

MIDDLE TENNESSEE JAPAN SOCIETY
FIRST AMENDED AND RESTATED
BYLAWS

ARTICLE I.

OFFICES

The principal office of the Middle Tennessee Japan Society (the "Corporation") shall be located at 1831 Memorial Boulevard, Northside Plaza, Murfreesboro, Rutherford County, Tennessee 37129. The Corporation may have such other offices, either within or without the State of Tennessee, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

The registered office of the Corporation required to be maintained in the State of Tennessee by the Tennessee Nonprofit Corporation Act, as amended from time to time (the "Act") may, but need not, be identical with the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE II.

PURPOSE AND USE OF THE CORPORATION AND ITS FUNDS

Section 2.1. Purpose. The purposes of the Corporation are those set forth in its charter of incorporation, as from time to time amended or restated (the "Charter"). Namely, the Corporation is organized exclusively for charitable, religious, or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), including the receipt and acceptance of property, whether real, personal or mixed, by gift or bequest from any person or entity; the retention, administration and investment of such property in accordance with the terms of the Corporation's Charter and these Bylaws; the distribution of such property for the charitable and educational purposes as herein delineated; and the performance of activities and the exercise of any and all powers, rights and privileges afforded a nonprofit corporation under the Act in furtherance of such purposes. Specifically, the Corporation is organized for the operation and management of the Middle Tennessee Japanese Supplementary School and to promote the exchange of business, social and cultural information and ideas between Japanese citizens and companies and residents of Middle Tennessee. Further, Corporation may establish,

operate and manage such other auxiliaries or divisions as the Board of Directors deem appropriate, including, without limitation, an auxiliary Ladies Club whose activities shall be consistent with the Corporation's stated purpose.

Section 2.2. Use of Funds. In making distributions to effectuate the charitable purposes of the Corporation, as delineated in Section 2.1 above, the Board of Directors shall have the authority to make distributions of both income and principal in such proportions and amounts as the Board of Directors, in its sole discretion, determines advisable, provided that all such distributions are consistent with all applicable federal tax laws and regulations, as herein provided. The Corporation is not formed for financial or pecuniary gain; and no part of the assets, income, or profits of the Corporation are distributable to, or inures to the benefit of its directors or officers or any other private person, except as provided in Section 4.12, Section 5.9 and Section 7.7 as reimbursement for expenses or reasonable compensation for services rendered to the Corporation, and except to make payments and distributions in furtherance of the purposes of the Corporation, as set forth in the Charter and Section 2.1 above. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation; and no part of the activities of the Corporation shall be the participation in, or intervention in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

Section 2.3. Administration of Funds. In the event the Corporation is a private foundation within the meaning of Section 509 of the Code for a taxable year, the Corporation (a) shall distribute its income for each tax year in such manner so that it will not become subject to the tax on undistributed income imposed by Section 4942 of the Code, or corresponding provisions of any later federal tax laws; (b) shall not engage in any act of self-dealing, as defined in Section 4941(d) of the Code, or corresponding provisions of any later federal tax laws; (c) shall not retain any excess business holdings, as defined in Section 4943(c) of the Code, or corresponding provisions of any later federal tax laws; (d) shall not make any investments in a manner that would incur tax liability under Section 4944 of the Code, or corresponding provisions of any later federal tax laws; and (e) shall not make any taxable expenditures, as defined in Section 4945(d) of the Code, or corresponding provisions of any later federal tax laws. In order fully to effectuate the provisions of this Section, the Corporation shall adopt such procedures, and shall otherwise adhere to such administrative requirements as may from time to time be necessary, in order fully to comply with all applicable federal tax laws and regulations.

Section 2.4. Termination of Corporation. The Board of Directors shall have the authority to terminate the Corporation at any time that, by a unanimous vote, it deems such termination appropriate or advisable. In such event, after paying, or making provision for the payment of, all liabilities of the Corporation then outstanding and unpaid, the Board of Directors shall distribute the assets of the Corporation exclusively for its charitable purposes, as delineated in Section 2.1, in such manner as the Board of Directors shall determine. Any assets not so distributed shall be distributed to one or more organizations then described under Section 501(c)(3) of the Code, or any corresponding provision of any future federal tax laws, as the Board of Directors shall determine. Any assets not so disposed of by the Board of Directors shall be disposed of by a court

having equity jurisdiction in the county in which the principal office of the Corporation is then located, with the distribution of assets to be made for such charitable purposes, or to such organization or organizations which are organized and operated exclusively for such purposes, within the meaning of Section 501(c)(3) of the Code, or any corresponding provision of any future federal tax laws, as such court shall determine.

ARTICLE III.

MEMBERS

Section 3.1. Members. The Corporation shall not have members. However, the Board of Directors may establish such criteria for participation in the Corporation as they deem appropriate, and establish participation fees. Participants in the social activities sponsored by the Corporation may be described as “members” for convenience, and may be charged such fees and dues as the Board of Directors may establish from time to time, but they shall have no role in the governance of the Corporation.

ARTICLE IV.

BOARD OF DIRECTORS

Section 4.1. General Powers. The business and affairs of the Corporation shall be supervised by its Board of Directors, which shall exercise in the name of and on behalf of the Corporation all of the rights and privileges legally exercisable by the Corporation as a corporate entity, except as may otherwise be provided by law, the Charter, or these Bylaws. The Board of Directors, as the governing body of the Corporation, shall have the authority to receive, administer, invest and distribute property on behalf of the Corporation in accordance with the provisions set forth in these Bylaws, and to establish, operate and manage such facilities, programs and services as the Board of Directors deem appropriate, consistent with the purposes of the Corporation.

Section 4.2. Number, Tenure, and Qualifications. The Board of Directors shall be self-perpetuating. There shall at all times be at least three (3) directors of the Corporation. The number of directors may be increased or decreased from time to time by the Board of Directors, but no decrease shall have the effect of shortening the term of an incumbent director or reducing the number of directors below three (3). At its annual meeting or at any other appropriate time, the Board of Directors shall elect individuals to serve on the Board of Directors for a term of one (1) year beginning on April 1 and ending on March 31, provided, however, that each director shall hold office until his term shall have expired and his successor shall have been appointed and qualified, or until his earlier resignation, removal from office, or death. A retiring director may be reelected to succeed himself. Directors shall be natural persons who have attained the age of twenty-one (21) years, but

need not be residents of the State of Tennessee. The Board of Directors may elect such board officers and assistant officers as the Board of Directors may from time to time deem necessary or appropriate.

Section 4.3. Limitation on Personal Liability of Directors. No person who is or was a director of the Corporation, nor such person's heirs, executors or administrators (hereinafter collectively referred to as a "director"), shall be personally liable to the Corporation for monetary damages for breach of fiduciary duty as a director. However, this provision shall not eliminate or limit the liability of a director (a) for any breach of a director's duty of loyalty to the Corporation, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (c) under Section 48-58-304 of the Act. No repeal or modification of the provisions of this Section 4.4, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

Section 4.4. Annual Meeting. The annual meeting of the Board of Directors shall be held within or without the State of Tennessee in the second month following the close of the Corporation's fiscal year, or at such other time and date following the close of the Corporation's fiscal year as shall be determined by the Chairman and President of the Corporation. The purpose of the annual meeting shall be to appoint directors, elect board officers, elect the officers of the Corporation, and transact such other business as may properly be brought before the meeting. If the directors and officers are not appointed or elected on the day herein designated for any annual meeting of the Board of Directors, or at any adjournment thereof, the Board of Directors shall cause a special meeting of the Board of Directors to be held as soon thereafter as may be convenient for such purpose.

Section 4.5. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman and President of the Corporation, or at the request of any director with the agreement of at least one-half (1/2) of the Board of Directors. The Chairman and President shall fix the place, either within or without the State of Tennessee, as the place for holding any special meeting.

Section 4.6. Notices. Notice of each annual meeting shall be given at least two (2) weeks prior thereto, and notice of any special meeting shall be given at least five (5) business days prior thereto. 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 because the meeting was not lawfully called or convened. The business to be transacted at, or the purpose of, any special meeting of the Board of Directors must be specified in the notice of such meeting.

Section 4.7. Quorum and Participation in Meeting. A majority of the total number of directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or of such committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another; and participation in a meeting pursuant to this

provision shall constitute presence in person at such meeting. The directors shall be promptly furnished a copy of the minutes of the meetings of the Board of Directors.

Section 4.8. Manner of Acting. Each director shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board of Directors. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except as may otherwise be specifically provided by law, by the Charter, or by these Bylaws. Members of the Board of Directors absent from any meeting shall be permitted to vote at such meeting by written proxies.

Section 4.9. Action Without a Meeting. Any action required or permitted to be taken at a meeting by the Board of Directors, or by any committee thereof, may be taken without a meeting if all voting members of the Board of Directors or committee, as the case may be, consent in writing to taking such action without a meeting. If all members entitled to vote on the action shall consent in writing to taking such action without a meeting, the affirmative vote of the numbers of votes that would be necessary to authorize or take such action at a meeting shall be the act of the Board of Directors. The action must be evidenced by one (1) or more written consents describing the action taken, signed in one (1) or more counterparts by each member entitled to vote on the action, indicating each signing member's vote or abstention on the action taken. All such written consents and actions shall be filed with the minutes of the proceedings of the Board of Directors or committee. A consent signed under this Section shall have the same force and effect as a meeting vote of the Board of Directors, or any committee thereof, and may be described as such in any document.

Section 4.10. Vacancies. Any other vacancy occurring in the Board of Directors, including vacancies created by the removal of directors without cause or for cause, shall be filled by the affirmative vote of a majority of the remaining directors. A director designated to fill a vacancy shall serve for the unexpired term of his predecessor in office, or, if there is no predecessor, until the next election of directors. Any directorship to be filled by reason of an increase in the number of directors may be filled by election by the Board of Directors for a term of office continuing only until the next election of directors.

Section 4.11. Compensation and Reimbursement of Expenses. Each director shall be entitled to receive reasonable compensation, as may from time to time be set by the Board of Directors, for services rendered to the Corporation. In addition, each director may be paid his reasonable expenses, if any, of attendance at each meeting of the Board of Directors, after submitting substantiation of such expenses to the Corporation. No such payments shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 4.12. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any Corporation matter is taken shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to

dissent shall not apply to a director who voted in favor of such action.

Section 4.13. Removal. Any or all of the directors may be removed for cause or without cause by vote of at least two-thirds (2/3) of the Board of Directors, exclusive of the director whose removal is at issue. Removal of a director shall also constitute removal as an officer of the Corporation and as a member of all committees of the Board of Directors.

Section 4.14. Resignation. A director may resign his membership at any time by tendering his resignation in writing to the Chairman or, in the case of the resignation of the Chairman, to the Secretary. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

Section 4.15. Fiscal Year. The Corporation's fiscal year shall end on the last day of each February.

ARTICLE V.

OFFICERS

Section 5.1. Number. There shall be a (i) Chairman, who is also to serve as the President, and (ii) a Secretary, each of whom shall be elected in accordance with the provisions of this Article. The Board of Directors may also elect such other officers and assistant officers as the Board of Directors may from time to time deem necessary or appropriate, such as, without limitation, an Honorary Chairman, one or more Vice Chairman and an Accounting Auditor, who shall report the results of the annual audit to the Board of Directors. The offices Chairman and President shall be held by the same person, and any two or more other offices may be held by the same person, except for the offices of President and Secretary, which must be held by different people.

Section 5.2. Election and Term of Office. The officers shall be elected annually by the Board of Directors at its annual meeting. Each officer shall hold office for a term of one (1) year or until his earlier death, resignation, or removal from office in the manner hereinafter provided. A retiring officer may succeed himself.

Section 5.3. Chairman and President. The Chairman and President shall be the principal executive officer of the Corporation. The Chairman and President shall, when present, preside at all meetings of the Board of Directors and the Executive Committee, and shall in general perform all of the duties, and have all of the authority, incident to the office of the chief executive officer of a corporation, and such other duties as may from time to time be prescribed by the Board of Directors. The Chairman and President may sign, with the Secretary or any other proper officer thereunto authorized by the Board of Directors, deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or these Bylaws

to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. The Vice Chairman shall undertake the duties of the Chairman and President in the event that the Chairman and President is not available to act.

Section 5.4. Secretary. The Secretary shall keep the minutes of the proceedings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal, if any, of the Corporation and see that the seal is affixed to all documents, the execution of which is duly authorized on behalf of the Corporation under its seal; keep a register of the post office address of each member of the Board of Directors, which address shall be furnished to the Secretary by each director and in general perform all duties incident for the office of Secretary and such other duties as may from time to time be assigned to him by the Chairman and President or by the Board of Directors.

Section 5.5. Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VIII of these Bylaws; disburse the funds of the Corporation in accordance with the directives of the Board of Directors, taking proper vouchers for such disbursements, and render to the Board of Directors, at its annual meeting and at such other times as may be requested by the Board of Directors, an accounting of all the transactions of the Secretary and of the financial condition of the Corporation; and in general perform all duties incident to the office of treasurer and such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

Section 5.6. Removal. Any member of the Board of Directors removed from office pursuant to Section 4.14 shall be automatically removed as an officer. The Board of Directors may remove any officer when, in its judgment, the best interests of the Corporation will be served thereby.

Section 5.7. Vacancies. A vacancy in any office held by a director, because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors after a director's vacancy has been filled for the unexpired portion of the term in accordance with Section 4.11.

Section 5.8. Resignation. An officer may resign his office at any time by tendering his resignation in writing to the Chairman and President or, in the case of the resignation of the Chairman and President, to the Secretary. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

Section 5.9. Salaries and Expenses. The officers shall be entitled to reasonable compensation, as may be set by the Board of Directors from time to time, for services rendered to the Corporation. Reasonable expenses incurred by all of the officers in the course of coordinating the

affairs of the Corporation shall be reimbursed by the Corporation upon proper substantiation.

ARTICLE VI.

STANDARDS OF CONDUCT

Section 6.1. Standards of Conduct. A director or an officer of the Corporation shall discharge his duties as a director or as an officer, including 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 he reasonably believes to be in the best interest of the Corporation.

Section 6.2. Reliance on Third Parties. In discharging his duties, a director or officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(a.) One or more officers or employees of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented;

(b.) Legal counsel, public accountants, or other persons as to matters the director or officer reasonably believes are within the person's professional or expert competence; or

(c.) With respect to a director, a committee of the Board of Directors of which the director is not a member, as to matters within its jurisdiction, if the director or officer reasonably believes the committee merits confidence.

Section 6.3. No Liability. A director or officer is not liable for any action taken, or any failure to take action, as a director or officer, if he performs the duties of his office in compliance with the provisions of this Article, or if he is immune from suit under the provisions of Section 48-58-601 of the Act.

Section 6.4. No Fiduciary. No director or officer shall be deemed to be a fiduciary with respect to the Corporation or with respect to any property held or administered by the Corporation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

Section 6.5. Prohibition of Loans. No loans or guarantees shall be made by the Corporation to its directors or officers. Any director who assents to or participates in the making of any such loan shall be liable to the Corporation for the amount of such loan until the repayment thereof.

ARTICLE VII.

EXECUTIVE COMMITTEE AND OTHER COMMITTEES

Section 7.1. Appointment of Executive Committee. The Board of Directors, by resolution adopted by a majority of its members, may designate an Executive Committee. The designation of the Executive Committee and the delegation of authority thereto shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

Section 7.2. Authority of Executive Committee. The Executive Committee, when the Board of Directors is not in session, shall have and may exercise all the authority of the Board of Directors except to the extent, if any, that such authority shall be limited by these Bylaws. All action taken by the Executive Committee shall be subject to ratification by the Board of Directors. However, the Executive Committee shall not have the authority of the Board of Directors with respect to filling any vacancy on the Board of Directors; amending or repealing any resolution of the Board of Directors which by its express terms is not so amendable or repealable; amending or repealing the Charter or the Bylaws of the Corporation; adopting a plan of merger or consolidation; selling, leasing, or otherwise disposing of all or substantially all the property and assets of the Corporation other than in the usual and regular course of its business; or voluntarily dissolving the Corporation or revoking a voluntary dissolution.

Section 7.3. Meetings. Regular meetings of the Executive Committee may be held at such times and places as the Executive Committee may from time to time fix by resolution, upon not less than two (2) weeks' notice prior thereto. Special meetings of the Executive Committee may be called by any member with the concurrence of a majority of the members of the Executive Committee upon not less than five (5) business days' notice prior thereto. The notices provided for in this Section shall state the place, date, and hour of the meeting, and the business proposed to be transacted at the meeting.

Section 7.4. Quorum. A majority of the voting members of the Executive Committee shall constitute a quorum for the transaction of business at any meeting thereof. Action of the Executive Committee must be authorized by the affirmative vote of a majority of all voting members at a meeting at which a quorum is present.

Section 7.5. Action Without a Meeting. Any action required or permitted to be taken by the Executive Committee at a meeting may be taken without a meeting in accordance with the provisions of Section 4.10 of these Bylaws.

Section 7.6. Procedure. The Executive Committee may fix its own rules of procedure, provided such rules are not inconsistent with these Bylaws. The Executive Committee shall keep regular minutes of its proceedings and report its proceedings to the Board of Directors for its information at the next meeting of the Board held after such proceedings.

Section 7.7. Standing Committees. The Board of Directors may maintain such standing committees as it may determine from time to time to be necessary or desirable for its proper functioning. Such committees shall consist of two (2) or more members, shall be under the control and serve at the pleasure of the Board of Directors, shall have charge of such duties as may be assigned to them by the Board of Directors or these Bylaws, shall maintain a permanent record of their actions and proceedings, and shall regularly submit a report of their actions to the Board of Directors, which shall ratify the actions of each committee. The Chairman and President, or his designee, shall serve on each committee as an ex-officio member. Such standing committees shall have such authority as the Board of Directors may stipulate, except that no committee shall have the authority of the Board of Directors with respect to those matters delineated in Section 7.2 above.

Section 7.8. Ad Hoc Committees. The Chairman, with the approval of the Board of Directors as evidenced by resolution, may from time to time create such ad hoc committees as the Chairman and President believes necessary or desirable to investigate matters or advise the Board of Directors. Ad hoc committees shall limit their activities to the accomplishment of the tasks for which created and shall have no power to act except as specifically conferred by resolution of the Board of Directors. Such committees shall operate until their tasks have been accomplished or until earlier discharged by the Board of Directors.

ARTICLE VIII.

CONTRACTS, LOANS, CHECKS, DEPOSITS, INVESTMENTS

Section 8.1. Contracts and Employment of Agents. The Board of Directors may authorize any director, officer, or agent to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the Corporation. The Board of Directors shall be specifically authorized, in its sole discretion, to employ and to pay the compensation of such agents, accountants, custodians, experts, scholarship consultants and other counsel, legal, investment or otherwise, as the Board of Directors shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities. Such authority may be general or confined to specific instances.

Section 8.2. Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 8.3. Checks, Drafts, etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents, of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Directors.

Section 8.4. Deposits. All funds of the Corporation not otherwise employed shall be

deposited from time to time to the credit of the Corporation with such banks, trust companies, brokerage accounts, investment managers, or other depositaries as the Board of Directors may from time to time select.

Section 8.5. Investment Authority. The Board of Directors shall be authorized to retain assets distributed to it, even though such assets may constitute an over-concentration in one or more similar investments. Further, the Board of Directors shall have the authority to make investments in unproductive property, or to hold unproductive property to the extent necessary until it can be converted into productive property at an appropriate time, provided the retention of such property is in the best interest of the Corporation and does not in any way jeopardize the tax-exempt status of the Corporation.

ARTICLE IX.

INDEMNIFICATION AND ADVANCEMENT OF EXPENSES

Section 9.1. Mandatory Indemnification of Directors and Officers. To the maximum extent permitted by the provisions of Sections 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a director or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

(a.) The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Corporation; and

(b.) The director or officer conducted himself in good faith, and he reasonably believed (i) in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interest; (ii) in all other cases, that his conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, that he or had no reasonable cause to believe his conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein described.

Section 9.2. Permissive Indemnification of Employees and Agents. The Corporation may, to the maximum extent permitted by the provisions of Section 48-58-501, et seq., of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Section 9.1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Corporation and met the standards of conduct set forth in Subsection 9.1(b) above. The Corporation may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation to the extent, consistent with public policy, as may be provided by the Charter, by these Bylaws, by contract, or by general or specific action of the Board of Directors.

Section 9.3. Non-Exclusive Application. The rights to indemnification and advancement of expenses set forth in Sections 9.1 and 9.2 above are contractual between the Corporation and the person being indemnified, and his heirs, executors, administrators and legal representatives, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by the Charter, by a resolution of the Board of Directors, by these Bylaws, by the purchase and maintenance by the Corporation of insurance on behalf of a director, officer, employee or agent of the Corporation, or by an agreement with the Corporation providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized.

Section 9.4. Non-Limiting Application. The provisions of this Article IX shall not limit the power of the Corporation to pay or reimburse expenses incurred by a director, officer, employee, or agent of the Corporation in connection with such person's appearing as a witness in a Proceeding at a time when he has not been made a named defendant or respondent to the Proceeding.

Section 9.5. Prohibited Indemnification. Notwithstanding any other provision of this Article IX, the Corporation shall not indemnify or advance expenses to or on behalf of any director, officer, employee, or agent of the Corporation, or such person's heirs, executors, administrators or legal representatives:

(a.) If a judgment or other final adjudication adverse to such person establishes his liability for any breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under Section 48-58-304 of the Act; or

(b.) In connection with a Proceeding by or in the right of the Corporation in which such person was adjudged liable to the Corporation; or

(c.) In connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

Section 9.6. Repeal or Modification Not Retroactive. No repeal or modification of the provisions of this Article IX, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

ARTICLE X.

CONFLICTS OF INTEREST

Section 10.1. General. A conflict of interest transaction is a transaction with the Corporation in which a director or officer of the Corporation has a direct or indirect interest. A director or officer of the Corporation has an indirect interest in a transaction if, but not only if, a party to the transaction in another entity in which the director or officer has a material interest, or of which the director or officer is a general partner, director, officer, or director. A conflict of interest transaction is not voidable or the basis for imposing liability on the director or officer if the transaction was fair at the time it was entered into, or if the transaction is approved as provided in Section 10.2.

Section 10.2. Manner of Approval. A transaction in which a director or officer of the Corporation has a conflict of interest may be approved if:

(a.) The material facts of the transaction and the interest of the director or officer were disclosed or known to the Board of Directors, or to a committee consisting entirely of members of the Board of Directors, and the Board of Directors or such committee authorized, approved, or ratified the transaction; or

(b.) Approval is obtained from the Attorney General of the State of Tennessee, or from a court of record having equity jurisdiction in an action in which the Attorney General is joined as a party.

Section 10.3. Quorum Requirements. For purposes of Section 10.2, a conflict of interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the members of the Board of Directors, or of a committee consisting entirely of members of the Board of Directors, who have no direct or indirect interest in the transaction; but a transaction may not be authorized, approved, or ratified under this Article by a single director. A quorum is present for the purpose of taking action under this Article if a majority of the members of the Board of Directors who have no direct or indirect interest in the transaction vote to authorize, approve, or ratify the transaction. The presence of, or vote cast by, a director with a direct or indirect interest in the

transaction does not affect the validity of any action taken under subsection 10.2(a) if the transaction is otherwise approved as provided in Section 10.2.

ARTICLE XI.

NOTICES AND WAIVER OF NOTICE

The notices provided for in these Bylaws shall be communicated in person, by telephone, telegraph, teletype, or by mail or private carrier. Written notice is effective at the earliest of (i) receipt, (ii) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first-class postage affixed thereon, (iii) on 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 addressee, or (iv) twenty (20) days after its deposit in the United States mail, if mailed correctly addressed, and with other than first-class, registered, or certified postage affixed. Whenever any notice is required to be given to any director, officer or committee member of the Corporation under the provisions of these Bylaws, the Charter, or the Act, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII.

AMENDMENTS

These Bylaws and the Charter may be altered, amended, or repealed, and a new Charter or Bylaws adopted, upon the affirmative vote of at least two-thirds (2/3) of the Board of Directors at any annual or special meeting, except to the extent that such alteration, amendment or repeal is inconsistent with Article XIII hereof.

ARTICLE XIII.

EXEMPT STATUS

The Corporation has been organized and will be operated exclusively for exempt purposes within the meaning of Section 501(c)(3) of the Code and, as such, will be exempt from taxation under Section 501(a) of the Code. The Corporation intends to apply for recognition of its exempt status by filing Internal Revenue Service Form 1024 within the time prescribed under Section 508 of the Code and Treasury Regulation Section 1.508-1(a)(2). Any provision of these Bylaws or of the Charter which would in any manner adversely affect the Corporation's tax exempt

status shall be void and shall be deleted or modified as necessary to comply with all applicable federal and state requirements for the maintenance of the Corporation's tax exempt status.