

**BYLAWS
OF
PIEDMONT ELECTRIC HELPING HAND FOUNDATION, INC.**

**ARTICLE I
NAME OF ORGANIZATION**

The name of the corporation is Piedmont Electric Helping Hand Foundation, Inc., herein below referred to as "Foundation."

**ARTICLE II
PURPOSE OF ORGANIZATION**

The purpose of the Foundation shall be the accumulation and disbursement of funds for charitable purposes primarily in the counties served by Piedmont Electric Membership Corporation.

**ARTICLE III
FUNDING**

The Foundation shall be funded by such rules and regulations as may be promulgated by the Board of Directors of Piedmont Electric Membership Corporation and from any other source of funds available to the said Foundation.

**ARTICLE IV
BOARD OF DIRECTORS**

A six (6) member Board of Directors shall administer the Foundation. The Foundation Directors shall serve on an at-large basis. A Board member may serve successive terms.

Any person who at any time serves or has served as a Director or Officer of the Foundation, shall have a right to be indemnified by the Foundation to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, incurred by him or her in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitrative action, suit or proceeding (and any appeal therein), whether or not brought by or on behalf of the Foundation seeking to hold him or her liable by reason of the fact that he or she is or was acting in such capacity, and (b) reasonable payments made by him or her in satisfaction of any judgment, money decree, fine (including an excise tax assessed with respect to an employee benefit plan), penalty, or settlement for which he or she may have become liable in any such action, suit, or proceeding.

Any person who at any time after the adoption of this Bylaw serves or has served in the aforesaid capacity for or on behalf of the Foundation 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.

ARTICLE V
QUALIFICATIONS OF BOARD MEMBERSHIP

A board member of the Foundation shall be a permanent resident of the county from which he is chosen and of good moral character. It shall not be necessary for members of the Board of Directors of the Foundation to be members of Piedmont Electric Membership Corporation. No person seeking or holding a seat on the Board of Directors of Piedmont Electric Membership Corporation shall remain a member of the Foundation Board.

No person who is a close relative of any member of the Board of Directors of Piedmont Electric Membership Corporation shall be elected a Director of Piedmont Electric Helping Hand Foundation, Inc. A "close relative" means a person who, by blood or in-law, including step, half, foster, and adoptive kin, is either a spouse, child grandchild, parent, grandparent, brother, sister, aunt, uncle, nephew, or niece of the principal.

ARTICLE VI
SELECTION OF BOARD OF DIRECTORS

The Board of Directors shall be selected by the Board of Directors of Piedmont Electric Membership Corporation annually.

ARTICLE VII
COMPENSATION FOR DIRECTORS

No Director shall receive compensation for serving on the Board of Directors of the Foundation. Such board members may, however, be reimbursed for mileage and out-of-pocket expenses incurred while on the business of the Foundation when such business is sanctioned by the Board of Directors of said Foundation.

ARTICLE VIII
MEETING OF THE BOARD OF DIRECTORS

- A. **REGULAR MEETINGS**: The Board of Directors of the Foundation shall meet, not less than quarterly, at a place designated by the Board. The Board of Directors may meet at such other times as they deem to be necessary. Regular meetings may be held in person or remotely.
- B. **SPECIAL MEETINGS**: Special meetings of the Board of Directors may be called by the President or by any three (3) Directors, and it shall thereupon be the duty of the Secretary to cause a notice of such meeting to be given as hereafter provided. The President or Directors calling such meeting shall fix the time and place. Special meetings may be held in person or remotely.
- C. **NOTICE OF DIRECTORS MEETING**: Written notice of the time and place of regular and special meetings of the Board of Directors shall be delivered to members of the Board not less than five (5) days prior thereto, either personally, by electronic mail, or at the direction of the Secretary, and upon default in that duty by the Secretary, then by the President or the Directors calling for such meeting.

D. CONSENT TO ACTION: A meeting may be taken by consent if all members of the board consent, either in writing or by electronic form, and delivered to all other members. Consent to action shall be effective when the last director signs the consent or delivers their decision by electronic means unless the consent specifies a different effective date.

ARTICLE IX **QUORUM**

A majority of the Board of Directors shall, unless otherwise designated in these Articles, constitute a quorum. In the event that less than a majority of the Board of Directors is present at any meeting, the majority of those Directors present may adjourn the meeting and designate a place and time for the next meeting, under which circumstances the Secretary shall notify the absent members of the place and time of the next meeting. An act of the majority of the Board of Directors at any meeting which a quorum is present, unless otherwise provided in the Bylaws, shall be the act of the Board of Directors of the Foundation.

ARTICLE X **REMOVAL OF MEMBER OF BOARD**

Any member of the Board of Directors of the Foundation shall automatically cease to be a member of said Board if and in the event such member misses three (3) successive “regular” meetings as outlined in Section “A” of Article VIII of these Bylaws. Any member of the Board of Directors of the Foundation may otherwise be removed for cause from the Board by two-thirds (2/3) vote of the entire Board of Directors of the Foundation.

ARTICLE XI **OFFICERS OF THE CORPORATION**

The Officers of the Foundation shall be a President, a Vice President, a Secretary/Treasurer, and such other Officers as may be determined by the Board from time to time. For the purposes of these Bylaws, the above three (3) Officers shall constitute the Executive Committee of the Foundation.

ARTICLE XII **ELECTION OF OFFICERS AND TERMS OF OFFICE**

The Officers shall, by secret ballot, be elected annually by the Board of Directors at a meeting of the Board of Directors held on an annual basis after the initial organizational meeting. The terms of office shall be for one (1) year. Nothing, however, shall prevent an Officer from being re-elected to consecutive terms of office.

ARTICLE XIII **EX-OFFICIO MEMBERS OF BOARD OF DIRECTORS**

The President and Chief Executive Officer of Piedmont Electric Membership Corporation,

or his or her designee, shall likewise be an Ex-Officio Member of the Board of Directors of the Foundation. As the President and Chief Executive Officer, he or she shall have the authority granted to him or her by the Foundation's Board of Directors. The Foundation may from time to time have other such Ex-Officio Members as the Board may in its discretion determine necessary or prudent. An Ex-Officio Member of the Board shall not have the right to vote on any matters that come before the Board.

ARTICLE XIV **POLICIES, RULES, AND REGULATIONS**

The Board of Directors of the Foundation shall have the power to make and adopt such rules and regulations, not inconsistent with law, the Articles of Incorporation, or these Bylaws, as it may deem advisable for the management, administration, and regulation of the business and affairs of the Foundation.

DUTIES OF OFFICERS

- A. **PRESIDENT**: The President shall be the principal executive officer of the Foundation and, unless otherwise determined by the Board of Directors, shall preside at all meetings of the Board of Directors, and in general, perform all duties incidental to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.
- B. **VICE PRESIDENT**: In the absence of the President, or in the event of his inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall also perform such other duties as, from time to time, may be assigned to him by the Board of Directors.
- C. **SECRETARY/TREASURER**: The Secretary/Treasurer shall be responsible for the keeping of the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; be responsible for seeing that all notices are duly given in accordance with these Bylaws or as required by Law; be custodian of the corporate records and of the seal of the Foundation and affix the seal of the Foundation to all necessary documents, the execution of which, on behalf of the Foundation under its seal, is duly authorized in accordance with the provision of these Bylaws; have general charge of the books of the Foundation; be responsible for keeping on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Foundation containing all amendments thereto; and shall have charge and custody of and be responsible for all funds and securities of the Foundation; be responsible for the receipt of and the issuance of receipts for monies due and payable to the Foundation from any source whatsoever, and for the deposit of all such monies in the name of the Foundation in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and in general perform all the duties incidental to the office of Secretary/Treasurer and such other duties as from time to time may be assigned to him by the Board of Directors.
- D. **FISCAL AGENT**: In addition to a Secretary/Treasurer, the Board of Directors may

employ a Fiscal Agent and may delegate to such fiscal agent any of the duties of the treasurer of the corporation. The Treasurer and any Fiscal Agent employed by the Board of Directors shall give to the corporation a bond, if required by the Board of Directors or by the President, in a sum, and with one or more sureties or a surety company satisfactory to the Board, for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement, or removal from office, and all books, papers, vouchers, money, and other property of whatever kind in his possession or under his control belonging to the corporation.

ARTICLE XVI **CHECK SIGNING**

Any and all checks issued by the Foundation, for any purpose, shall be signed by two (2) Officers, one (1) Officer and such other person(s) as may be designated by the Board of Directors as having check signing authority, or one Ex-Officio Board Member and such other person(s) as may be designated by the Board of Directors as having check signing authority.

ARTICLE XVII **DISBURSEMENT OF FUNDS**

Except as otherwise provided by these Bylaws, the Board of Directors of the Foundation shall have the full and sole responsibility for the disbursement of all monies of the Foundation in accordance with these Bylaws and the policies as adopted by the Board of Directors.

Prior to the consideration by the Board of Directors of the Foundation of any disbursement, member(s) of the Board of Directors of the Foundation shall disclose and explain any personal and/or business interest, connection, kinship, or other association he or she has with the person, family, group, corporation or other entity under consideration for funding by the Foundation.

Such member shall, if requested by the President or any members of the Board of Directors of the Foundation, excuse himself or herself from the meeting and not participate in the discussion of or voting on the disbursement.

If no request is made that the interested Director excuse himself or herself from the meeting, then and in that event, said Director may participate in the discussion of the disbursement but shall not vote on the disbursement.

GUIDELINES FOR DISBURSEMENT

Guidelines for disbursements shall be developed by the Foundation Board. The following are requirements that the Foundation Board must use in developing its guidelines and making disbursements:

- i. Funds shall be used to serve a broad range of individuals and enhance the communities served by Piedmont Electric Membership Corporation;
- ii. Funds may be used to assist person referred by a county Department of Social Services for assistance in paying their electric utility bills; provided, however,

- employees and Directors of Piedmont Electric Membership Corporation shall not be eligible recipients;
- iii. The Board shall try to ensure that funds are distributed throughout the service area of Piedmont Electric Membership Corporation, rather than in one or more geographical areas;
 - iv. Funds may be used to enhance the economic infrastructure and to bring financial benefits and jobs to the communities and area served by Piedmont Electric Membership Corporation; and
 - v. Contributions to organizations will generally be made only to non-profits that have been granted tax-exempt status under Internal Revenue Code Section 501(c)(3).

No part of the contributions to or net earnings of the Foundation shall inure to the benefit of, or be distributable to, its Foundation Directors, or Directors, Officers or employees of Piedmont Electric Membership Corporation. However, the Foundation shall be authorized to pay reasonable compensation for services rendered to it and to make payments and distributions in furtherance of its charitable purpose. The Foundation shall not devote any part of its activities to the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in a political campaign on behalf of a candidate for public office. Notwithstanding any other provisions of these bylaws, the Foundation shall not carry on any other activities not permitted to be carried on by a Foundation exempt from federal income tax under §501(c)(3) of the Internal Revenue Code (or any corresponding provision of any future Internal Revenue law) or by a corporation, in which contributions are deductible under §170(c)(2) of the Internal Revenue Code (or any corresponding provision of any future United States Internal Revenue law).

The Board shall not discriminate against any applicant based on said applicant's race, color, religion, age, sex, national origin, disability, or any other legally protected category.

In general terms, and not for purposes of limiting any of the forgoing, contributions will not be made to, or used for, any of the following:

- i. Churches, synagogue, mosque, temple or other comparable religious organizations;
- ii. Lobbying, political organizations or campaigns;
- iii. Fraternal or labor organizations;
- iv. Fund-raising dinners, raffles and other events;
- v. Capital fund campaigns;
- vi. National fund drives; or
- vii. Advertising.

ARTICLE XVIII **ACCUMULATION OF FUNDS**

Piedmont Electric Membership Corporation will transfer funds collected by it for the benefit of the Foundation on a regular basis. Subject to the requirements of state law, the Foundation may also solicit and accept contributions from other sources as deemed appropriate by its Board of Directors.

ARTICLE XIX
INVESTMENT OF FUNDS

The Board of Directors of the Foundation shall be responsible for the funds entrusted to it and shall make such investment of said funds in a manner which is reasonable and prudent and in keeping with these Bylaws and the policies of the Foundation.

ARTICLE XX
AMENDMENT OF BYLAWS

These Bylaws may be altered, amended, or repealed by the Board of Directors of this Foundation with the consent of the Board of Directors of Piedmont Electric Membership Corporation at any regular meeting of said Board after at least ten (10) days' notice.

ARTICLE XXI
ACCOUNTING SYSTEM & REPORTS

The Board of Directors of the Foundation shall cause to be established and maintained a complete accounting system such that is in keeping with sound financial management, and furthermore, the Board of Directors of the Foundation shall make reports to the Board of Directors of Piedmont Electric Membership Corporation on the operation and expenditures of the Foundation as may be necessary and prudent, but in no case less than annually.

ARTICLE XXII
BORROWING FUNDS

The Foundation shall NOT have the authority to borrow any monies from any bank, savings and loan, or other institution for any purpose.

ARTICLE XXIII
EMERGENCY EXPENDITURE

The Executive Committee of the Foundation, by a vote of at least two (2) of its members, may from time to time make expenditures on an emergency basis in accordance with these Bylaws and policies adopted by the Board of Directors of the Foundation, and in accordance with the purpose of this Foundation, in an amount not to exceed five hundred (\$500) dollars, to any person, family, group or organization.

Such emergency expenditure shall be fully disclosed by the Executive Committee at the next regularly scheduled meeting of the Board of Directors of the Foundation.

ARTICLE XXIV
AMOUNT OF EXPENDITURES

Unless otherwise provided by these Bylaws, and in keeping with the purpose of this trust, the Board of Directors of the Foundation may make annual expenditures of Foundation funds by majority vote of members present at a meeting and constituting a quorum according to the following rule:

Expenditures will be made at the discretion of the Board exceeding not more than two

thousand five hundred (\$2,500) dollars annually to any individual, family unit, group, non-profit organization, charity or like organization.

ARTICLE XXV
**EXPENDITURES EXCEEDING TWO THOUSAND
FIVE HUNDRED (\$2,500) DOLLARS**

Notwithstanding any other provision of these Bylaws, the Board of Directors of the Foundation may, by a vote of four (4) members, make expenditures in any amount to any person(s), family unit, group, organization, charity, or like organization which such members determine is in keeping with the purpose and spirit of the Foundation and these Bylaws.

ARTICLE XXVI
RETENTION OF FUNDS

Until such time as there exists a sum of money, including earned interest, in an amount of not less than twenty-five thousand (\$25,000) dollars within the Foundation, no expenditures exceeding ninety-five (95%) percent of the annual contributions, from whatever source derived, may be disbursed or otherwise disposed of for any purpose. Thereafter, the Board of Directors of the Foundation may, in its discretion and in accordance with other dictates imposed by these Bylaws, expend any and all monies saving and excepting five percent (5%) of the previous year's total contributions of five thousand (\$5,000) dollars, whichever is less.

ARTICLE XXVII
PROXY VOTING

There shall not exist proxy voting at any meeting of the Board of Directors of the Foundation.

ARTICLE XXVIII
AUDIT

The Board of Directors of the Foundation shall, on an annual basis, cause the books and records of the Foundation to be reviewed by a Certified Public Accountant and a report, in keeping with sound accounting principles, be issued to the Board of Directors of the Foundation and the Board of Directors of Piedmont Electric Membership Corporation.

ARTICLE XXIX
GENERAL PROVISIONS

- A. **SEAL**: The corporate seal shall consist of the name of PEHMF, and in the center of which is inscribed SEAL.
- B. **FISCAL YEAR**: The Fiscal Year of the Foundation shall commence on the first day of January of each calendar year and end on the thirty-first day of December of each calendar year.
- C. **DEFINITIONS**: Unless the context otherwise requires, terms used in these Bylaws shall have the meanings assigned to them in the North Carolina Nonprofit Corporation Act to the extent defined therein.
- D. **DISTRIBUTION OF ASSETS UPON DISSOLUTION**: Upon dissolution of the Foundation, the Board of Directors, after paying or making provision for the payment

of all liabilities of the Foundation, shall dispose of all of the assets of the Foundation by distributing them to a corporation or corporations organized and operated exclusively for charitable and/or educational purposes, and which qualify as an exempt organization under §501(c)(3) of the Internal Revenue Code (or any corresponding provision of any future United States Internal Revenue law).

THE BYLAWS FOR PIEDMONT ELECTRIC HELPING HAND FOUNDATION, INC.;
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