

BYLAWS OF MYRTLE BEACH DOWNTOWN ALLIANCE INC.

A South Carolina Nonprofit Corporation

TABLE OF CONTENTS

	Page
ARTICLE 1. PURPOSE	1
ARTICLE 2. SOLE MEMBER	1
§2.1. Membership.	1
§2.2. Action by the Member	1
ARTICLE 3. BOARD OF DIRECTORS	2
§3.1. General Powers.	2
§3.2. Number, Qualifications, Nominations, and Term of Directors.	2
§3.3. Regular Meetings.	3
§3.4. Special Meetings.	3
§3.5. Notice of Special Meeting.	3
§3.6. Director Quorum.	3
§3.7. Manner of Acting.	3
§3.8. Action Without a Meeting.	4
§3.9. Removal of a Director.	4
§3.10. Vacancies.	5
§3.11. Contracts, Checks, and Deposits.	5
§3.12. Committees.	5
ARTICLE 4. OFFICERS	6
§4.1. Number.	6
§4.2. Appointment and Term of Office.	6
§4.3. Resignation and Removal.	6
§4.4. Chief Executive Officer.	6
§4.5. The Vice-Presidents.	7
§4.6. The Secretary.	7
§4.7. The Treasurer.	7
§4.8. Assistant Secretaries and Assistant Treasurers.	7
ARTICLE 5. INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES	8
§5.1. Indemnification of Directors and Officers.	8
§5.2. Indemnification of Agents, and Employees Who Are Not Directors.	9
ARTICLE 6. EMERGENCY BYLAWS	9
§6.1. Emergency Bylaws.	9
§6.2. Notice of Board Meetings.	9
§6.3. Temporary Board and Quorum.	9
§6.4. Actions Permitted to Be Taken.	9

TABLE OF CONTENTS
(continued)

	Page
ARTICLE 7. AMENDMENTS	10

Article 1. PURPOSE

The Myrtle Beach Downtown Alliance Inc. (the “Corporation”) is organized and shall be operated exclusively for tax-exempt purposes as defined under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any corresponding provision of any future United States Internal Revenue Law). In furtherance of such purposes, the Corporation shall lessen the burdens of government by advancing development and revitalization of the downtown area of the City of Myrtle Beach (the “City”) pursuant the Downtown Master Plan and related complimentary plans adopted by the City Council.

Article 2. SOLE MEMBER

§2.1. Membership.

The sole member of the Corporation is One Grand Strand, Inc. (the “Member”). Membership is not transferable.

§2.2. Action by the Member

- (a) **Without Meeting.** Any action required or permitted to be approved by the Member may be approved without a meeting if an authorized representative of the Member consents in writing, setting forth the action so taken, and such consent or consents are delivered to the Corporation for inclusion in the minute book. A consent signed under this section has the effect of a meeting vote and may be described as such in any document.
- (b) **Annual Meeting.** Appointing Directors and other actions to be taken at the annual meeting of the Member, if not taken by written consent without a meeting, shall be considered at an annual meeting held on the date and time and in the place set by an authorized representative of the Member.
- (c) **Special Meetings.** A special meeting of the Member, for any purpose or purposes, described in the meeting notice may be called by the Board or an authorized representative of the Member; such meeting shall be called by the Board or an authorized representative of the Member by a notice describing the purpose or purposes for which the meeting is to be held, setting the date, time, and place of the meeting.

Article 3. BOARD OF DIRECTORS

§3.1. General Powers.

All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of, the Board.

§3.2. Number, Qualifications, Nominations, and Term of Directors.

- (a) **Number** The number of Directors of the Corporation shall be no more than eighteen (18).
- (b) **Qualifications.** Directors should have a demonstrated commitment to the revitalization of the Downtown area of the City and its adjacent communities. Directors should bring a diversity of perspectives and experience (including based on race, gender, age, class or geography) that would enrich the planning and implementation of the future of the Downtown, and should be drawn from the public, civic, and private sectors in accordance with the following:
 - (1) **Public City Directors.** The Member shall appoint three (3) Directors nominated by the City, which shall be: (1) a Councilmember or designee of the City Council; (2) the Mayor or the Mayor's designee; and (3) The City Manager or the City Manager's designee.
 - (2) **Public County Director.** The Member shall appoint one (1) Director nominated by Horry County.
 - (3) **Civic Directors.** The Member shall appoint at least three (3) Directors that are representatives of nonprofit organizations.
 - (4) **Private Community Directors.** The Member shall appoint up to eleven (11) Directors qualified to bring a diversity of perspectives and insight of various community and business leaders and other segments of the private sector including property owners, businesses, and residents of the Downtown, the City, and adjacent communities.

(c) **Nominations**

The Nominating and Governance Committee shall nominate director candidates pursuant to the Nominating and Governance Committee Charter adopted by the Board.

(d) **Term**

The initial Directors shall serve for a term of one (1) year and until a successor is appointed, or until the Director's earlier death, resignation or removal. Thereafter, Directors shall be divided into three classes of approximately equal size as determined by the Nominating and Governance Committee, the term of office of the Directors in one such class to expire each year. Director shall hold office for the term of their class (normally three (3) years) and until a successor is appointed, or until the Director's earlier death, resignation, or removal. Directors shall serve no more than three (3) consecutive full 3-year terms.

§3.3. Chair of the Board.

The Board shall appoint from its members a Chair of the Board. Unless otherwise provided by the Board, the Chair of the Board shall preside, when present, at all meetings of the Board. The Chair shall have such other powers and shall perform such duties as the Board may from time to time designate. The Chair shall hold office until his or her respective successor is elected and qualified or until his or her earlier death, resignation or removal.

§3.4. Regular Meetings.

Regular meetings of the Board shall be held on the date and time and in the place fixed by the Board.

§3.5. Special Meetings.

Special meetings of the Board may be called by or at the request of the Chair or not less than twenty percent (20%) of the Directors then in office.

§3.6. Notice of Special Meeting.

Notice of any special meeting shall be given at least two (2) days previous thereto either orally or in writing. Oral notice is effective when communicated if communicated in a comprehensible manner. If mailed, such notice shall be deemed to be effective at the earliest of (1) when received; (2) five (5) days after deposited in the United States mail, addressed to a Director's business office, with postage thereon prepaid; or (3) the date shown on the return receipt if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the Director. Any Director may waive notice of any meeting. Except as provided in the next sentence, the waiver must be in writing, signed by the Director entitled to the notice, and filed with the minutes or corporate records. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business and at the beginning of the meeting (or promptly upon his or her arrival) objects to holding the meeting or transacting business at the meeting, and does not thereafter vote for or assent to action taken at the meeting.

§3.7. Director Quorum.

A majority of the number of Directors in office immediately before the meeting begins shall constitute a quorum for the transaction of business at any meeting of the Board, unless the Articles of Incorporation require a greater number.

§3.8. Manner of Acting.

(a) Required Vote.

The act of the majority of the Directors present at a meeting at which a quorum is present when the vote is taken shall be the act of the Board unless the law or Articles of Incorporation require a greater percentage.

(b) Meeting by Telephone, Video Conference or Similar Communications.

Directors may participate in a regular or special meeting by, or conduct the meeting through the use of, conference calls, video conferences or other any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

(c) Failure to Object to Action.

A Director who is present at a meeting of the Board or a committee of the Board when corporate action is taken is deemed to have assented to the action taken unless:

- (1) the Director objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting;
- (2) the Director votes against the action and the vote is entered in the minutes of the meeting;
- (3) the Director's dissent or abstention from the action taken is entered in the minutes of the meeting; or
- (4) the Director delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

§3.9. Action Without a Meeting.

Any action required or permitted to be taken at any meeting of the Board or of any committee thereof may be taken without a meeting if all Directors or members of such committee consent thereto and such action is evidenced by one or more written consents describing the action taken, signed by each Director, and included in the minutes or filed with the corporate records reflecting the action taken. Action evidenced by written consents under this Section 3.8 is effective when the last Director signs the consent, unless the consent specifies a different effective date. A consent signed under this Section 3.8 has the effect of a meeting vote and may be described as such in any document.

§3.10. Removal of a Director.

The Member may remove, with or without cause, one or more Directors at a meeting called for that purpose if notice has been given that a purpose of the Member meeting is such removal.

§3.11. Vacancies.

Vacancies on the Board, including a vacancy resulting from an increase in the number of Directors, may be filled by the Member or the Board. A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date) may be filled before the vacancy occurs but the Director may not take office until the vacancy occurs. A Director elected by the Board to fill a vacancy shall hold office until a successor is duly appointed and qualified.

§3.12. Contracts, Checks, and Deposits.

The Board may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument on behalf of the corporation, and such authority may be general or confined to specific instances. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation in such manner as shall from time to time be determined by resolution of the Board. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board may direct.

§3.13. Committees.

(a) General.

The Board may create one or more committees of the Board, each of which shall have two (2) or more Directors who shall serve at the pleasure of the Board. Committees shall be created, and the members of each committee shall be appointed thereto, by majority vote of the total number of Directors then in office. Each committee may exercise the powers and authority of the Board to the extent provided by resolution or committee charter adopted by the Board; provided, however, that a committee may not (1) authorize distributions; (2) approve or recommend to the Member dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets; (3) elect, appoint, or remove Directors or fill vacancies on the Board or on any of its committees; or (4) adopt, amend, or repeal the corporation's Articles of Incorporation or Bylaws. Unless the Board provides otherwise, each committee may make, alter and repeal rules and procedures for the conduct of its business consistent with law. In the absence of such rules and procedures, each committee shall conduct its business in the same manner as the Board conducts its business. Any committee composed of any voting members who are not Directors shall be advisory only.

(b) Executive Committee.

The Board shall appoint an Executive Committee consisting of the Chair and at least two (2) Directors. The Executive Committee, to the extent permitted by law and not delegated to another committee of the Board, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Corporation with respect to any matter that may require action prior to, or that in the opinion of the Executive Committee may be inconvenient, inappropriate or undesirable to postpone until, the next meeting of the Board. The Executive Committee shall report promptly to the entire Board the substance of any action taken by the Executive Committee.

(c) Nominating and Governance Committee.

The Board shall appoint a Nominating and Governance Committee consisting of at least three (3) Directors. The Nominating and Governance Committee may exercise the powers and authority of the Board to the extent provided by resolution or committee charter adopted by the Board.

Article 4. OFFICERS

§4.1. Number.

The officers of the Corporation shall be a Chief Executive Officer, a Secretary, and a Treasurer, each of whom shall be appointed by the Board. Such other officers and assistant officers as may be deemed necessary, including any vice-presidents, may be appointed by the Board. The same individual may simultaneously hold more than one office in the corporation.

§4.2. Appointment and Term of Office.

The officers of the Corporation shall be appointed by the Board for a term as determined by the Board. The designation of a specified term grants to the officer no contract rights, and the Board can remove the officer at any time prior to the termination of such term. If no term is specified, the officer shall hold office until he or she resigns, dies, or is removed.

§4.3. Resignation and Removal.

Any officer may resign at any time by delivering written notice to the corporation. If a resignation is made effective at a future date and the Corporation accepts the future effective date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

Any officer or agent may be removed by the Board at any time, with or without cause. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. Appointment of an officer or agent shall not of itself create contract rights.

§4.4. Chief Executive Officer.

The Chief Executive Officer of the Corporation shall have general management and supervision of the property, business and affairs of the Corporation and over its other officers; may appoint and remove assistant officers and other agents and employees, other than officers referred to in this Article; and may execute and deliver in the name of the Corporation powers of attorney, contracts, and other obligations and instruments. The Chief Executive Officer shall perform all duties incident to the office of Chief Executive Officer and such other duties as may be prescribed by the Board from time to time. The Chief Executive Officer shall serve as an ex-officio nonvoting member of the Board and all Board Committees.

§4.5. The Vice-Presidents.

If appointed, in the absence of the Chief Executive Officer or in the event of the Chief Executive Officer's death, inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order designated at the time of their election, or in the absence of any designation, in the order of their appointment) shall perform the duties of the Chief Executive Officer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chief Executive Officer. If there is no Vice-President, then the Treasurer shall perform such duties of the Chief Executive Officer. Any Vice-President shall perform such other duties as from time to time may be assigned by the Chief Executive Officer or by the Board.

§4.6. The Secretary.

The Secretary shall (a) keep the minutes of the proceedings of the Member and of the Board 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) be custodian of the corporate records and of any seal of the corporation; (d) when requested or required, authenticate any records of the corporation; (e) keep a register of the address of the Member which shall be furnished to the Secretary by such Member; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the Chief Executive Officer or by the Board.

§4.7. The Treasurer.

The Treasurer shall (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected by the Board; and (c) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Chief Executive Officer or the Board. If required by the Board, the Treasurer shall give a bond for the faithful discharge of the Treasurer's duties in such sum and with such surety or sureties as the Board shall determine.

§4.8. Assistant Secretaries and Assistant Treasurers.

The assistant Secretaries and assistant Treasurers, in general, shall perform such duties as shall be assigned to them by the Secretary or the Treasurer, respectively, or by the Chief Executive Officer or the Board. The assistant Treasurers shall, if required by the Board, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board shall determine.

Article 5. INDEMNIFICATION OF DIRECTORS, OFFICERS, AGENTS AND EMPLOYEES

§5.1. Indemnification of Directors and Officers.

(a) The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (“Indemnified Person”) who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (“Proceeding”), by reason of the fact that such person is or was a Director or officer of the corporation, or while serving as a Director or officer of the Corporation is or was serving at the request of the Corporation as a director, trustee, officer, employee or agent of another company, partnership, joint venture, employee benefit plan, trust or other enterprise, against all liability and loss suffered and expenses (including attorneys’ fees) reasonably incurred by such person in such Proceeding. Notwithstanding the preceding sentence, except as provided in paragraph (c) of this Section 5.1 the Corporation shall be required to indemnify an Indemnified Person in connection with a Proceeding (or part thereof) commenced by such Indemnified Person only if the commencement of such Proceeding (or part thereof) by the Indemnified Person was authorized in advance by the Board.

(b) The Corporation shall, to the fullest extent not prohibited by law, pay the expenses (including attorneys’ fees) incurred by an Indemnified Person in defending any Proceeding in advance of its final disposition; provided, however, that such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Indemnified Person to repay all amounts advanced if it is ultimately determined that the Indemnified Person is not entitled to be indemnified under this Article or otherwise.

(c) If a claim for indemnification (following the final disposition of the Proceeding for which indemnification is sought) is not paid in full within sixty (60) days after a written claim therefor by the Indemnified Person has been received by the corporation, or a claim for advancement of expenses is not paid in full within thirty (30) days after any statement therefor has been received by the corporation, the Indemnified Person shall thereupon be entitled to file suit to recover the unpaid amount of such claim. If successful in whole or in part, the Indemnified Person shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the Indemnified Person is not

entitled to the requested indemnification or advancement of expenses under applicable law.

(d) Any right to indemnification or to advancement of expenses of any Indemnified Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of this Article after the occurrence of the act or omission that is the subject of the Proceeding for which indemnification or advancement of expenses is sought.

(e) The rights conferred on any Indemnified Person by this Article shall not be exclusive of any other rights that such Indemnified Person may have or hereafter acquire under any statute, the certificate of incorporation, these Bylaws or any agreement, or any vote of the Member or disinterested Directors or otherwise. This Article shall not limit the right of the corporation, to the extent and in the manner permitted by law, to indemnify or to advance expenses to persons other than Indemnified Persons when and as authorized by appropriate corporate action.

§5.2. Indemnification of Agents, and Employees Who Are Not Directors.

The Board may indemnify and advance expenses to any employee or agent of the Corporation who is not a Director or officer of the Corporation to the extent permitted by law as determined by the general or specific action of the Board.

Article 6. EMERGENCY BYLAWS

§6.1. Emergency Bylaws.

The provisions of this Article shall be effective during an emergency, which is defined as when a quorum of the corporation's Directors or of the Executive Committee cannot be readily assembled because of some catastrophic event. These emergency Bylaws are not effective after the emergency ends.

§6.2. Notice of Board Meetings.

Any one member of the Board, or the Chief Executive Officer, or any Vice-President, Secretary, or Treasurer may call a meeting of the Board. Notice of such meeting need be given only to those Directors whom it is practicable to reach, and may be given in any practical manner, including by publication and radio. Such notice shall be given at least six (6) hours prior to commencement of the meeting.

§6.3. Temporary Board and Quorum.

One or more officers of the Corporation present at the emergency Board meeting, as is necessary to achieve a quorum, shall be considered to be Directors for the meeting, and shall so serve in order of rank, and within the same rank, in order of seniority. In the event that less than a quorum (as determined by Section 3.6) of the Directors are present (including any officers who are to serve as Directors for the meeting), those Directors present (including the officers serving as Directors) shall constitute a quorum.

§6.4. Actions Permitted to Be Taken.

The temporary Board may:

- (1) Prescribe emergency powers to any officer of the corporation;
- (2) Delegate to any officer or Director any of the powers of the Board;
- (3) Designate lines of succession of officers and agents, in the event that any of them are unable to discharge their duties;
- (4) Relocate the principal place of business, or designate successive or simultaneous principal places of business; and
- (5) Take any other action, convenient, helpful, or necessary to carry on the business of the corporation.

Article 7. AMENDMENTS

The Board may amend or repeal any of the corporation's Bylaws, subject to the approval of the Member.