

**ARTICLES OF INCORPORATION  
OF  
BLACKSBURG MUSEUM AND CULTURAL FOUNDATION, INC.  
A NON-PROFIT CORPORATION**

To form a nonstock corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia of 1950, as amended (the "Virginia Nonstock Corporation Act"), the undersigned sets forth the following:

1. The name of the corporation is Blacksborg Museum and Cultural Foundation, Inc. (the "Foundation").

2. The Foundation shall have no Members.

3. The initial members of the Board of Directors ("Board") shall be established by a resolution adopted by the Blacksborg Town Council. Additional directors shall be appointed by the initial Directors. Thereafter, the Board shall be self-perpetuating. The number of directors and all of the matters pertaining to the constitution of the Board and the proceedings thereof shall be as provided in the Bylaws.

4. The Foundation's initial registered agent is Lawrence S. Spencer, Jr., who is a resident of the Commonwealth of Virginia and a member of the Virginia State Bar (Bar #34731).

5. The Foundation's initial registered office address, which is identical to the business office of the initial registered agent, is 300 South Main Street, Blacksborg, Virginia 24060. The registered office is physically located in Montgomery County, Virginia.

6. The Foundation is organized exclusively for educational, charitable, scientific, and/or literary purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as may be amended from time to time (the "Code") including, but not limited to, making disbursements to organizations that qualify as exempt under 501(c)(3) of the Code. The purposes of the Foundation shall, without limitation, include:

(i) To preserve, rehabilitate, or restore historic structures located in the Town of Blacksborg, Virginia;

(ii) To operate and maintain historic structures located in the Town of Blacksburg, Virginia;

(iii) To serve as a member or partner in an entity performing any of the activities described in (i) and (ii) above; and

(iv) To engage in any and all other activities that support and further the purposes of the Corporation, either directly or indirectly.

7. No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to, its incorporator, directors, officers, or other private persons, except that the Foundation 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 paragraph 6. No substantial part of the activities of the Foundation shall consist of the carrying on propaganda or otherwise attempting to influence legislation, and the Foundation shall not participate in or intervene in (including any publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provision of these Articles, the Foundation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code (or the corresponding provision of any future United States Internal Revenue law).

8. No part of the funds or assets of the Foundation shall be used to furnish goods, services, or facilities, or to further any other acts of "self-dealing" as defined in Section 4941(d), either directly or indirectly, to a "disqualified person." A disqualified person is any such person within the meaning of Section 4940(d)(3)(B) of the Code. This provision shall not be construed to prohibit the furnishing of goods, services or facilities to an employee, including an employee who is a disqualified person, or one who would be considered an employee but for the fact that the employee receives no compensation, provided the value of such furnishings is reasonable and necessary to the performance of the employee's tasks in conducting the charitable purposes of the Foundation, and the value of the goods, services, or facilities is not excessive within the meaning

of Section 4941(d)(2)(E) of the Code. During any such period or periods of time that the Foundation is treated as a "private foundation" pursuant to Section 509 of the Code (or the corresponding provision of any future United States Internal Revenue law), (i) the directors must distribute the Foundation's income at such time and in such manner as to avoid the imposition of the tax under Section 4942 of the Code (or the corresponding provision of any future United States Internal Revenue law); (ii) the Foundation must not retain any excess business holdings as defined in Section 4943(c) of the Code (or the corresponding provision of any future United States Internal Revenue law); (iii) the Foundation must not make any investments or otherwise acquire assets in any manner that would subject the Foundation to tax under Section 4944 of the Code (or the corresponding provision of any future United States Internal Revenue law); (iv) the Foundation must not retain any assets that would subject the Foundation to tax under Section 4944 of the Code (or the corresponding provision of any future United States Internal Revenue law) if the directors acquired such assets; and (v) the Foundation must not make any taxable expenditures as defined in Section 4945(d) of the Code (or the corresponding provision of any future United States Internal Revenue law).

9. Except as otherwise provided by law or the Foundation's Bylaws, the power and authority to conduct the business and affairs of the Foundation shall be vested solely in its Board of Directors. Without limiting the generality of the foregoing, the majority of the Board holding office at the time shall have the power to authorize the sale, lease, mortgage or other disposition of all or any portion of the assets of the Foundation.

10. On the dissolution of the Foundation, the Foundation's Board of Directors shall, after paying or making provision for the payment of all liabilities of the Foundation, dispose of all of the assets of the Foundation exclusively for the purposes of the Foundation in such manner, or to such organization or organizations organized and operated exclusively for charitable or educational purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue law), as the Board shall determine. Any of such assets not so disposed of shall be disposed of by the Circuit Court of the city, town or county in which the principal office of the Foundation is then located, solely for such purposes or to such organization or organizations which are organized and operated exclusively for such purposes.

11. The powers and purposes in these Articles of Incorporation shall not be deemed to exclude in any way or limit by inference any powers or purposes granted to the Foundation by the laws of the Commonwealth of Virginia, now or subsequently in effect, or implied by any reasonable construction of such laws.

12. All provisions of these Articles of Incorporation shall be subject to amendment in accordance with the provisions of the Virginia Nonstock Corporation Act; provided, however, that any such amendments shall not disqualify the Foundation from maintaining federal income tax exemption under Section 501(c)(3) of the Code (or the corresponding provision of any future United States Internal Revenue law); and provided further that any such amendments shall not disqualify the Foundation from accepting contributions that are deductible under Section 170(c)(2) of the Code (or the corresponding provision of any future United States Internal Revenue law).

13. To the fullest extent permitted by the Virginia Nonstock Corporation Act, as it now exists or may be later amended, no officer or director of the Foundation shall be liable for any amount of monetary damages to the Foundation arising out of a single transaction, occurrence or course of conduct, for breach of fiduciary duty or otherwise. The liability of an officer or director shall not be limited as provided in this paragraph if the officer or director engaged in willful misconduct or a knowing violation of criminal law or any federal or state securities law.

14. The Foundation shall indemnify its directors and officers and its former directors and officers to the fullest extent permitted under the Virginia Nonstock Corporation Act from all liability, cost and expense for actions and inactions rendered or omitted in good faith in connection with their services to the Foundation in their capacities as directors and officers, whether or not such services be compensation or contributed. The Board shall have the power, generally and in specific cases, to indemnify its other employees and agents to the same extent as provided in this paragraph with respect to its directors and officers. To the fullest extent that the Virginia Nonstock Corporation Act permits, as it exists on the date of these Articles of Incorporation or as it may be hereafter amended, no officer or director of the Foundation shall be liable for any amount of monetary damages to this Foundation arising out of a single transaction, occurrence or course of conduct, for breach of fiduciary duty or otherwise. The liability of an officer or director shall not be limited as provided in this paragraph if the officer or director

engaged in willful misconduct or a knowing violation of criminal law or any federal or state security law.

15. INCORPORATOR:

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Printed Name)

Telephone number: \_\_\_\_\_