

**THE BYLAWS OF
THE SOUTHSIDE BUSINESS TECHNOLOGY CENTER**

ARTICLE I
Name and Purpose

Section 1. Organization Name.

The name of the organization is defined as: Southside Business Technology Center and it can be abbreviated as SBTC.

(Revised on 6-28-06)

Section 2. Purpose.

The purpose of the SBTC is to promote economic development in Southside Virginia by providing strategic planning and business development services to existing and emerging businesses.

The mission of the SBTC is to provide strategic planning and business development services to existing and emerging businesses in order to promote economic development in Southside Virginia.

The SBTC helps entrepreneurs enhance their knowledge of business management through individual consultations and seminars. The Southside Business Technology Center also helps businesses obtain data and analysis that are generally unobtainable to them on their own. The SBTC receives its funding from the Harvest Foundation, the Lucy P. Sale Foundation, and Tobacco Commission and client fees.

Consulting services are provided by SBTC staff consultants, along with the faculty and student interns of Virginia Tech, Averett University, and Patrick Henry Community College, Ferrum College and other surrounding colleges and universities. When special requirements arise, the SBTC may refer clients to outside consultants with subject matter expertise. Areas of assistance provided by the SBTC include, but are not limited to:

- Business plan and proposal development
- Competitor Analysis
- Market Research and Analysis
- Financial Modeling
- Industry Analysis
- Feasibility Studies
- Business Startup Procedures

No substantial part of the activities of the SBTC shall be lobbying or otherwise making attempts to influence legislation. The SBTC shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

(Revised on 6-28-2006)

Section 3. Powers

- i. The SBTC shall have and enjoy the power and authority to conduct any and all lawful business as may be permitted under the laws of the Commonwealth of Virginia for any corporation provided, however, that notwithstanding any other provision in these Bylaws, the SBTC shall only conduct activities permitted: (A) by a corporation exempt from federal income tax under Section 501(c)(3) of the IRC (or the corresponding provisions of any future United States Internal Revenue law), or (B) by a corporation, contributions to which are deductible under Section 170(c)(2) of the IRC (or the corresponding provisions of any future United States Internal Revenue law).
- ii. In the event of a dissolution of the SBTC, all assets of the SBTC shall be distributed under the direction of the Board of Directors of the SBTC (the "Board") to one (1) or more organizations, foundations, or funds, each organized and operated for charitable, educational, religious, or scientific purposes, designated by the Board and qualified as an exempt organization under Section 501(c)(3) of the IRC (or the corresponding provisions of any future United States Internal Revenue law).

ARTICLE II
Board of Directors

Section 1. Board of Directors.

- i. The SBTC shall be governed by a Board of Directors consisting of twelve (12) members, one of which should always be the Director of the Virginia Tech Business Technology Center, who shall be appointed and serve for the term as hereafter provided. Except for the initial appointments of the Board members, as hereafter specified, all members appointed to the Board shall serve for a three-year term or until their successors are appointed and qualified. The Board will establish criteria for selection of Board members. The Board will approve a staggered schedule for the initial Board members so that the term of no more than one-third (1/3) of the Board members shall expire at the same time.

(Amended on 12-20-06)

Section 2. Term.

Members of the Board, except for the VT BTC representative, may serve for two (2) consecutive terms, but may not be reappointed after serving two (2) consecutive terms on the Board until at least one (1) year has elapsed since their last term expired. A term is defined as three (3) consecutive years, except for the initial Board.

Section 3. Attendance.

If a member of the Board is (a) absent from three (3) consecutive regular meetings of the Board, or (b) absent from more than one-half of the meetings of the Board in any calendar year, such member shall be automatically removed from membership on the Board unless the remaining members of the Board, by majority vote at a meeting of the Board, reinstate such member to

membership on the Board. For the purposes of this Section, "regular meetings" shall mean the Annual Meeting and any meeting of the Board as set forth on the Schedule of Board meetings for the fiscal year adopted by the Board at its Annual Meeting (as hereafter described).

Section 4. Vacancies.

Vacancies on the Board should be appointed by the remaining of the Board based on the nominations of the Executive Committee at any Board meeting throughout the year. New appointees shall be granted all board members' rights at the time of their appointment. The person employed by the Virginia Tech Business Technology Center at any point in time as its Director, Acting Director, or equivalent position, shall serve as the VT BTC member of the Board or shall appoint a designee.

(Amended on 12-20-06)

Section 5. Other Removal of Board members.

By affirmative vote of at least seven (7) Board members at a regular or special meeting of the Board, a Member may be removed due to (i) a violation by such Board member of any policies or directives of the Board, (ii) a violation by such Board member of any conflict-of-interest rules, policies, or directives of the Board, (iii) inability of such Board member to reasonably carry out the duties of his/her office, or (iv) any other circumstance and condition which would indicate that the continued service of such Board member on the Board would be contrary to the best interest of the SBTC.

(Amended on 12-20-06)

Section 6. Compensation.

Except for reimbursement of actual expenses incurred, no Board member shall receive any salary or other compensation from the SBTC for his/her services as a Board member.

Section 7. Reporting.

The Board shall make available annual financial reports and other reports concerning the financial condition of the SBTC, as may be requested from time to time by either the Harvest Foundation, the Lucy P. Sale Foundation, or any other governmental body or agency which provides funds to the Corporation for its operation during such fiscal year. The fiscal year shall be the period beginning July 1 and ending June 30 of the following calendar year.

Article III
Officers

Section 1. Election.

The Chairperson and a Vice-Chair of the SBTC shall be members of the Board and shall be elected at the Annual Meeting of the Board in the month of June (as hereafter described) by majority vote of the Board to serve a one-year term or until their respective successors are elected and qualified. Should the Chairperson and/or the Vice-Chair seat(s) become open during their one-year term, the Board will elect, based on the Executive Committee nominations a new Chairperson and/or Vice-Chair at the next Board meeting after the seat(s) became open. No officer shall serve for more than two (2) consecutive one-year terms, except as may be

specifically approved by the Board for a person seeking reelection or except for the initial Board members.

(Amended on 9-27-05)

Section 2. Duties of Officers.

The officers of the SBTC shall have such duties as generally pertain to their respective offices, as well as such powers and duties as may be delegated to them by the Board.

Section 3. Removal of Officers.

Any officer may be removed from office by majority vote of the Board. In the event of any vacancy in an office, such vacancy shall be filled with a person meeting the same qualifications and requirements as required of the individual whose removal, resignation, or other departure from office created such vacancy.

Section 4. Chairperson.

The Chairperson shall preside at all meetings of the Board, maintain the orderly conduct thereof, and rule on all parliamentary matters. The Chairperson shall have the authority to sign contracts and other documents for and on behalf of the SBTC as may be authorized by the Board. The Chairperson shall have the full right to vote on all matters that come before the Board, notwithstanding his/her services as Chairperson or by virtue of chairing such meeting of the Board.

Section 5. Vice-Chair.

The Vice-Chair shall perform all of the duties of the Chairperson in the absence of, or at the request of, the Chairperson. In the event of any vacancy in the office of Chairperson, the Vice-Chair shall serve as the Chairperson until a successor is elected by the Board. In the absence of the Chairperson and the Vice-Chair, the Board member selected by the Board by majority vote shall preside at any meeting of the Board and shall maintain the orderly conduct thereof and rule on all parliamentary matters. If the Vice-Chair or an other member of the Board presides at a meeting of the Board, such person shall nevertheless be entitled to vote on all matters that come before the Board, notwithstanding that such person may preside at such meeting of the Board.

Article IV
Board Meetings

Section 1. June Meeting.

The Board shall hold its Annual Meeting during the month of June of each year, at such place and on such date and at such time as may be designated by the Chairperson or by the Board. At the Annual Meeting of the Board, the Board shall elect the officers of the SBTC and shall adopt a Schedule of regular meetings for the Board for the ensuing twelve (12) month period. A designated Board member elected by majority vote of the Board shall cause written notice of all regular meetings to be sent to each of the members of the Board not less than ten (10) days prior to the scheduled date of such meeting, indicating the date, time, and place of such meeting. Except for amendments to the Bylaws, as hereafter provided, any business may be properly brought before the Board at any regular meeting of the Board.

(Amended on 12-20-06)

Section 2. Special Meetings.

Special meetings of the Board may be called at any time by the Chairperson, the Vice-Chair, or at the written request of any seven (7) members of the Board. Special meetings shall be held at a location or by utilizing electronic conferencing technology as may be designated by the Chairperson, the Vice-Chair, or members of the Board who called such special meeting. Notice of such special meetings of the Board shall be given to the members of the Board at least twenty-four (24) hours (excluding weekends) prior to the scheduled time and date of such meeting, which notice may be given in person, via e-mail, by telephonic communications directly with such Board member, by facsimile if a Board member has provided to the Secretary a facsimile number at which notices may be sent, or by first-class mail to the address of such member as shown on the books and records of the Corporation; provided, however, that any notice by first-class mail must be deposited in the United States mail, properly addressed with postage prepaid, at least seventy-two (72) hours (excluding weekends) prior to the date and time of such meeting. Such notice shall include the date, time, and location of such special meeting and the purposes for which such special meeting has been called. Only such purposes as are designated in the notice shall be considered by the Board at such special meeting.

(Amended on 12-20-06)

Section 3. Quorum.

The quorum for any regular meetings or special meetings of the Board shall consist of a majority of the members of the Board, unless a greater proportion is required by law, or any provision of these Bylaws.

Section 4. Rules of Procedure.

All meetings of the Board shall be conducted in accordance with these Bylaws, and in accordance with the provisions of the most recent edition of Robert's Rules of Order Revised.

Section 5. Voting.

Unless otherwise required by law or otherwise specified in these Bylaws, the affirmative vote of the majority of the members of the Board present at a duly called meeting of the Board, at which a quorum is present, shall be sufficient for the taking of any action or the adoption of any resolution by the Board.

Article V
Committees

Section 1. Executive Committee.

The Executive Committee shall consist of the Chair, Immediate Past Chair, Vice-Chair, VT BTC representative and one additional Board member appointed by the Board of Directors at the SBTC Annual Board meeting.

(Amended on 6-27-07)

- i. The Executive Committee will be authorized to conduct the business of the Corporation, and to act for and on behalf of the Board between meetings of the Board, subject however, to any policies, limitations, and resolutions, and authorize expenditures of funds of the SBTC consistent with any annual budgets of the SBTC adopted and approved by the Board.

- ii. The Board may, from time to time, prescribe other duties, directives, or authorizations for actions by the Executive Committee.
- iii. Specific responsibilities will include:
Review personnel performance of SBTC Director.
- iv. Serve as a nominating committee to create a slate of Board members and future officers for Board consideration.

Section 2. Marketing Committee.

The Marketing Committee will be responsible for:

- i. Overseeing the overall PR, marketing and media efforts of the SBTC.
- ii. Serving as a “spokesperson” on behalf of the SBTC.
- iii. Reviewing all SBTC documents intended for public release.
- iv. Make recommendation for SBTC Board approval related to SBTC’s marketing issues.

Section 3. Finance Committee.

The Finance Committee will oversee the financial operation of the SBTC, including but not limited to:

- i. Assisting the Director in preparation of financial projections and operating budget for inclusion in the business plan.
- ii. Assisting the Director in establishing service fee structure.
- iii. Presentation of quarterly financial statements to the Board including Balance Sheet, Cash Flow Analysis, Profit & Loss Statement, and Year –To –Date Budget versus Actual comparison of Revenues and Expenses.

(Amended on 12-20-05)

- iv. Assisting the Director to secure private sources of funding.
- v. Establishing a system of internal controls.
- vi. Make recommendations for SBTC Board approval related to SBTC financial issues.

Section 6. Other Ad Hoc Committees.

Other Ad Hoc Committees will be formed as deemed appropriate by Chairperson.

Article VI
Amendments

Section 1. Amendment of Bylaws.

These Bylaws may be amended, repealed, or altered, in whole or in part, by a two-thirds (2/3) vote of the Board at any regular meeting or special meeting of the Board; provided however, that no such amendment or repeal shall be considered at any regular meeting or special meeting of the Board unless written notice specifying the proposed amendment or restatement of these Bylaws has been sent to each member of the Board at least ten (10) days prior to the date of such meeting by first class mail, with postage prepaid and addressed to each member at their address as shown on the books and records of the SBTC.

Article VII
Miscellaneous

Section 1. The Director.

The Director shall manage the day-to-day operations of the SBTC and report to the Chairperson of the Board of Directors. Such Director shall generally assist the SBTC Board of Directors and exercise such other powers and perform such duties as shall be prescribed by the Board of Directors. The Director is an employee at will; employment can be terminated by a majority vote of the Board with or without cause at any regular or special meeting that a quorum is present.

Accepted on this the _____ day of _____, 20__

_____Chairperson

_____Vice-Chair