consent in respect to any share or shares of stock or membership interest issued by any other corporation and owned or controlled by the Corporation, the proxy or consent shall be executed in the name of the Corporation by the Chair without necessity of any authorization by the Board of Directors. Any person or persons designated in the manner above stated as the proxy or proxies of the Corporation shall have full right, power and authority to vote such share or shares of stock or membership interest issued by the other corporation.

ARTICLE VIII

RECORDS/ANNUAL AUDIT

8.1 Forms of Records. When consistent with good business practices, any records of the Corporation may be maintained in other than written form if such other form is capable of reasonable preservation and conversion into written form within a reasonable time.

8.2 Corporate Records. The Corporation shall keep as permanent written records a copy of the minutes of all meetings of its Board of Directors, a record of all actions taken by the Directors without a meeting, and a record of all actions taken by Committees of the Board of Directors. The

Corporation shall maintain appropriate accounting records. The Corporation or its agent shall maintain a record of the name and address, in alphabetical order, of each Director. The Corporation shall keep a copy of the following records at its principal office:

- (a) its Articles of Incorporation or restated Articles of Incorporation and all amendments thereto currently in effect;
- (b) its Bylaws or restated Bylaws and all amendments thereto currently in effect;
- (c) a list of the names and business or home address of its current Directors and Officers; and
- (d) the Corporation's most recent report of each type required to be filed by the Corporation with the South Carolina Secretary of State.

8.3 Adoption of Corporation Budget. The corporation shall annually prepare and submit to the Town Manager of the Sole Member a Corporation Budget. The Corporation Budget shall be in complete and final form, be based on reasonable assumptions in connection with an appropriate due diligence review that has been approved by the Board and contain its best estimate of revenue and expenditures of the corporation for the next succeeding fiscal year.

8.4 Annual Audit. Within one hundred eighty (180) days after the close of each fiscal year of the Corporation, the Board of Directors shall cause an audit to be completed regarding the financial condition of the Corporation and an appropriate report issued to the Town. Such audit services shall be undertaken in accordance with accounting practices generally applicable to audits of governmental units by the certified public accounting firm then providing audit services to the Town for the applicable fiscal year, or such other firm of certified public accountants as may be selected by the Board of Directors from time to time.

8.5 Maintenance and Inspection of Articles and Bylaws. The corporation shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the Sole Member and Directors at all reasonable times during office hours.

8.6 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The corporation shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three (3) years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

8.7 Maintenance and Inspection of Other Corporate Records. The corporation shall keep adequate and correct books and records of accounts; written minutes of the proceedings of its Sole Member, Board and committees of the Board, except for advisory committees; and a record of each Director's name and address. All such records shall be kept at such place or places designated by the Board, or, in the absence of such designation, at the principal office of the corporation. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any other form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the corporation shall turn over to his or her successor or the Chair of the Board, in good order, such corporate monies, books, records, minutes, lists, documents, contracts or other property of the corporation as have been in the custody of such officer,

employee, or agent during his or her term of office.

Every Director shall have the absolute right at any reasonable time to inspect all books, records and documents of every kind and the physical properties of the corporation, subject to the execution of a confidentiality agreement for confidential records and documents as determined by counsel to the corporation. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

ARTICLE IX

STANDARD OF CARE

9.1 General. A Director shall perform the duties of a Director, including duties as a member of any committee of the Board on which the Director may serve, in good faith, in a manner such Director believes to be in the best interest of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by:

- (a) One or more officers or employees of the corporation whom the Director believes to be reliable and competent in the matters presented;
- (b) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
- (c) A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, so long as the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except as provided in these bylaws, a person who performs the duties of a Director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a Director, including, without limiting the generality of the foregoing, any actions or omissions that exceed or defeat a public or charitable purpose to which the corporation, or assets held by it, are dedicated.

9.2 State Law on Conflicts of Intent. All Directors shall comply with South Carolina Non-Profit Corporation Act and the Ethics Reform Act, and the Rules of Conduct from the Ethics Reform Act on all issues concerning conflicts of interest.

9.3 Reimbursement and Advances for Expenses. The corporation may reimburse Directors, officers or employees for expenses reasonably incurred in the performance of the duties of the Director, officer or employee and may advance money to a Director, officer or employee of the

corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such officer or Director, so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

9.4 Periodic Reviews. The Board shall conduct periodic reviews to ensure that the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status. The periodic reviews shall, at a minimum, include the following subjects:

(a) Whether compensation arrangements and benefits payable to employees and consultants are reasonable, based on competent survey information and the result of arm's length bargaining.

(b) If applicable, whether partnerships and joint ventures conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

When conducting the periodic review as provided for above, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring that periodic reviews are conducted.

ARTICLE X

MISCELLANEOUS

10.1 Fiscal Year. The fiscal year of the Corporation shall end on June 30 of each calendar year.

10.2 Amendments. These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by the Sole Member and the Town of Bluffton Town Council with concurrence by a majority vote of the Board of Directors then in office; provided that the notice of any meeting at which the Bylaws are to be amended shall state that the purpose or one of the purposes of the meeting is to consider an amendment to the Bylaws and shall be accompanied by a copy or summary of the proposed change or state the general nature of the change.

10.3 Severability. If any provision of these Bylaws or the application thereof to any person or circumstances shall be held invalid or unenforceable to any extent by a court of competent jurisdiction, such provision shall be complied with or enforced to the greatest extent permitted by law as determined by such court, and the remainder of these Bylaws and the application of such provision to other persons or circumstances shall to be affected thereby and shall continue to be complied with and enforced to the greatest extent permitted by law.

10.4 Usage. In construing these Bylaws, feminine or neuter terms and pronouns shall be substituted for masculine forms and vice versa, and plural terms shall be substituted for singular forms and vice versa, in any place in which the context so requires. The section and paragraph headings contained in these Bylaws are for reference purposes only and shall not affect in any way the meaning

or interpretation of these Bylaws. Terms such as “hereof”, “hereunder”, “hereto”, and words of similar import shall refer to these Bylaws in the entirety and all references to “Articles”, “Paragraphs”, “Sections”, and similar cross references shall refer to specified portion of these Bylaws, unless the context clearly requires otherwise. Terms used herein which are not otherwise defined shall have the meanings ascribed to them in the Act. All references to statutory provisions shall be deemed to include corresponding sections of succeeding law.

10.5 Conflict Between Bylaws, Articles of Incorporation and the Act. The Corporation’s Articles of Incorporation and the Act (as either may be amended from time to time) are incorporated herein by reference. Any conflict between the terms of these Bylaws, the Corporation’s Articles of Incorporation or the Act shall be resolved in the following order: (1) the Act; (2) the Corporation’s Articles of Incorporation; and (3) these Bylaws.

The foregoing are certified to be the true and complete Bylaws of the Corporation as adopted by the Sole Member and the Town of Bluffton Town Council at a duly called meeting held on _____; and enacted upon the concurrence of the Board of Directors, per Section 10.2 above, at a duly called meeting held on _____.

Chair

Date of Certification: _____

(Corporate Seal)