

BY-LAWS

THE INDUSTRIAL DEVELOPMENT BOARD OF THE CITY OF JACKSON

ARTICLE I NAME AND ADDRESS OF CORPORATION

The name of the Corporation is The Industrial Development Board of the City of Jackson ("Corporation"). Its principal office is located at 101 East Main Street, Jackson, Tennessee, 38301.

ARTICLE II PURPOSE OF THE CORPORATION

Section 1. GENERAL PURPOSES OF THE CORPORATION

The Corporation may engage in any lawful purpose or purposes that Tennessee industrial development corporations may engage in pursuant to the Tennessee Industrial Development Corporation Act presently as set forth at §7-53-101 et. seq. and subsequent amendments and modifications thereof (the "Act"). The general purposes of the Corporation include, but are not limited to, financing, acquiring, owning, leasing, or disposing of properties, to the end that the Corporation may be able to maintain and increase employment opportunities, increase the production of agricultural commodities, and increase the quantity of housing available in, the City of Jackson (the "City") and Madison County, Tennessee ("County") by promoting industry, trade, commerce, tourism and recreation, agriculture and housing construction by inducing manufacturing, industrial, governmental, educational, financial, service, commercial, recreational and agricultural enterprises to locate in or remain in this state and further the use and production of its agricultural products and natural resources.

Section 2. NON-PROFIT PURPOSE OF THE CORPORATION

The Corporation shall be a non-profit corporation and no part of its net earnings remaining after payment of its expenses shall inure to the benefit of the individual, firm or corporation.

Section 3. POWERS OF THE CORPORATION

The Corporation has the following powers, together with all powers incidental to such powers or necessary for the performance of those powers:

- A.** To have succession by its corporate name for the period specified in the certificate of incorporation, unless sooner dissolved;
- B.** To sue and be sued and prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;
- C.** To have and use a corporate seal and alter the corporate seal at pleasure;
- D.** To acquire, whether by purchase, exchange, gift, lease, or otherwise, and improve, maintain, equip and furnish one (1) or more projects, as the term "project" is defined in the Act, including all real and personal properties the Board of Directors of the Corporation ("Board") may deem necessary in connection with the projects and regardless of whether any such projects shall then be in existence except as otherwise limited by the Act;

E. To lease to others one or more projects and charge and collect rent for the projects and terminate any such lease upon failure of the lessee to comply with any of the obligations of such lease; and include in any such lease if desired, a provision that the lessee of the projects shall have options to purchase any or all of the Corporation's projects or that upon payment of all of the indebtedness of the Corporation it may lease or convey any or all of the Corporation's projects to the lessee of the projects with or without consideration, and to enter into amendments to such leases, with amendments, among other things, may provide for extending the terms of such leases, amending or extending any payments in lieu of taxes due under the leases, subject to any applicable limitations provided by the Act, and amending or extending any rents or other payments due under the leases;

F. To sell to others one or more projects for such payments and upon such terms and conditions as the Board may deem advisable, in accordance with the provisions of sale contracts entered into pursuant to the Act;

G. To enter into loan agreements with others with respect to one or more projects for such payments and upon such terms and conditions as the Board may deem advisable, and in accordance with the provisions of the Act;

H. To sell, exchange, donate and convey any or all of its properties, including, without limitation, all or any part of the rents, revenues and receipts of the Corporation from its projects, whenever the Board shall find any such action to be in furtherance of the purposes for which the Corporation was organized;

I. To issue its bonds, and otherwise borrow money from banks or other financial institutions by issuing its notes for the purpose of carrying out any of its powers;

J. To borrow money from any municipality through a loan agreement executed with a municipality for the purpose of carrying out any of its powers;

K. To, as security for the payment of the principal of and interest on any bonds or notes so issued and any agreements made in connection with the bonds or notes, mortgage and pledge any or all of its projects or any part or parts of the projects, whether then owned or thereafter acquired and pledge the revenues and receipts from any of the projects, or assign and pledge all or any part of its interest in and rights under the leases, sale contracts or loan agreements relating to the projects, including, without limitation, the pledging and/or assignment and pledging of all or any part of the rents, revenues and receipts of any project as security for payment of any bonds or notes of the Corporation used with respect to the project, or any other project or projects of the Corporation and any agreements made in connection with the projects, or procure or pledge municipal bond insurance, letters of credit, lines of credit or other liquidity facilities as additional security and liquidity for the bonds or notes; and

L. To exercise all other powers expressly given in the Act, its certificate of incorporation and established in these by-laws and make all rules and regulations not inconsistent with the certificate of incorporation or the provisions of the Act, deemed expedient for the management of the Corporation's affairs.

The Corporation, pursuant to the Act, does not have the power to operate any project financed under the Act as a business or in any manner except as specifically provided in the Act, nor

does it have the power to pledge, at any time or in any manner, the general credit or taxing power of any municipality except as specifically provided in the Act.

Section 4. NET EARNINGS

No part of the net earnings of the Corporation remaining after payment of its expenses shall inure to the benefit of the individual, firm or corporation, except that in the event the Board shall determine that sufficient provision has been made for the full payment of the expenses, bonds and other obligations of the Corporation, then any net earnings of the Corporation thereafter accruing shall be paid to the City; provided, that nothing contained in this section shall prevent the Board from transferring all or any part of its properties in accordance with the terms of any lease, sale contract, loan agreement, mortgage or deed of trust entered into by the Corporation.

**ARTICLE III
BOARD OF DIRECTORS OF THE CORPORATION**

Section 1. NUMBER AND QUALIFICATIONS

The Corporation shall be governed by the Board composed of no less than seven (7) persons, all of whom shall be electors and taxpayers in the City ("Directors" sometimes collectively referred to as "Board"). The directors shall serve without compensation, except that they shall be reimbursed for actual expenses incurred in or about the performance of their duties. No director shall be an officer or employee of the City.

Section 2. GOVERNING POWERS

The Board shall have all the powers and duties necessary or appropriate for the administration of the affairs of the Corporation, and may do all such acts and things as are not prohibited, by law, including the Act, or by the articles of incorporation, or by these by-laws.

Section 3. ELECTION AND TERM OF DIRECTORS

The Directors shall be elected by the City Council of the City ("City Council"). The term of the office of such Directors shall be staggered. The City Council shall divide the Board into three (3) groups containing as near equal whole numbers as may be possible. The first term of the Directors included in the first group shall be two (2) years, the first term of the Directors included in the second group shall be four (4) years, the first term of the Directors included in the third group shall be six (6) years, and thereafter the terms of all Directors shall be six (6) years; provided, that if at the expiration of any term of office of any Director a successor to the Director shall not have been elected, then the Director whose term of office shall have expired shall continue to hold office until a successor shall be so elected.

Section 4. VACANCIES

Vacancies on the Board caused by any reason, whether by the removal or resignation of a Director, or otherwise, shall be filled by a vote of the City Council and each person so elected shall serve for the remainder of the unexpired term of the replaced Director and thereafter until a successor is elected.

Section 5. REMOVAL OF DIRECTORS

At any regular or special meeting duly called, any one or more of the Directors may be removed by a vote of two thirds (2/3) of the City Council. A successor Director may then and there be elected to fill the vacancy thus created in accordance with the procedure set forth in Section 4 of this Article.

Section 6. COMPENSATION

Directors shall receive no compensation for their services as Directors, except that they shall be reimbursed for their actual expenses incurred in and about the performance of their duties.

Section 7. ANNUAL MEETING

An annual meeting of the Board, for the purpose of election of Officers and the consideration of any other business that may be properly brought before it, shall be held at such place as the Chairman of the Board or other officers may determine. Notice of the annual meeting of the Board shall be given to each Director, personally, by mail, email, telephone or facsimile at least five (5) business days prior thereto.

Section 8. REGULAR MEETINGS

Regular meetings of the Board shall be at the call of the Chairman or any other officer. Notice of regular meetings of the Board shall be given to each Director, personally, by mail, email, telephone or facsimile at least five (5) business days prior thereto.

Section 9. SPECIAL MEETINGS

Special meetings of the Board may be called by the Chairman on five (5) business days' notice to each Director given personally, by mail, telephone, facsimile or telegraph, which notice shall state the time, place, and purpose of the meeting.

Section 10. WAIVER OF NOTICE

Before or at any meeting of the Board, any Director may, in writing or orally, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him or her of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. To the extent permitted by law, and subject to compliance with the Tennessee Open Meetings Act, any lawful action of the Board may be taken without a meeting if written consent to such action is signed by all Directors and filed in the minutes of the Board.

Section 11. QUORUM

At all meetings of the Board, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present shall be the acts of the Board. If at any properly called meeting of the Board there is less than a quorum present, the Directors present may unanimously adjourn the meeting to another agreed upon time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted without further notice to other Directors.

Section 12. TENNESSEE OPEN MEETINGS ACT

All annual, regular and special meetings of the Board shall be subject to the rules and provisions of, and conducted in accordance with, the Tennessee Open Meetings Act.

Section 13. VOTING

Each individual Director shall have one (1) vote and the maximum voting, and other rights, authority, powers, and privileges afforded Directors under applicable Tennessee Law.

Section 14. DISCHARGE OF DUTIES

A Director shall discharge his duties as a Director, including his duties as a member of any committee, 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 interest of the Corporation. In discharging his duties, a Director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by one (I) or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented; legal counsel, public accountants, or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or a committee of the Board of which he not a member if the Director reasonably believes the committee merits confidence. However, a Director is not acting in good faith if he has a knowledge concerning the matter in question that makes reliance otherwise permitted by this section unwarranted. A Director shall not be liable for any action taken as a Director, or any failure to take any action, if he has performed the duties of his office in compliance with this section.

**ARTICLE IV
OFFICERS OF THE CORPORATION**

Section 1. DESIGNATION

The principal officers of the Corporation shall be the Chairman, a Vice-Chairman, and a Secretary, and such other officers as the Board may determine necessary or appropriate, all of whom shall be elected by the Board.

Section 2. ELECTION OF OFFICERS

The Officers of the Corporation shall be elected annually by the Board at its annual meeting or a special meeting, and unless sooner removed by the Board, these elected Officers shall serve for a term of one (I) year and until their successors are elected and shall qualify. Any vacancies occurring in offices for any reason shall be filled by the Board from time to time. The Board shall appoint such temporary or acting Officers as may be necessary during the temporary absence or disability of the regular Officers.

Section 3. REMOVAL

Upon an affirmative vote of a majority of the Board, any Officer may be removed, either with or without cause, and his/her successor elected at any regular meeting of the Board or at any special meeting called for that purpose.

Section 4. CHAIRMAN

The Chairman shall be the chief executive officer of the Corporation. The Chairman shall have all the general powers and duties which are usually vested in the office of president of a corporation, including the power to appoint committees from time to time in his/her discretion as he/she may deem appropriate to assist in the conduct of the affairs of the Corporation. The Chairman shall preside over and set the agenda for all meetings of the Board. Additionally, the Chairman serves as a liaison to the City and the local Chamber of Commerce on matters relating to the business of the Corporation.

Section 5. VICE-CHAIRMAN

There shall be one or more Vice Chairmen as the Board shall from time to time determine. In the absence, inability or disability of the Chairman, a Vice Chairman shall perform the duties and exercise the powers of the Chairman. The Vice-Chairmen shall also perform such other duties as shall be prescribed by the Board.

Section 6. SECRETARY

The Secretary shall maintain the books and records of the Corporation and arrange for the proper taking of the minutes of all meetings of the Board. The Secretary shall have custody of the seal of the Corporation, and of such other books and records of the Corporation as the Board may require. The Secretary shall perform the duties and functions customarily performed by the secretary of a corporation together with such other duties as the Board may prescribe.

Section 7. DISCHARGE OF DUTIES

An Officer with discretionary authority shall discharge his duties under that authority in good faith, with the care and 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. In discharging his duties, an Officer shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by one (1) or more Officers or employees of the Corporation whom the officer reasonably believes to be reliable and competent in the matters presented; or legal counsel, public accountants, or other persons as to matters the Officer reasonably believes are within the person's professional or expert competence. However, an Officer is not acting in good faith if he has knowledge concerning the matter in question that makes reliance otherwise permitted by this section unwarranted. An Officer shall not be liable for any action taken as an Officer, or any failure to take any action, if he has performed the duties of his office in compliance with this section.

**ARTICLE V
AMENDMENTS TO THE BY-LAWS OF THE CORPORATION**

Except as otherwise required by law, the Act, or otherwise limited by the articles of incorporation for the Corporation, these by-laws may be amended at any regular or annual meeting of the Board or at any special meeting called for that purpose provided that written notice of the proposed amendment shall have been given at least five (5) days prior to such meeting. Such amendment shall require an affirmative vote of two-thirds (2/3) of the Board present at a duly constituted meeting at which a quorum is present.

**ARTICLE VI
FISCAL MANAGEMENT OF THE CORPORATION**

Section 1. FISCAL YEAR

The fiscal year of the Corporation shall be July 1 of each year to June 31 of the next year. The commencement date of the corporation's fiscal year herein established shall be subject to change by the Board.

Section 2. BOOKS AND ACCOUNTS

Books and accounts of the Corporation shall be kept under the direction of the Secretary of the Corporation in accordance with generally accepted accounting principles.

Section 3. AUDITING AND REPORTS

Upon vote of the Board, the books and records of the Corporation may be audited from time to time in accordance with generally accepted accounting principles or such other audit scope as determined by the Board. The Secretary of the Corporation shall cause to be prepared periodically a full and correct statement of the financial affairs of the Corporation, which shall be submitted at the regular or special meetings of the Board and filed with the Secretary of the Corporation. The Board shall have

the power to engage certified public accountants and other professionals as the Board deems necessary.

Section 4. EXECUTION OF CORPORATE DOCUMENTS

With the prior authorization of the Board, all notes, contracts, mortgages, indentures, agreements, leases and other documents shall be signed and executed on behalf of the Corporation by either the Chairman, Vice Chairman, or Secretary, unless the Board authorizes execution of such documents or instruments by any one or more of the officers of the Corporation in a different manner.

Section 5. FIDELITY BONDS

The Board may require that all officers and employees of the Corporation having custody or control of corporate funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

**ARTICLE VII
INDEMNIFICATION BY CORPORATION OF ITS DIRECTORS,
OFFICERS AND EMPLOYEES**

Section 1. INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES.

The Corporation shall indemnify any person who was or is a party to any pending or completed action, suit, or proceeding whether civil, criminal, administrative, or the subject of any threatened suit, proceeding or investigation, by reason of the fact that such person is or was a director, officer, employee or legal counsel of the Corporation, against expenses (including reasonable attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit, or proceeding or investigation to the extent and under the circumstances permitted by Tennessee law and the Act. Such indemnification (unless ordered by a court) shall be made as authorized in a specific case upon a determination that indemnification of the director, officer, employee or legal counsel is proper in the circumstance because he or she has met the applicable standards of conduct set forth in the Act and these by-laws. Such determination shall be made (1) by the members of the Board who were not, and are not, parties to or threatened with any such action, suit, investigation or proceeding; or (2) if such a quorum is not obtainable or if a majority vote of a quorum of disinterested Directors so directs, in a written opinion by independent legal counsel meeting the requirements of independence required by the Tennessee law; or (3) by the court in which such action, suit, or proceeding was brought.

Section 2. OTHER RIGHTS

The foregoing right of indemnification shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the articles of incorporation of the Corporation, the Act, these by-laws, any agreement or statute, and shall continue as to a person who has ceased to be a director, officer, employee or legal counsel and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 3. ADVANCE PAYMENT OF EXPENSES

The corporation may pay expenses, including attorney's fees, incurred in defending any action, suit, investigation or proceeding referred to in Section I of this Article in advance of final disposition of such action, suit, investigation or proceeding as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or legal counsel to repay such amounts unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation.

Adopted Effective 7 December 5, 2006