

BYLAWS
OF
THE PLAZA MIDWOOD NEIGHBORHOOD ASSOCIATION, INC.

ARTICLE I.

NAME, REGISTERED OFFICE, REGISTERED AGENT

- Section 1. Name. The name of the corporation shall be "Plaza Midwood Neighborhood Association, Inc." (hereinafter referred to as the "Association").
- Section 2. Registered Office. The Association shall maintain a registered office at P. O. Box 9394, 28299-9394 Charlotte, Mecklenburg County, North Carolina.
- Section 3. Registered Agent. The Association shall maintain a registered agent, who may be an officer, employee or person appointed by the Board of Directors. The registered agent shall serve until replaced by the Board of Directors.

ARTICLE II.

PURPOSE AND POWERS

- Section 1. Purpose. The purposes for which the Association is organized are as follows:
- (a) To foster an attitude of neighborhood spirit and involvement on the part of the residents of Plaza Midwood through the development of recreational, social, cultural and educational programs and facilities in the Plaza Midwood area;
 - (b) Promote a closer association and cooperation among residents, business firms and city government for the general welfare, preservation and continued progress of the Plaza Midwood area and surrounding areas;
 - (c) Encourage high standards in the construction and upkeep of buildings and property in the Plaza Midwood area and surrounding areas with a focus on historic preservation;
 - (d) Encourage and integrate environmentally and socially aware concepts in the neighborhood and through Association events;
 - (e) Promote and support the Plaza Midwood Neighborhood and our business community though work with governmental agencies, interested persons and the general public; and
 - (f) Provide a forum for communicating issues pertinent to our community.
- Section 2. Powers. In furtherance of the aforesaid purposes, the Association shall have the

following powers:

- (a) To make, execute and perform contracts and agreements of any kind or description;
- (b) To receive property, personal or real or both, by bequest, lease, purchase, gift, grant, devise, loan or otherwise;
- (c) To apply for, purchase or acquire by assignment, transfer or otherwise, and to exercise, carry out and enjoy any funds, license, power, authority, franchise, ordinance, order, right or privilege which any government or authority -- state, municipal or local --or any corporation or any public body shall enact, make or grant;
- (d) To own, hold, lease, develop and improve real property, both in the State of North Carolina and in any other states;
- (e) To have all other rights and powers as are granted to other corporations of like character under the laws of the State of North Carolina and specifically those permitted under the provisions of North Carolina General Statutes Section 55A.
- (f) Notwithstanding any other provision of these Bylaws, this Association shall not carry on any activities not permitted to be carried on by:
 - (a) Any corporation exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue law;
 - (b) A corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 19 54 or any other corresponding provision of any future United States Internal Revenue law.

ARTICLE III.

MEMBERSHIP

Section 1. Eligibility. Membership in the Association shall be conferred upon all individuals who live or own property in the Plaza Midwood neighborhood of Charlotte, North Carolina. The designated boundaries of the Plaza Midwood neighborhood shall be delineated by an official map adopted by the Board of Directors.

Section 2. Members. All persons living within the Plaza Midwood neighborhood are members of the Association. The Association shall have two classes of membership, which shall consist of:

- (a) Voting members - The membership of the Association shall consist of those adult

persons who: (1) reside or own property within the boundaries of the Plaza Midwood as those boundaries shall be set by the Board of Directors; (2) evidence to the Board of Directors a desire to be member of the Association by the submission of material as required by the sitting Board of Directors; and (3) pay such dues, if any, as may be prescribed by the Board of Directors. In addition, the membership of the Association shall consist of such businesses, churches, associations or other organizations which may be accepted for membership by the Board of Directors; provided that all such businesses, churches, associations and organizations shall have only one designated representative to act and vote on their behalf and be a member of the Plaza Midwood Merchants in good standing.

(b) Non-voting members - Those interested residents, property owners, businesses, churches and associations in the Plaza Midwood neighborhood who have not paid dues to the Association or Plaza Midwood Merchants for the current membership year, and all other interested persons.

(c) Dues. Dues shall be collected based on the policies of the sitting Board, as determined by a simple majority vote. Annual dues shall be set by the Board of Directors. No dues shall be refunded to members leaving the Association, nor shall members joining in mid-year be entitled to a reduction of dues. Dues shall be due and payable to the Treasurer at such time as designated by the Board.

ARTICLE IV.

VOTING

- Section 1. Proxy. No vote by proxy will be allowed for any question, issue or candidate under any Article of these Bylaws.
- Section 2. Written Ballots. The Board of Directors may establish rules for the distribution of written ballots for any questions, issues or elections by either the Board of Directors or the members of the Association.
- Section 3. Electronic Voting. The Board of Directors may discuss and vote on time sensitive issues by email, telephone conference or other electronic means. Such use must allow each Director to see or hear the discussion between members and comment, and votes must be cast by name. The Board may make additional requirements as necessary

ARTICLE V.

MEETING OF MEMBERS

- Section 1. Place of Meetings. All meetings of the members shall be held in such place as designated by the Board of Directors in the notice of meeting.
- Section 2. Quarterly Meetings. Quarterly meetings of the members shall be held at such time and place as designated by the Board of Directors, on the fourth Thursday of the months of

January, April, July, and October of each year for the transaction of such other business as may be properly brought before the meeting.

- Section 3. Substitute Quarterly Meetings. If a quarterly meeting shall not be held on the day designated by these Bylaws, a substitute quarterly meeting may be called in accordance with the provisions of Section 5 of this Article. A meeting so called shall be designated and treated for all purposes as the applicable quarterly meeting.
- Section 4. Special Meetings. Special Meetings may be called at any time by the President, Vice President, or Board of Directors of the Association. Special Meetings may also be called by petition of 10% of the voting members of the Association.
- Section 5. Notice of Meetings. Written, printed or electronically distributed notice stating the time and place of any of the above-described meetings shall set forth the principal business, time and location of the meeting and be distributed to all members. Every effort shall be made to ensure that meetings are as broadly representative of the neighborhood as possible. Notice of any special meeting or of member-initiated action shall be given no less than seven and no more than twenty-one days prior to the meeting. Meetings shall not be scheduled on the following holidays: Easter, Eid Adha, Eid ul-fitur, Rosh Hashana, Passover (First Seder), Yom Kippur, from Christmas Eve to New Year's Eve or any Federally designated Holiday.
- Section 6. Transaction of Business. Business may be transacted by those members present and voting. The President of the Board of Directors, Vice President or Board member designated by the President will chair all meetings. A simple majority vote shall carry any motion with the exception of member-initiated actions as provided in Section 7 of this Article. Directors may vote on any business except for member-initiated actions.
- Section 7. Member-Initiated Action. By a petition of 10% of the voting members of the Association, a matter shall be presented to the membership for a vote at a special meeting. Member-initiated action may also be placed upon the agenda of a regular meeting of the Association by a petition of 10% of the members. Any member-initiated action shall be passed upon the affirmative vote of a majority of the members present; a quorum of 50% of the voting membership as of the previous quarter shall be required for such a vote. Directors of the Association shall not vote on any member-initiated action. In the event that such motion concerns an issue upon which the Board of Directors has previously made a decision inconsistent with the member-initiated motion, such motion shall require the affirmative vote of two-thirds of the members present if all other requirements for member-initiated action under this Section have been fulfilled.

ARTICLE VI.

DIRECTORS

- Section 1. Powers of Board of Directors. The activities, affairs and property of the Corporation shall be managed, directed and controlled, and its powers exercised by, and vested in, the Board of Directors, subject to Article IV, Section 8 of these Bylaws.

- Section 2. Number and Term. The Board of Directors of the Association shall consist of 18 directors, serving without compensation, who shall be voting members of the Association. The Directors shall represent a cross-section of the neighborhood at large. The Directors shall serve for a term of three (3) years. Directors may not serve more than two consecutive terms, but may return to service on the Board after a period of absence, of no less than one year, if elected. Six (6) directors shall be chosen each year, providing for staggered three (3) year terms when possible. Directors wishing to remain for a second consecutive term need not be re-elected, but may automatically begin a second term so long as the Director would not otherwise be disqualified for cause.
- Section 3. Qualifications. Directors shall be residents of the Plaza Midwood neighborhood and paid members of the Association. Efforts shall be made to ensure diversity among the sitting Directors. Factors used in selecting Directors may include special skills, availability for volunteering or organizing Association activities. Only one resident of a household may be a sitting Director.
- Section 4. Ex-Officio Member. The editor(s) of the Association's newsletter shall be an ex-officio member of the Board of Directors, with no vote.
- Section 5. Liaison. The Liaison for a Group Initiative, Committee, Project or Event may be an ex-officio member of the Board of Directors, with no vote.
- Section 6. Election of Directors.
- (a) Nominations. Public posting of available positions for Directors shall be communicated to all Members. Members who apply for a Director position will be presented to the Board of Directors at the November meeting to be voted on by the full Board of Directors. All such nominees shall be residents of the Plaza Midwood neighborhood and paid members of the Association.
- (b) Election: At the December meeting of the Board of Directors, the new Board members chosen and approved at the November meeting by the Board of Directors shall be introduced to the sitting Directors. Terms for the newly-elected Directors shall begin in January of the next year.
- Section 7. Resignation or Removal. Any Director may resign from the Board at any time by giving written notice to the President or Vice-President, and the acceptance of such resignation shall not be necessary to make it effective. Directors may be removed from office for cause by a majority vote of the Board of Directors.
- Section 8. Attendance. Directors shall attend a minimum of three-quarters of regular board meetings (annual and monthly meetings) each year. Quarterly meetings shall not count toward attendance. Failure to attend the minimum number of meetings shall constitute cause for removal from the Board of Directors.
- Section 9. Vacancies. A vacancy occurring on the Board of Directors, whether by resignation or removal may be filled by the Board at any time and voted on by a majority of Board members. All efforts should be made to identify multiple candidates for any vacancy. If a vacancy on the Board reduces the number of Directors below the number necessary

for quorum, votes shall be by simple majority until said deficiency is addressed by the addition of a replacement Director. The replacement Director shall serve the remainder of the year in which the replacement was implemented, which shall count as the first year of the term for that Director. A Director who replaces another shall not complete the term of the previous Director, and shall be eligible to complete two terms of three years, minus whatever portion of the first year of the term that has past.

Section 10. Compensation. Members of the Board of Directors shall not receive any salary or other compensation for their services to the Association as Directors. However, nothing herein shall exclude reimbursement of all expenses incurred by the Directors in their performance of Corporate duties or upon being compensated for services rendered in any other capacity to the Association.

ARTICLE V.

MEETING OF DIRECTORS

Section 1. Annual Meeting. The annual meeting of the Board of Directors shall be held on the second Thursday in December, or at such time in the month of December as voted on by the majority of Directors. Such meeting shall be held at such place as designated in such notice of the meeting or agreed upon by the Directors. If the annual meeting shall not be held as designated by the Bylaws, a substitute annual meeting may be held by notice of such meeting, which meeting shall be designated and treated for all purposes as the annual meeting.

Section 2. Monthly Meetings. The Board of Directors shall hold regular meetings every month at such time and place as may be designated by the President from time to time. The President shall notify the Secretary of all such meetings and the Secretary shall provide notice to all Board members as set forth in Section 7 of Article VIII, below.

Section 3. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or the Vice-President. Such meetings shall be held at such time and places designated in the notice thereof.

Section 4. Notice of Meetings. The place of all annual and monthly meetings of the Board of Directors shall be designated by the President, Vice-President and the Board of Directors shall have at least three (3) days notice thereof by any usual means of communication. All special meetings of the Board of Directors shall be held upon giving at least five (5) days notice thereof, by any usual means of communication and specify the purpose for which the meeting is called.

Attendance at a special or monthly meeting by a Director 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 business because the meeting is not lawfully called. Business transacted at an unlawfully called meeting shall be rendered void by petition of a Director, and a majority vote that the meeting was unlawfully called.

Section 5. Quorum. A quorum at any meeting of the Board of Directors shall consist of ten (10) Directors or a majority of the acting Directors.

Section 6. Manner of Acting. A majority vote shall be necessary to carry a motion at a meeting of the Board of Directors at which a quorum is present.

ARTICLE VI.

OFFICERS

Section 1. Number. At each annual meeting of the Board of Directors, the directors shall elect from the members of the Board a President, a Vice-President, a Secretary and a Treasurer of the Association. At any time, the Board may also appoint one or more assistant Vice-Presidents to carry out the administrative functions of the Association.

Section 2. Election and Terms. The officers of the Association shall be elected by majority vote of the Board for a term of one year for President and Vice President or up to two years for Treasurer and Secretary and shall serve until their successors in office are elected. Vacancies shall be filled by an election for the unexpired term at any meeting of the Board, provided that notice of such election shall be given at least two (2) days in advance of such meeting.

Section 3. Compensation. Officers of the Association shall not receive any salary or other compensation for their services to the Association as officers. However, nothing herein shall exclude the reimbursement of all expenses incurred by the officers in the performance of corporate duties or from being compensated for services rendered in any other capacity to the Association.

Section 4. President. The President shall preside at meetings of the Directors as well as the general membership, shall act as the official spokesman for the Association, and shall perform such other duties as may be assigned by the Board of Directors. The President shall have served on the Board Directors for at least one year prior to being nominated and elected. In no event shall a President serve more than two years. The President shall act as sole media contact for the Association, unless this duty is delegated by the President to the Vice-President. The President shall also plan the content for the yearly retreat of the Board of Directors.

Section 5. Vice-President. In the event of a vacancy in the office of the President or during his absence or inability to act, his duties and powers shall devolve upon the Vice-President. In no event shall a Vice-President serve more than two years. The Vice-President shall be responsible for organizing Quarterly meetings of the membership and the yearly retreat of the Board of Directors.

Section 6. Secretary. The Secretary shall keep or cause to be kept a record of all meetings of the Board of Directors and shall assist in such correspondence as may be required by the President and the Board of Directors. If the Secretary is not available to attend a meeting, the Secretary is responsible for locating an alternate Director to fulfill the Secretary's functions at said meeting. The Secretary shall also send notice to all members of the Board of Directors of the time and place of the next monthly Board meeting and along with such notice provide a copy of the minutes of the preceding Board meeting. The Secretary shall keep a record of attendance at Board meetings and report to the Board the failure of any Director to meet the attendance requirements in Article V Section 7. The Secretary shall notify the President of any absences by a

Director exceeding the amount allowed by these bylaws.

- Section 7. Treasurer. The Treasurer shall keep or cause to be kept accounts as may be necessary to show the receipts, expenditures and financial condition of the Association at all times, or as may be required by the Board of Directors, and shall keep or cause to be kept records of membership and monies collected in the form and manner prescribed by the Board of Directors. The Treasurer shall maintain and pay for the Association's post office box. The Treasurer should provide no fewer than two updates to the Association's budget per year during scheduled Meetings of Directors.
- Section 8. Assistant Vice-President and other Assistants. Any Assistant Vice-President or other assistants appointed by the Board of Directors shall exercise such powers as directed by the Board of Directors.

ARTICLE VII.

CONFLICTS OF INTEREST AND CONFIDENTIALITY

- Section 1. Recusal. A Director shall not participate in any vote before the Board regarding an item in which they have any direct fiduciary or business interest, beyond that of the general welfare of the neighborhood, and shall inform the Board of the need for recusal immediately upon recognizing the conflict of interest. The Board may also require a Director to recuse themselves on an issue or issues based on evidence of a conflict and a simple majority vote. The recusal shall be limited to the issues wherein the Director has a conflict of interest and not the entirety of the voting issues presented to the Board at the affected meeting or meetings. A Director who has been recused may present an issue relating to the conflict of interest after a statement of the conflict necessitating the recusal. The Board may make additional policies or requirements for Directors as necessary by majority vote.
- Section 2. Confidentiality. Those portions of the monthly meetings of the Directors shall remain confidential if the President of the Association requests the Directors and Liaisons to make such a discussion or vote confidential. Directors or Liaisons that fail to honor such a request may be replaced or disqualified for cause. All written electronic materials relating to votes or discussions directly relating to a voting issue made by the Board shall be automatically treated as confidential and not disseminated without a majority vote of the Directors. Additional electronic written materials may be designated as confidential based on the request of the author. The Board may make additional policies or requirements for Directors as necessary by majority vote.
- Section 3. The President shall act as the sole contact for the media. The President may also designate additional Directors or members of Group Initiatives to act as media contacts. Those Directors acting as head of a committee or shall automatically become a designee of the President in relation to the activities of the committee. Under no circumstances may any Director, including the President or any Director designated by the President, relate discussions or other information about confidential votes of the Board to any media outlet. The Board may make additional policies or requirements for Directors as necessary by majority vote.

ARTICLE VIII.

DISQUALIFICATION FOR CAUSE

- Section 1. Removal. Any officer or director who fails to perform the duties of his or her office as set forth in this document may be removed from office by action of the Board.
- Section 2. Removal for Non-Attendance. Any officer or director who fails to attend three (3) regularly scheduled meetings during the course of a calendar year may be removed from office at the discretion of the Board. Such action shall take into account the stated reasons for the non-attendance by the Director. It shall be the duty of the Secretary to record attendance and make available said record.
- Section 3. Removal Procedure. An officer or director may be removed from office by a majority vote of the Board of Directors at a regularly scheduled or specially called meeting at which a quorum of the Directors shall be present.
- Section 4. Notice of Removal Action. The officer or director at issue shall be given at least ten (10) days written notice of such meeting and the specific facts to be presented. In any meeting at which a vote for removal is to be taken, the officer or director at issue shall have a full and adequate opportunity to present arguments, facts, and other information to support his position, and if not present, shall be informed in writing of the Board's actions.

ARTICLE IX.

COMMITTEES AND INITIATIVES

- Section 1. Committees. There shall be such standing and special committees and sub-committees ("Committee") as shall be appointed by the Board of Directors of the Association, and such committees shall have such duties and powers as determined by the Board of Directors and be under the direct control of the Board.
- a. Funding. Committees shall be funded as a budgetary item. No funds shall be held separate from the general monies of the Association. Any revenues created by the Committee shall go into this general fund, and shall not be held as a separate fund by said Committee. If monies are awarded to the Committee through a grant or donation for a specific purpose, said purpose shall be fulfilled as required by the grant or donation and not held in the general fund.
 - b. Composition. Committees may be comprised of Directors, members and other interested persons and must include at least 1 (one) liaison from the acting Directors.
 - c. Purpose. The purpose of such committees shall serve the entire Association through its benefits to the neighborhood.
 - d. Leadership. Committees must be headed by a Director, who shall make monthly reports to the Board and handle budgetary items for said Committee.

- e. Dissolution. A Committee may be terminated by a majority vote of the Directors, which shall be voted upon by Directors annually during the first Meeting of each year.

Section 2. Group Initiatives. There shall be such Group Initiatives (“Initiatives”) as created by the Board and by request of the membership. A new Initiative may be created by petitioning the Board through the process or procedures implemented by the sitting Board. Such Initiatives shall have an independent internal structure and leadership. Once a group has petitioned the Board for Initiative status and has been accepted, a Liaison must be provided by the Initiative to attend meetings of the Board of Directors with the same attendance requirements as for the Directors. This role may be satisfied by multiple individuals.

- a. Funding. Initiatives shall not be funded as a budgetary item. The Board may present the Initiative with funds as a budgetary item at its discretion, and an Initiative may petition the Board for such funds. An Initiative may not act as the agent of the Association, nor may the Initiative act to indebt the Association for any reason. Any revenues created by the Initiative shall go into this general fund, and shall not be held as a separate fund by said Initiative. If monies are awarded to the Initiative through a grant or donation for a specific purpose, said purpose shall be fulfilled as required by the grant or donation and not held in the general fund.
- b. Composition. Initiatives may be comprised of Directors, members and other interested persons.
- c. Purpose. The purpose of such Initiative shall be as desired by the petitioner group, and need not serve the entire Association or neighborhood.
- d. Leadership. The leadership shall be at the discretion of the individuals involved with the Initiative. All individuals acting as the Leadership of an Initiative shall be voting members of the Association.
- e. Insurance. Initiatives are required to request insurance coverage by the Association for any public event.
- f. Dissolution. An Initiative shall not be terminated by the Board and should be voted upon annually at the first meeting of the calendar year. If an Initiative becomes inactive or disbands, all funds shall become the sole property of the Association.
- g. Termination of Initiative Status. An Initiative shall lose its affiliation with the Association based on a 2/3 vote of the Board. Such an Initiative shall be regarded as having been disbanded.

ARTICLE X.

CONTRACTS, LOANS AND RECEIPTS

- Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents to enter into any contract or execute and deliver any instrument on behalf of the Association., and such authority may be general or confined to specific instances.
- Section 2. Loans. No loan shall be contracted on behalf the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Beard of Directors. Such authority may be general or confined to specific instances.
- Section 3. Budget. Each Committee and Sub-Committee of the Association shall request and be given a yearly budget to complete the necessary functions of said Committee. Any expenditures made as part of the approved yearly budget is considered to be an approved expense. An approved expense in any amount may be paid or reimbursed by the Treasurer without further review by the Board, so long as said expenditure is supported by documentation. The Treasurer should provide an updated budget no less than twice yearly.
- Section 4. Checks and Drafts. All checks, drafts, or other orders for the payment of money issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association in such a manner as shall from time to time be determined by resolution of the Board of Directors. The Treasurer may issue checks, drafts, or other orders for the payment of money in the name of the Association in the amount of \$200 or less for expenses that have not been pre-approved. Any requests for issuance of checks, drafts, or other orders for the payment of money that exceed the allotted pre-approved budget require a resolution of the Board of Directors, which may be completed by a simple majority vote by any means allowed in these Bylaws. If the Treasurer rejects an expense, the expense must be reviewed and presented for an vote to the Board.
- Section 5. Credit Card. A credit card may be issued in the name of the Association in an amount no greater than \$10,000. Use of said credit card shall be limited to the President, Vice President and Treasurer and may exclusively be used for pre-approved budgetary items. Any purchases made using the credit card must be fully funded and not exceed the liquid monetary resources of the Association.
- Section 6. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors shall direct.
- Section 7. Transaction of Business. Notwithstanding the above, the business of the Association shall be conducted in accordance with the laws governing organizations exempt from federal taxes under Section 501(c) (3) of the Internal Revenue Code 1954 or the corresponding provision of any future United States Internal Revenue^ law or a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 or any other corresponding provision of any future United States Internal Revenue law.

ARTICLE XI.

AMENDMENT TO BYLAWS

Section 1. Procedure. The members of the Association may amend or repeal these Bylaws, or adopt new Bylaws by an affirmative vote of the majority of the members voting at any quarterly meeting of the Association. The Directors shall have the power to amend the Bylaws except with respect to the powers of members, powers of directors, and member-initiated action. Neither the members nor the directors shall adopt a Bylaw:

(a) Providing for the management of the Association other than by the Board of Directors or Executive Committee;

(b) Inconsistent with Sections 501(c) (3) and 170(c)(2) of the Internal Revenue Code of 1954 or any other corresponding provision of any future United States Internal Revenue law.

ARTICLE XII.

GENERAL PROVISIONS

Section 1. Seal. The corporate seal of the Association shall be in the form of a circle and have inscribed on the name of the Association and the word seal.

Section 2. Waiver of Notice. Whenever any notices are to be given to any Director under provisions of the North Carolina Non-Profit Association Act or under the provisions of the charter or by-laws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether it be before or after the time stated therein, shall be equivalent, to the giving of such-notice .

Section 3. Fiscal Year. Unless otherwise ordered by the Board of Directors, the fiscal year of the Association shall be the calendar year ending December 31.

Section 4. Insurance. The Association shall maintain insurance in the form of Errors & Omissions coverage for the acting Board of Directors in an amount no less than \$50,000.

Section 5. Indemnification. Any person who at any time serves or has served as a trustee, officer, employee or agent of the Association or in such capacity at the request of the Association for any other corporation, partnership, joint venture, trust or other enterprise, shall have the right to be indemnified by the Association to the fullest extent permitted by law against:

(a) Reasonable expenses, including attorney's fees, actually incurred and necessarily incurred in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative, relating to said individual's work or actions on behalf of the Association;

(b) Reasonable payments made by in satisfaction of any judgment, money decreed, fined, penalty or settlement for which said individual may become liable in such action, suit or proceeding.

The Board of Directors of the Association shall take all such action as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Bylaw, including without limitation, to the extent needed, making good faith evaluation of the manner in which the claimant or indemnity acted and of the reasonable amount of

indemnity due him.

Any person who at any time after the adoption of this Bylaw serves or has served in any of the aforesaid capacities for or on behalf of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive from any other rights to which such person may be entitled apart from the provision of this Bylaw.

- Section 6. Rules. The Board of Directors may adopt, amend or repeal rules subject to the provisions of these Bylaws, for the management and operation of the internal affairs of the Association and the governing of its officers, agents, committees and employees.
- Section 7. Donations, Bequests, Dues and Income. All donations, bequests, dues and income to and of this Association shall at all times and forever be and remain appropriated, secured, made use of and expended in the support and for the benefit of the objects of the Association as outlined in the Articles of Incorporation.
- Section 8. Dissolution. In the event of a dissolution of the Association, the residual assets of the Association will be turned over to one or more organizations which themselves are exempt as organizations described in Sections 501(c)(3) and 170(c)(2) of the Internal Revenue Code of 1954 or corresponding sections of any prior or future Internal Revenue Code, or to the federal, state or local government for exclusive public purpose. This Bylaw may not be amended or repealed.

Adopted by the membership of the Plaza Midwood Neighborhood Association on January 17, 1991.
Revised by vote of the Association membership on January 27, 2011.