BYLAWS-Revised on 4/13/06

THE NORTH CAROLINA AGRICULTURAL FOUNDATION, INC.

ARTICLE I
CORPORATE SEAL

Section 1. Corporate Seal. The corporate seal should be circular in form and shall have inscribed thereon the name of the corporation, and the year of its incorporation (1944) and the words “Incorporated North Carolina.”

ARTICLE II
MEMBERS

Section 1. Members. The corporation shall have no members.

All Board members shall serve until their offices shall be declared vacant or until their successors are elected and qualified.

ARTICLE III
BOARD OF DIRECTORS

Section 1. Number, Tenure and Qualifications. The management of the corporation shall be vested in a Board of Directors composed of:

(a) One (1) person from each of the one hundred (100) counties in North Carolina and the Cherokee Reservation, twenty-five (25, except for 26 once every four years) of whom are to be elected for a four (4) year term at each annual meeting.

(b) A maximum of forty-eight (48) representatives from various agribusiness firms and commodity groups as nominated by the Nominating Committee of the North Carolina Agricultural Foundation, Inc.

(c) Fifteen (15) ex-officio members with voting power on the Board. These shall include the Governor of the State of North Carolina, the North Carolina Commissioner of Agriculture and Consumer Sciences, the Master of the North Carolina State Grange or the Grange’s duly elected representative, the President of the North Carolina Farm Bureau Federation or the Federation’s duly elected representative, State Director of Vocational Agriculture, State Director of the Farm Service Agency, State Director of the Natural Resources Conservation Service, the President of the North Carolina Poultry Federation, Inc., the immediate past President of the North Carolina Agricultural Foundation, Inc., the current President, or their designee, of the NC 4-H Development Fund, the NC Cooperative Extension Service Foundation, the NC FFA Foundation and the CALS Alumni Society Board of Directors, one (1) representative named annually by the Carolina Feed Industry Association, and one (1) representative named
annually by the Plant Food Association of North Carolina.

(d) Any individual appointed to the Investment Committee of the Board pursuant to Article V.2 of these Bylaws who is not otherwise qualified or serving as a member of the Board.

In the election of Directors to represent the various counties as memberships expire on the Board, the Secretary, or Assistant Secretary, of the Foundation shall, sixty (60) days prior to the annual meeting notify the County Extension Director in each county where a vacancy shall occur at the coming annual meeting. The County Extension Director shall be requested to announce and call a public meeting of interested farmers in that county for the purpose of nominating a Director to represent that county for a coming four (4) year term or any unexpired term. Until all counties have a representative on the Board, in this process of change, counties shall be notified in alphabetical order. In case one or more counties do not hold such meeting and nominate a representative on the Board, the Board of Directors shall fill such vacancy from that county at the annual meeting.

In the election of agribusiness and commodity group representatives to the Board, the Nominating Committee, at a meeting at least thirty (30) days prior to the annual meeting, shall nominate these representatives as follows:

(a) Initially, these Directors shall be nominated for varying length terms: a maximum of twelve (12) for four (4) year terms, a maximum of twelve (12) for three (3) year terms, a maximum of twelve (12) for two (2) year terms, and a maximum of twelve (12) for one (1) year terms.

(b) After the initial year, a maximum of twelve (12) Directors may be elected and nominated for four (4) year terms.

All Board members shall serve until their offices shall be declared vacant or until their successors are elected and qualified; provided further, however, consistent with the foregoing, Board members serving solely by appointment to the Investment Committee of the Board pursuant to Article V.2 of these Bylaws shall serve as Board members for only so long as they may serve on the Investment Committee.

Section 2. General Powers. At least one Senior Academic Officer or Senior Administrative Officer of NC State or a designee of the president or chancellor must sit as an ex-officio (either voting or non-voting) or regular member of the Associated Entity’s governing board.

Section 3. Vacancies. In case of any vacancy in the Board of Directors, through death, resignation, disqualification or other cause, the remaining directors may elect a successor to hold office for the unexpired portion of the term of the Director whose place shall be vacant and until
his successor shall be elected and qualified.

Section 4. Duties. Each Director shall discharge his duties as a Director, including his duties as a member of a committee, in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Director reasonably believes to be in the best interest of the corporation.

Section 5. Director’s Conflict of Interest. Associated Entity will establish and maintain conflict of interest and ethics policies pertaining to its relationship with NC State, members of the governing board of the Associated Entity, and persons doing business with the Associated Entity and establishing required ethical standards for the members of the governing board of the Associated Entity. Such policies shall provide that (a) all transactions (other than expense reimbursements set forth in 5.1), between Associated Entity and an officer, director, or employee of Associated Entity, must be approved by the Associated Entity Board; (b) no Associated Entity officer, director, or employee having a private business interest in an Associated Entity business transaction may be involved in the decision with respect to whether the Associated Entity should enter into such transaction; (c) no Associated Entity scholarship or fellowship award may be made to an officer, director, or employee of the Associated Entity or to a family member of such person unless the recipient of the award is determined by an independent awards committee.

Section 6. Certain Director Liability. In addition to other liabilities imposed by law upon Directors, a Director shall be subject to the following liabilities:

(a) All directors who vote for or assent to any distribution of assets of the corporation contrary to any lawful restrictions in the North Carolina Nonprofit Corporation Act (the "Act"), the Articles of Incorporation, or these bylaws, shall be jointly and severally liable to the corporation for the amount of the distribution that exceeds what could have been distributed without violating such restrictions.

(b) All Directors who vote for or assent to the making of any loan or guaranty or other form of security by the corporation to or for the benefit of the Directors or officers of the corporation, or any of them, except loans, guaranties or other forms of security made to full-time employees of the corporation who are also Directors or officers of the corporation and which were made in accordance with Section 4 of this Article and this Section, shall be jointly and severally liable to the corporation for the repayment or return of the money or value loaned, with interest thereon at the legal rate until paid, or for any liability of the corporation upon the guarantee.

(c) A Director shall not be liable under the provisions of subparagraphs (a) or (b), above, if he performed his duties in compliance with Section 4 of this Article or (unless his actual knowledge concerning the matter in question makes such reliance unreasonable) he relied on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by (i) one or more officers or employees of the corporation whom the Director reasonably believes to be reliable and competent in the matters presented; (ii) legal counsel, public accountants, or other persons as to matters the Director
reasonably believes are within their professional or expert competence; or (iii) a committee of the Board of which he is not a member if the Director reasonably believes the committee merits confidence.

ARTICLE IV
OFFICERS

Section 1. Number of Officers. The officers of the corporation shall consist of a Chairman, a Vice Chairman, a President, a Secretary, two Assistant Secretaries (one of whom shall be a member of the Board of Directors), a Treasurer, and two Assistant Treasurers (one of whom shall be a member of the Board of Directors). Any two (2) offices or more may be held by one (1) person, except the offices of Chairman and Secretary; but no officer shall sign or execute any document in more than one (1) capacity.

Section 2. Election, Term of Office and Qualifications. Each officer shall be elected by the Board of Directors at its annual meeting and shall hold office until the annual meeting of the Board of Directors held next after his election or until his death or until he shall resign or shall have been disqualified or shall have been removed from office. Any officer of the corporation elected by the Board of Directors may be removed for any cause or without cause.

Section 3. Chairman. The Chairman shall preside at all meetings of the Board of Directors. He shall have general charge of and control over the affairs of the corporation, subject to such regulations and restrictions as the Board of Directors shall from time to time determine, and shall annually prepare a full and true statement of the affairs of the corporation which shall be submitted at the annual meeting of the Board of Directors held within twenty (20) days thereafter at the principal office of the corporation, where it shall, during the usual business hours of each secular day, remain open for the inspection by any member of the Board of Directors.

Section 4. Vice Chairman. The Vice Chairman shall perform all the duties and be vested with all of the authority of the Chairman in case of a vacancy in the office of the Chairman, or in the absence or disqualification of the Chairman and shall have such other powers and shall perform such other duties as may be assigned to him by the Board of Directors.

Section 5. Secretary. The Secretary shall attend to the giving and serving of all notices of meetings and shall have the custody of all books, records, and papers of the corporation, except as such shall be in charge of the Treasurer, or some other person authorized to have charge thereof by the Board of Directors, and shall have such other duties as may from time to time be assigned to him by the Board of Directors.

Section 6. Assistant Secretaries. The Assistant Secretaries shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as the Board of Directors shall prescribe.

Section 7. Treasurer. The Treasurer shall keep an accurate and detailed record of all receipts and disbursements of the funds of the Board of Directors, which record shall at all times
be subject to inspection by any member of the Board of Directors. He shall deposit all funds of the corporation coming into his hands in such bank or banks as may be approved by the Board of Directors, and generally shall perform all acts incident to the office of Treasurer and shall have further powers and duties as may be assigned to him by the Board of Directors. He shall furnish such security bond as may be ordered by the Board of Directors. Premium upon the bond shall be paid by the corporation and the bond shall be deposited with the Chairman.

Section 8. Assistant Treasurers. The Assistant Treasurers shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties as the Board of Directors shall prescribe.

Section 9. President. The President shall serve as the Chief Operating Officer of the corporation and shall manage the day to day activities of the Foundation. The President is responsible for ensuring that the Board of Director's and Executive Committee is policies and procedures are implemented and shall manage the Foundation's General Fund Budget. The President will hire and manage all staff associated with the Foundation and shall report to the Chairman of the Board of Directors and the Dean of the College of Agriculture and Life Sciences.

Section 10. Duties of Officers May be Delegated. In case of the death, resignation, disqualification, or temporary absence or disability of any officer of the corporation, his duties and powers may be delegated by the Board of Directors to any other officer of the corporation or to any Director of the corporation for any specified time.

Section 11. Duties.

(a) An officer with discretionary authority shall discharge his duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner he reasonably believes to be in the best interests of the corporation.

(b) An officer is not liable for any action taken as an officer, or any failure to take any action, if the officer performed the duties of his office in compliance with subparagraph (a), above, or (unless his actual knowledge concerning the matter in question makes such reliance unreasonable) he relied on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by (i) one or more officers or employees of the corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or (ii) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within their professional or expert competence.

ARTICLE V
COMMITTEES OF THE BOARD

Section 1. Generally. The Board of Directors may create such Committees as are necessary from time to time to assist the Board.
Section 2. Executive Committee. The Board of Directors of the corporation shall elect an Executive Committee consisting of sixteen (16) members of the Board of Directors. At the annual meeting in 1983 the Board shall name to serve on the Executive Committee one (1) Director for a one (1) year term from the membership of the Board whose term expires at the annual meeting in 1984, in addition to the three (3) members already serving, one (1) Director for a two (2) year period from the membership of the Board whose term expires at the annual meeting in 1985, in addition to three (3) members already serving, one (1) Director for a three (3) year period from the membership of the Board whose term expires at the annual meeting in 1986, in addition to the three (3) members already serving, and four (4) Directors for a four (4) year period from the membership of the Board whose terms expire at the annual meeting in 1987. At each annual meeting thereafter, four (4) members shall be elected by the Board of Directors to the Executive Committee for a four (4) year term of the newly elected members of the Board. Also, the Chairman and the immediate past Chairman of the Foundation and the President of the North Carolina Farm Bureau Federation, or the Federation’s duly elected representative, shall serve as voting members of the Executive Committee. Terms of all members of the Executive Committee shall coincide with the terms of their qualifying respective offices or designations; provided further, however, the immediate past Chairman shall be a non-voting member of the Executive Committee unless he is also a member of the Board. The Executive Committee, so elected, in the interim between the meetings of the Board of Directors, shall exercise all the power of the corporation, including all of the powers that have been conferred upon it or upon the Board of Directors, except that the Executive Committee shall have no power or authority to (a) authorize distributions; (b) approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation’s assets; (c) elect, appoint or remove Directors, or fill vacancies on the Board or on any of its committees; or (d) adopt, amend, or repeal the Articles of Incorporation or bylaws.

Section 3. Investment Committee. The Investment Committee shall be composed of seventeen (17) individuals, twelve (12) of whom shall be appointed annually by the Board of Directors of The North Carolina Agricultural Foundation, Inc. from among the members of its Board except for those individuals made members of its Board solely by such appointment to the Investment Committee, three (3) individuals who shall be appointed annually by the North Carolina Dairy Foundation from among those members of its Board who also simultaneously serve as members of the Board of Directors of the North Carolina Agricultural Foundation, one (1) individual who shall be appointed annually by the North Carolina Cooperative Extension Service Foundation from among those members of its Board who also simultaneously serve as members of the Board of Directors of the North Carolina Agricultural Foundation, and one (1) individual who shall be appointed annually by the North Carolina 4-H Development Fund from among those members of its Board who also
simultaneously serve as members of the Board of Directors of the North Carolina Agricultural Foundation. All members of the Investment Committee shall remain in office at the will of the Board of Directors of The North Carolina Agricultural Foundation, Inc., provided the respective Boards of Directors that made the original appointments shall fill any resulting vacancies. The Investment Committee, so appointed, shall recommend the manner in which, and the extent to which, the funds of the corporation shall be invested from time to time and the making and altering of the investments of the corporation.

Section 4. Audit Committee. The Board of Directors shall appoint an Audit Committee, which shall be composed of all members of the Investment Committee except those members of the Investment Committee, if any, who are also employees of either North Carolina State University or the corporation; and each of whom shall remain in office at the will of the Board of Directors unless sooner disqualified by becoming an employee of either North Carolina State University or the corporation. The Audit Committee so appointed shall receive the report of the independent CPA firm that conducts the corporation's annual audit and relevant tax forms to be submitted by the corporation.

Section 5. Minutes of Committee Meetings. The Executive Committee and the Investment Committee and such other committees, if any, as may be appointed by the Chairman from time to time, shall keep minutes of their meetings and report the same to the Board of Directors.

Section 6. Election of Members to Committees. The following committees: Executive, Budget, Review and Nominating must have at least two-thirds (2/3) of their members selected (appointed, or nominated and elected, as provided for elsewhere in these bylaws) from the one hundred (100) county representatives on the Board of Directors.

ARTICLE VI
COMPENSATION

Section 1. Compensation of Directors. No Director of the corporation, with the exception of the President, shall receive any compensation whatever for or in connection with his services
as such director or as an officer of the corporation.

ARTICLE VII
MEETINGS

Section 1. Fiscal Year: Annual Meetings. The fiscal year of the Corporation shall end June 30, and the annual meeting of the Board of Directors of the Corporation shall be held in Raleigh at a time and date determined by the Secretary in consultation with the Chairman of the Corporation.

Section 2. Special Meetings. Special meetings of the Board of Directors, or the Executive Committee of the Directors, shall be called upon the request of the Chairman or the Vice Chairman, or two or more members of the Board of Directors.

ARTICLE VIII
NOTICES

Section 1. Notice of Regular Meetings. No public notice shall be required for the annual meeting of the Board of Directors.

Section 2. Notice of Special Meetings of Board of Directors and Executive Committee. Notice of any special meeting of the Board of Directors or the Executive Committee shall be given by mailing a written notice of the time, place, and purpose of such meeting to each Director or member of the Executive Committee, as the case may be, at his last known post office address at least five (5) days before the time of such meeting.

Section 3. Notice of Special Meetings of Committees. Notice of any special meeting of any committee of the corporation (other than the Executive Committee) shall be given either by mailing a written notice of time and place of such meeting to each member of the committee at his last known post office address at least two (2) days before the time of such meeting, or by communicating notice of the time and place of such meeting to each member of the committee by telephone, telegram, or otherwise, at least twenty-four (24) hours before the time of such meeting.

ARTICLE IX
QUORUMS

Section 1. Quorum for Regular/Special Meetings. One-third (1/3) of the members of the Board of Directors in office immediately before the meeting begins shall constitute a quorum at any regular or special meeting of the Board of Directors.

Section 2. Quorum for Executive Committee Meetings. One-third (1/3) of the members of said committee, including, if necessary, alternate members, shall constitute a quorum of any regular or special meeting of the Executive Committee.
Section 3. Quorum for Committee Meetings. A majority of the membership of any such committee shall constitute a quorum at any regular or special meeting of any committee of the corporation other than the Executive Committee.

ARTICLE X
LOCATION

Section 1. Registered Office. The principal office of the corporation shall be in Patterson Hall, CALS Administration Building, on the North Carolina State University Campus, Raleigh, North Carolina.

ARTICLE XI
LIABILITY OF DIRECTORS

Section 1. Liability of Directors. Members of the Board of Directors shall not be liable or responsible for debts or obligations of the corporation.

ARTICLE XII
AMENDMENTS

Section 1. Amendment to Bylaws. These bylaws may be amended, enlarged, or repealed by majority vote of a quorum present at any meeting of the Board of Directors, provided written notice of the proposed amendment has been given to all members of the Board of Directors at least five (5) days prior thereto. In any event, these bylaws shall be amended, enlarged, or repealed as may be required from time to time to conform to the requirements of any applicable University of North Carolina Regulations, as may be amended, or to maintain the status of the corporation as an Associated Entity of NC State pursuant to any applicable University of North Carolina Regulations, as may be amended, or any Operating Agreement with NC State. The Board of Directors shall provide NC State with a copy of these bylaws, as may be amended from time to time, and shall provide NC State with any proposed amendments of these bylaws as soon as possible but in no event less than fifteen (15) days prior to the meeting of the Board of Directors at which they are to be considered for adoption.

ARTICLE XIII
INDEMNIFICATION

Section 1. Officer, Director, Employee and Agent Indemnification. Each person who was or is a party to or is involved in any action, suit or proceeding, whether civil, criminal,
administrative or investigative and whether formal or informal (hereinafter, a "Proceeding" and including without limitation, a proceeding brought by or on behalf of the corporation itself), by reason that he is or was a Director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or as a trustee or administrator under an employee benefit plan, where the basis of such proceeding is alleged action in an official capacity as Director, officer, employee or agent or in any other capacity while serving as a director, officer, partner, employee, agent, trustee or administrator, shall be indemnified and held harmless by the corporation to the fullest extent authorized by the Act as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Act permitted the corporation to provide prior to such amendment) against all expense, liability and loss (including attorneys' fees, judgments, fines, excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to serve in the capacity that initially entitled such person to indemnification hereunder and shall inure to the benefit of his heirs, executors and administrators; provided, however, that the corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board.

The right to indemnification conferred in this Section 1 shall be a contract right and shall include the right to be paid by the corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the Act so requires, the payment of expenses incurred by a Director, officer, employee or agent in his capacity as such (and not in any other capacity in which service was or is rendered by such person while a director, officer, employee, or agent including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding shall be made only upon delivery to the corporation of an undertaking, by or on behalf of such person, to repay all amounts so advanced if it shall ultimately be determined that such person is not entitled to be indemnified under this Section or otherwise.

Section 2. Right of Claimant to Bring Suit. If a claim under Section 1 hereof is not paid in full by the corporation within ninety (90) days after a written claim has been received by the corporation, the claimant may at any time thereafter bring suit against the corporation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the Act for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the
Act, nor an actual determination by the corporation (including its Board or independent legal counsel) that the claimant has not met the applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

Section 3. Nonexclusivity of Rights. The right to indemnification and the advancement and payment of expenses conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any law (common or statutory), the Articles of Incorporation, these bylaws, any agreement, the vote of disinterested Directors, or otherwise.

Section 4. Insurance. The corporation may maintain insurance, at its expense, to protect itself and any person who is or was serving as a Director, officer, employee or agent of the corporation or is or was serving at the request of the corporation as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise against any liability asserted against and incurred by that person in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify that person against such liability under the Act.

Section 5. Savings Clause. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify and hold harmless each Director, officer, employee and agent of the corporation, as to costs, charges and expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the full extent permitted by any applicable portion of this Article that shall not have been invalidated and to the full extent permitted by applicable law.