

NORTH CAROLINA
BUNCOMBE COUNTY

ARTICLES OF INCORPORATION

OF

THE ASHEVILLE CITY SCHOOLS FOUNDATION

We, the undersigned natural persons of the age of twenty-one years or more, acting as incorporators for the purpose of creating a non-profit corporation under the laws of the State of North Carolina, as stated in Chapter 55-A of the General Statutes of North Carolina and the several amendments thereto, do hereby set forth:

I.

The name of the corporation is The Asheville City Schools Foundation.

II.

The duration of the corporation shall be perpetual.

III.

The purpose for which this corporation is organized is:

To promote continued educational excellence in Asheville City Schools' second century by providing a vehicle to secure and channel private funds to support creative and innovative educational programs and activities. The foundation is a partnership of business, industry, civic, educational and individual interests committed to maintaining confidence and enhancing community participation in elementary and secondary education.

IV.

The directors of the corporation shall be elected in the manner provided by the Bylaws of the corporation.

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V.

The address of the initial registered office of the corporation is:

7th Floor
Asheville City
Hall Buncombe
County
P.O. Box 7347
Asheville, NC 28802

The name and address of the initial registered agent of the corporation is:

Dr. Douglas Pearson, Superintendent
Asheville City Schools
P.O. Box 7347
Asheville, NC 28802

VI.

For the express purpose of qualifying for the exemption status provided under Section 501(c)(3) of the United State Internal Revenue Code, as now enacted, or hereafter amended, it is provided that:

A. The corporation is formed exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1954;

B. No part of the net earnings of the corporation shall inure to the benefit of, be distributable to its members, directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article III hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or corresponding sections of any future federal tax code.

C. Upon the dissolution of the corporation, assets shall be distributed to the Asheville City Schools' Board of Education or whatever successor entity the School Board directs if the School Board's existence terminates before said dissolution so long as the designated successor to the School Board is itself a governmental or charitable entity associated with public education.

D. The corporation will distribute its income for each tax year at such time and in such a manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code, or corresponding section of any future federal tax code.

E. The corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code, or corresponding section of any future federal tax code.

F. The corporation will not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code, or corresponding section of any future federal tax code.

G. The corporation will not make any investments in such a manner as to subject it to tax under Section 4944 of the Internal Revenue Code, or corresponding section of any future federal tax code.

H. The corporation will not make any taxable expenditures as defined in section 4945(d) of the Internal Revenue Code, or corresponding section of any future federal tax code.

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VII.

These Articles of Incorporation may be amended only in such manner as set out in the Bylaws of the corporation.

VIII.

The Board of Directors of this corporation shall include at least two ex-officio members, these being as follows: The Chairman of the Asheville City Schools' Board of Education, and the Superintendent of the Asheville City School System, Other ex-officio members of the Board of Directors of this corporation may be nominated and elected as provided in the Bylaws of the corporation. Such ex-officio members shall be voting members of the Board of Directors. Any ex-officio members under the age of 18 shall serve as non-voting members of the Board of Directors.

IX.

The number of Directors constituting the initial Board of Directors of the Corporation shall be fourteen and their names and addresses are as follows:

Tom Byers, Chairman
06 Woodcrest Dr.
Asheville, NC 28804

Lawrence D. Holt
21 Farrwood Ave.
Asheville, NC 28804

Red Hoyle
57 Marlborough Rd.
Asheville, NC 28804

William O. Moore
1 Pack Square
Asheville, NC 28801

Virgil Thrash
17 Griffing Blvd,
Asheville, NC 28804

William C. Moore
45 Glenn Falls Rd.
Asheville, NC 28804

Jim Strickland
14 Ellenwood Rd.
Asheville, NC 28804

George W. Moore
53 Audubon Drive
Asheville, NC 28804

Mabel Hopkins
22 King Arthur Pl.
Asheville, NC 28802

Benjamin Lewis
375 Elk Mountain Scenic Hwy.
Asheville, NC 28804

Patricia S. Smith
505 Elk Mountain Scenic Hwy.
Asheville, NC 28804

Carolyn Moore
53 Audubon Drive
Asheville, NC 28804

Timothy F. Amos
48 Botany Drive
Asheville, NC 28805

Julia Capps
ASheville City Hall
City/County Plaza
Asheville, NC 28801

The names and addresses of the Incorporators are:

George W. Moore
53 Audubon Drive
Asheville, NC 28804

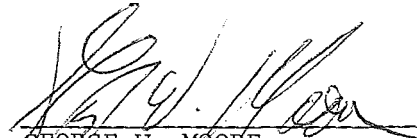
Patricia S. Smith
505 Elk Mountain Scenic Hwy,
Asheville, NC 28804

Lawrence D. Holt
21 Farrwood Avenue
Asheville, NC 28804

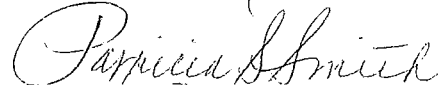
X.

The corporation will not have any members.

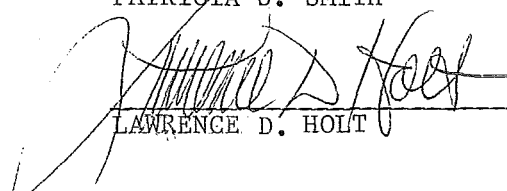
IN TESTIMONY WHEREOF, we have hereunto set our hands and seals,
this the 16th day of September, 1988.



GEORGE W. MOORE (SEAL)



PATRICIA S. SMITH (SEAL)



LAWRENCE D. HOLT (SEAL)

STATE OF NORTH CAROLINA

COUNTY OF BUNCOMBE

This is to certify that on the 16th day of September, 1988,
before me, a Notary Public, personally appeared

George W. Moore

Patricia S. Smith

Lawrence D. Holt

who, I am satisfied, are the persons named in and who executed the foregoing
Articles of Incorporation, and I having first made known to them the contents
thereof, they did each acknowledge that they signed and delivered the same as
their voluntary act and deed for the uses and purposes therein expressed.

In Testimony Whereof, I have hereunto set my hand and official seal, this the
16th day of September, 1988.



NOTARY PUBLIC

My Commission Expires:

June 20, 1993

