

AMENDED AND RESTATED BYLAWS

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EDWIN F. TROUTMAN AND FAMILY FOUNDATION

ARTICLE I -- OFFICES

Section 1. Principal Office. The principal office of the corporation shall be located at 115 East King Street, Watauga County, Boone, North Carolina 28607, which shall also be the registered office of the corporation.

Section 2. Other Offices. The corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may from time to time determine.

ARTICLE II -- BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the corporation shall be managed by the Board of Directors in accordance with the provisions of applicable law, the Articles of Incorporation and these bylaws.

Section 2. Number, Term and Qualification. The number of Directors of the corporation shall be five (5). See ARTICLE V, Section 2 for the discussion of election and term of officers. Directors need not be residents of the State of North Carolina. Directors must be members of Grace Evangelical Lutheran Church of Boone, North Carolina 28607. One Director shall be the senior pastor of Grace Evangelical Lutheran Church and three directors shall be Directors at Large.

Section 3. Election of Directors. The initial Board of Directors shall consist of five people with the Senior Pastor of Grace Evangelical Lutheran Church (the "Church") and the Treasurer of the Church filling two of the five seats. The remaining three Director positions shall be filled by majority vote of the Church Council from Church members nominated by the Finance Ministry Team of the Church (the "Finance Team"). The Finance Team shall nominate at least two individuals for each position to be filled. The Church Council will elect the Directors, and the congregation of the Church must, by majority vote, vote to confirm the nominee elected by the Church Council before that individual may take office. All individuals must be nominated by the Finance Team and nominations from the Church Council or the congregation of the Church will not be accepted at the time of voting. Any church member may suggest a nominee to the finance Team at any time. The initial three Directors at Large shall serve one, two, and three year terms respectively and may be re-elected for an additional three year term. Newly elected Directors will serve for one three year term and may be re-elected once. After serving two consecutive terms, an individual must remain off the Board for at least one year. Service for a partial term of one year, six months or longer shall count as service for a full

term for purposes of determining whether a Director is eligible for re-election.

Section 4. Removal. A Director may be removed from office at any time with or without cause upon recommendation of a majority of the Directors and approval of the Church Council.

Section 5. Resignation. A Director may resign at any time by communicating such resignation to the Board of Directors, its presiding officer or to the corporation. The resignation is effective when communicated unless the notice specifies a later effective date or subsequent event upon which it will become effective.

Section 6. Vacancies. If a Director is removed, or a vacancy otherwise occurs, a new Director will be elected as directed in Article II, Section 3 "Election of Directors". A Director filling a vacancy shall complete the unserved term.

ARTICLE III -- MEETINGS OF DIRECTORS

Section 1. Annual Meeting. The annual meeting of the Board of Directors shall be held on the second Tuesday of January of each year, if not a legal holiday, but if a legal holiday, then on the next business day which is not a legal holiday, for the purpose of electing officers and installing Directors of the corporation and the transaction of such other business as may be properly brought before the meeting. If the annual meeting is not held on the day designated by these bylaws, a substitute annual meeting may be called by or at the request of the Board of Directors, and such meeting shall be designated and treated for all purposes as the annual meeting.

Section 2. Regular Meetings. The Board shall meet no less than quarterly as scheduled by consent of the entire Board. Among other items discussed, the Board shall 1) review the status of the Foundation's assets and 2) review applications for uses of the income of the Foundation to determine which requests meet Grace Evangelical Lutheran Church's stated Mission.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the President or any two Directors.

Section 4. Place of Meetings. Meetings of the Board of Directors may be held at the principal office of the corporation or at such other place, either within or without the State of North Carolina, as shall either (i) be designated in the notice of the meeting or (ii) be agreed upon at or before the meeting by a majority of the Directors then in office.

Section 5. Notice of Meetings. The Secretary or other person or persons calling a meeting for which notice is required shall give notice by mail at least ten (10) days before the meeting. Unless otherwise indicated in the notice, any and all business may be transacted at a meeting of the Board of Directors. Attendance by a Director at a meeting shall constitute a waiver of notice, except where a Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called.

Section 6. Quorum. A majority of three (3) Directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at a meeting of the Board of Directors.

Section 7. Manner of Acting. Except as otherwise provided by law or in the bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Action Without Meeting. Action taken by a majority of the Directors or members of a committee without a meeting is nevertheless Board or committee action if written consent to the action in question is signed by all of the Directors or of the committee, as the case may be, and filed with the minutes of the proceedings of the Board or committee, whether done before or after the action is taken.

Section 9. Meeting by Conference Telephone. Any one or more Directors or members of a committee may participate in a meeting of the Board or committee by means of a conference telephone or similar communications device which allows all Directors participating in the meeting to simultaneously hear each other during the meeting, and such participation in a meeting shall be deemed presence in person at such meeting.

ARTICLE IV -- COMMITTEES

Section 1. Executive Committee. The Board of Directors, by resolution adopted by a majority of the number of Directors then in office, may designate two or more Directors to constitute an Executive Committee, which shall have and may exercise the authority of the Board in the management of the business and affairs of corporation during intervals between meetings. Vacancies in the membership of the Executive Committee shall be filled by a majority of the whole Board of Directors at a regular meeting or at a special meeting called for that purpose. The Executive Committee shall keep minutes of its proceedings and shall report to the Board of Directors on action taken. Minutes of meetings of the Executive Committee shall be prepared and kept with the records of the corporation.

Section 2. Standing or Other Committees. Standing or other committees having two or more members may be designated by a resolution adopted by a majority of the number of Directors then in office. Vacancies in the membership of such committees shall be filled by appointment made in the same manner as provided in the case of the original appointment.

Section 3. Committee Authority. No committees of the Board (including the Executive Committee) shall be authorized to take the following actions:

- (a) Authorize distributions to or for the benefit of the Directors or officers;
- (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 of Directors or on any of its committees, or
- (d) Adopt, amend, or repeal the Articles of Incorporation or bylaws.

ARTICLE V -- OFFICERS

Section 1. Titles. The officers of the corporation shall be the President, a Vice President, a Secretary and a Treasurer. The senior pastor may not serve as an officer. The Board of Directors may also elect a Chairman of the Board of Directors, an Executive Vice President, one or more Vice Presidents, one or more Assistant Secretaries and one or more Assistant Treasurers, and such other officers as it shall deem necessary. Except as otherwise provided in these bylaws, the additional officers shall have the authority and perform the duties as from time to time may be prescribed by the Board of Directors. Any two or more offices may be held by the same individual, but no officer may act in more than one capacity where action of two or more officers is required, and in no event may an individual serve as both President and Secretary.

Section 2. Election and Term. The officers of the corporation shall be elected by the Board of Directors at the annual meeting. Each officer shall hold office until the next annual meeting and until a successor is elected and qualifies.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed at any time by the Board with or without cause.

Section 4. Resignation. An officer or agent may resign at any time by communicating such resignation to the corporation. A resignation is effective when it is communicated unless it specifies in writing a later effective date.

Section 5. Vacancies. Vacancies among the officers may be filled and new offices may be created and filled by the Board of Directors.

Section 6. Chairman of the Board of Directors. The Chairman of the Board of

Directors, if such officer is elected, shall preside at meetings of the Board of Directors and shall have such other authority and perform such other duties as the Board of Directors shall designate.

Section 7. President. The President shall be the chief executive officer of the corporation and, subject to the control of the Board of Directors, shall supervise and control the management of the corporation in accordance with these bylaws. In default of a Chairman of the Board, the President shall preside at meetings of the Board of Directors. The President shall sign, with any other proper officer, instruments which may be lawfully executed on behalf of the corporation, except where required or permitted by law to be otherwise signed and executed, and except where the signing and execution shall be delegated by the Board of Directors to some other officer or agent. In general, the President shall perform all duties incident to the office of President and such other duties as may be assigned by the Board of Directors from time to time.

Section 8. Vice Presidents. The Vice Presidents shall exercise the powers of the President during that officer's absence or inability to act. Any action taken by a Vice President in the performance of the duties of the President shall be presumptive evidence of the absence or inability to act of the President at the time the action was taken. The Vice Presidents shall have such other powers and perform such other duties as may be assigned by the Board of Directors.

Section 9. Treasurer. The Treasurer shall have custody of all funds and securities belonging to the corporation and shall receive, deposit or disburse the same under the direction of the Board of Directors; provided, that the Board may appoint a custodian or depository for any such funds or securities, and the Board may designate those persons upon whose signature or authority such funds may be disbursed or transferred. The Treasurer shall in general perform the duties incident to the office and such other duties as may be assigned from time to time by the President or the Board of Directors.

Section 10. Assistant Treasurers. Each Assistant Treasurer shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Treasurers shall exercise the powers of the Treasurer during that officer's absence or inability to act.

Section 11. Secretary. The Secretary shall keep accurate records of the acts and proceedings of all meetings of the Board of Directors and shall give all notices required by law and these bylaws. The Secretary shall have general charge of the corporate books and records and of the corporate seal and shall affix the corporate seal to any lawfully executed instrument requiring it. The Secretary shall sign such instruments as may require the signature of the Secretary and in general shall perform all the duties incident to the office of Secretary and such other duties as may be assigned from time to time by the President or by the Board of Directors.

Section 12. Assistant Secretaries. Each Assistant Secretary shall have such powers and perform such duties as may be assigned by the Board of Directors, and the Assistant Secretaries shall exercise the powers of the Secretary during that officer's absence or inability to act.

ARTICLE VI -- INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 1. General Policy. It shall be the policy of the corporation to indemnify to the maximum extent permitted by Chapter 55A of the General Statutes of North Carolina any one or more of the Directors, officers, employees, or agents and former Directors, officers, employees or agents of the corporation, and persons who serve or have served at the request of the corporation as directors, officers, partners, trustees, employees or agents of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, against judgments, penalties, settlements and other liabilities incurred by them in connection with any pending, threatened or completed action, suit or proceeding, whether civil, criminal, investigative or administrative (a "proceeding") and against reasonable costs and expenses (including attorneys' fees) in connection with any proceeding, where such liabilities and litigation expenses were incurred incident to the good faith performance of their duties.

Section 2. Use of Corporate Funds. The corporation may advance expenses in connection with any proceeding to any such person in accordance with applicable law. The use of funds of the corporation for indemnification or for the purchase and maintenance of insurance for the benefit of the persons designated in Section 1 of this Article shall be deemed a proper expense of the corporation.

ARTICLE VII -- USE OF FUNDS

Section 1. Use of Funds. The funds shall be treated as an endowment. The income and a portion of the appreciation from the funds shall be distributed each year for the expressed purpose of doing "Mission Work" to the Glory of God on behalf of Grace Evangelical Lutheran Church. The amount to be distributed each year shall be determined according to a total return spending policy adopted by the Board of Directors. Any change in the spending policy, other than a percentage change within an approved range, shall be approved by the Church Council and the congregation. It is the intention of the Board to make annual grants for the Mission Work and to provide for the long term growth of the funds.

Section 2. Definition of "Mission Work". Mission work is understood to be benevolent in nature, and shall be guided by the mission statement of Grace Evangelical Lutheran Church (attached). The Board of Directors shall review, no less often than semi-annually, requests for funds to be used in works that meet the Mission of Grace Evangelical Lutheran Church.

Section 3. Restrictions of the Funds. The funds are restricted in the following manner: a) The principal, defined as the historic dollar value, cannot be used in any circumstance. b) The funds cannot be used for the general operating use of Grace Evangelical Lutheran Church. c) The funds cannot be used for extraordinary needs for the repair and

maintenance of Grace Evangelical Lutheran Church.

Section 4. Contributions for Specific Use. If in the event a contributor(s) wishes to make an enduring gift for a specific purpose, then the Edwin F. Troutman and Family Foundation may serve as the *umbrella* to manage those funds.

ARTICLE VIII -- GENERAL PROVISIONS

Section 1. Seal. The seal of the corporation shall bear the name of the corporation and the letters "N.C."

Section 2. Waiver of Notice. A Director or other person entitled to receive a notice required to be given under the provisions of these bylaws, the Articles of Incorporation or by applicable law, may waive such notice by signing a written waiver, whether before or after the date and time stated in the notice. The waiver shall be filed with the minutes or corporate records. A Director's attendance at or participation in a meeting waives any required notice to that Director of the meeting unless the Director at the beginning of the meeting (or promptly upon 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.

Section 3. Checks. All checks, drafts or orders for the payment of money shall be signed by the officer or officers or other individuals that the Board of Directors may from time to time designate.

Section 4. Bond. The Board of Directors may by resolution require any and all officers, agents or employees of the corporation to give bond to the corporation, with sufficient sureties, conditioned upon the faithful performance of the duties of their offices or positions, and to comply with such other conditions as may from time to time be required by the Board.

Section 5. Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a unanimous resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 6. Fiscal Year. The fiscal year of the corporation shall be the period ending on December 31 of each year.

Section 7. Fund Manager. The Board of Directors shall enlist the aid and contract with Wachovia Bank of North Carolina, Charitable Funds Management, for the management of the Foundation's funds for the first three (3) years. After that time the Board shall determine at its annual meeting who should assist the Board in the management of the Foundation's fund's.

Section 8. Amendments. These bylaws may be amended or repealed and new bylaws may be adopted by the affirmative vote of four of the five Board of Directors at any

meeting of the Board; provided, that notice of the meeting shall have been given which states that the purpose or one of the purposes of the meeting is to consider a proposed amendment to the bylaws and includes a copy or summary of the proposed amendment or states the general nature of the amendment. Such notice may be waived as provided in these bylaws. Any amendment must be ratified by a majority vote of the church council and the congregation of Grace Evangelical Lutheran Church.

Section 9. Compensation. No salary or other means of compensation shall be paid to any Director or Officer of the Foundation for services rendered on behalf of the Foundation by the Foundation.

THIS IS TO CERTIFY that the above bylaws, as amended, of the Edwin F. Troutman and Family Foundation were duly adopted by the Board of Directors effective the 28th day of January, 1999. The Amended and Restated By-laws were ratified by the Church Council of Grace Lutheran Church at a duly called meeting of the Church Council on February 15, 1999. The Amended and Restated By-Laws were ratified by the congregation of Grace Evangelical Lutheran Church by a majority vote of the members present at a duly called meeting of the congregation held on March 21, 1999.

This the 22 day March, 1999.

Sara M. Massey
Secretary

[Corporate Seal]

A change to the Troutman Foundation Bylaws was approved at the November 20, 2005 congregation meeting and ratified at the November 12, 2006 congregation meeting "that Troutman Foundation elect its own treasurer from within the board rather than have the treasurer of Grace Lutheran Church also serve as treasurer of the Troutman board."

Total Return Spending Policy of the Edwin F. Troutman and Family Foundation

The Board of Directors of the Edwin F. Troutman and Family Foundation adopts this total return spending policy pursuant to Article VII, Section 1 of the Foundation's By-laws (as amended) which states:

"Section 1. Use of Funds. The funds shall be treated as an endowment. The income and a portion of the appreciation from the funds shall be distributed each year for the expressed purpose of doing "Mission Work" to the Glory of God on behalf of Grace Evangelical Lutheran Church. The amount to be distributed each year shall be determined according to a total return spending policy adopted by the Board of Directors. Any change in the spending policy, other than a percentage change within an approved range, shall be approved by the Church Council and the congregation. It is the intention of the Board to make annual grants for the Mission Work and to provide for the long term growth of the funds."

Accordingly, funds will be invested for a maximum total return, within acceptable risk parameters, without distinction between income and capital gains. The market value of the funds will be measured each grant year after December 31' of the prior year using the average of the previous eight quarters, or such number of quarters as the fund has been in existence if less than two years. The Foundation will then make available between 4% and 7% of that average for grants and expenses that year. The percentage amount will be determined by the Board of Directors during the first quarter of each grant year. The Foundation is under no obligation to expend all of the funds available to it if, in its sole discretion, deems that there are not sufficient qualifying applications to warrant the expenditure of the full available amount. If the Foundation does not expend the full amount by the end of the grant year, such unspent amount will be added to the historic dollar value of the fund as of December 31' of the grant year.

This policy is adopted January 28, 1999 pending approval of the above referenced change in Article VII, Section 1 of the By-laws by the Church Council and the Congregation of Grace Evangelical Lutheran Church. The percentage adopted for grant year 1999 is 7%.

