

**BYLAWS of the  
BURLEITH CITIZENS' ASSOCIATION  
AS AMENDED: May 26, 2016 (previously November 14, 2013)**

**ARTICLE I: NAME, PURPOSES AND OFFICES**

**Section 1. Name.** The name of the corporation is the “Burleith Citizens’ Association” (hereinafter the “Association”).

**Section 2. Community Boundaries.** For purposes of these Bylaws, the “Burleith Community” is defined as the area within the following boundaries: beginning at the center of the intersection of Reservoir Road and 35<sup>th</sup> Street, N.W.; north to the middle of the center of Whitehaven Parkway, N.W., west to its end; and in a straight line to the end of 39<sup>th</sup> Street, N.W., south to the middle of Reservoir Road, N.W.; and east in the middle of Reservoir Road to the point of beginning, all within the District of Columbia.

**Section 3. Purposes.** The Association is organized to promote the social welfare of, and to promote and advocate the interests and rights of, all residents of the Burleith Community; to sponsor or participate in activities that maintain and improve the quality of life within the Burleith Community; including safeguarding the neighborhood's heritage; and for related purposes. The Association shall not undertake activities or make expenditures which are inconsistent with its status as a social welfare organization exempt from federal taxation under section 501(c)(4) of the Internal Revenue Code of 1986 as amended.

**Section 4. Offices.** The principal offices of the Association shall be within the Burleith Community in Washington, D.C.

**ARTICLE II: MEMBERSHIP AND MEMBERS**

**Section 1. Membership.** Each of the following shall be considered a single member of the Association:

- (a) A person or group of persons over the age of 18 residing in one household in the Burleith Community, if that group has collectively paid the required membership dues established by the Board pursuant to section 2 of this Article; and
- (b) A non-resident person or group of individual non-resident persons of the Burleith Community owning one or more residential properties located within the Burleith Community, if that non-resident or group of non-residents, collectively, has paid the required membership dues established by the Board pursuant to section 2 of this Article. No corporation, trust, company, partnership or other business entity shall be eligible for membership nor be included in any group that otherwise constitutes a member of the Association,

**Section 2. Dues.** The amount of dues to be paid by each person or group of persons having a membership in the Association, as a condition of membership as set forth in

section 1 of this Article, shall be set from time to time by the Board of Directors. Dues will be considered as paid for one year from the date of payment for new memberships and from the renewal due date for ongoing memberships.

**Section 3. Meetings of Members—Annual Meeting.** The Annual Meeting of members of the Association shall be held in November of each year, for the purpose of electing the officers and other directors of the Association, and for the transaction of such other business as may properly come before the meeting. Notice of the time, place and purpose and agenda for the Annual Meeting shall be sent to all members who will be entitled to vote at the meeting, no less than five (5) and no more than 50 days before the meeting.

**Section 4. Special Meetings.** Special meetings of the members may be called at any time by the President; or by resolution adopted by a majority of the incumbent Board of Directors. The President shall call a Special Meeting upon receipt of a written petition (which may be by e-mail) requesting such a meeting, signed or endorsed by twenty-five percent (25%) of the voting membership of the Association. Notice of Special Meetings shall be given in the same manner as notice of an Annual Meeting, and shall set forth the purpose or purposes for which such Special Meeting is called.

**Section 5. Notice.** Notice by the Association to members may be made by e-mail, by first-class mail or by hand-delivery to the residence of the member.

**Section 6. Quorum.** A quorum for the conduct of business at any meeting of members shall consist of at least fifteen members of the voting membership as set forth in Section 1 of this article of the Association, present in person.

### **Section 7. Voting.**

- (a) Each person or group of persons constituting a single member of the Association, as set forth in Section 1 of this Article, shall be entitled to cast one (1) vote, except that a person or a group of persons over 18 years of age residing in a property within the Burleith Community that is owned by such person or by any member of such group of persons, shall be entitled to cast two (2) votes.
- (b) Each group of persons entitled to cast one vote shall select one individual to cast that vote. If a group of persons entitled to cast two votes is represented at any meeting of the members by only one person, that person shall be entitled to cast two votes. If a group of persons entitled to cast two votes is represented at any meeting of the members by two persons, each of those persons shall be entitled to cast one vote. If a group of persons entitled to cast two votes consists of more than two persons, that group shall select two persons to cast those two votes.
- (c) The qualifications of any person or group of persons for voting membership, including payment of dues, shall be determined as of the 30<sup>th</sup> calendar day preceding the date of the meeting of members and must be in good standing as of the date of the vote.
- (d) The term “voting membership” for purposes of these Bylaws shall mean the individual persons entitled to cast votes pursuant to this Article II, section 7. Except as otherwise specifically provided in these Bylaws, the act of a majority of the voting membership

- present in person at a meeting of members, at which a quorum is present, shall be the act of the Association. In the absence of a quorum, a meeting may be adjourned by vote of a majority of the voting membership present.
- (e) Voting at the annual Meeting shall be by ballot unless otherwise decided by the Board of Directors.

**Section 8. Proxies Not Permitted.** All votes cast by or on behalf of members shall be cast in person by the individual person or persons entitled to vote pursuant to Article II, section 7. Voting by proxy shall not be permitted.

**Section 9. Agenda; Rules of Procedure.** The agenda for each Annual and any Special Meeting of members shall be determined by the Board of Directors. To the extent any matter of procedure is not addressed by these Bylaws, the proceedings of the Association shall be conducted in accordance with the most current revised edition of Roberts' Rules of Order.

**Section 10. Associate Members.** The Board of Directors may establish programs of financial support for the Association by businesses and by individuals not qualified for voting membership and may establish categories of non-voting associate members. The Board of Directors may permit such non-voting associate members to attend any Annual or Special Meeting of members of the Association and other Association activities and/or events. Associate Members shall not have any of the rights or obligations of members of the Association except as specifically set forth in these Bylaws or as authorized by the Board pursuant to this section 10.

**Section 11. Compensation and Expenses.** No member of the Association shall receive any remuneration for his or her services as a member, but this provision shall not preclude the Board of Directors from reimbursing a member for expenditures made by him or her on behalf of the Association, or for special services contracted for by the Association as authorized by the Board of Directors.

**Section 12. Right of Members to Adjudication of Grievances.** Any member of the Association and any person included in a group of persons that constitutes a member of the Association, who believes he or she is aggrieved by any act or omission of the Association or the Board of Directors with respect to the governance of the Association shall have the right to submit a complaint, in writing, addressing such grievance, to the Corresponding Secretary. The Corresponding Secretary shall, within ten (10) calendar days of receipt of such written complaint, transmit it to the members of the Board of Directors. The Board of Directors shall, at its next regular meeting, review the complaint and shall adopt a resolution to take such action, or no action, with respect to the complaint, as the Board deems necessary and appropriate.

### **ARTICLE III: OFFICERS**

**Section 1. Offices; Qualification.** The officers of the Association shall be a President, a Vice President, two (2) Co-Recording Secretaries, a Corresponding Secretary, and a

Treasurer. Any two offices, except those of President and Treasurer, may be held by the same person. No person may be elected an officer of the Association unless he or she is a resident of an owner- occupied Burleith household and is a paid-up member of the Association. No more than one officer may reside within a single household.

**Section 2. Election, Term of Office.**

- (a) The officers shall be elected at each Annual Meeting of the members. The candidates to be voted on by the membership for each office shall be the person(s) nominated by the Nominating Committee for that office, pursuant to Article V, section 1(b) of these Bylaws, and any other person who has submitted a petition to be a candidate for that office, complying with the requirements of Article V, section 2 of these Bylaws. If there is more than one candidate for an office, the candidate receiving a plurality of the voting membership casting votes at the meeting shall be declared elected to such office.
- (b) Each officer shall serve a term commencing on the January 1 following the Annual Meeting at which such officer was elected, and expiring on December 31 of that year, or until his or her successor has been duly elected and qualified.

**Section 3. Vacancies.** The Board of Directors may elect a person to fill any vacancy occurring in any office for any reason. The person so elected shall serve for the remainder of the unexpired term of the officer he or she is replacing, or until his or her successor has been duly elected and qualified.

**Section 4. Removal.** An officer who no longer meets the qualifications for office set forth in these Bylaws, has been declared of unsound mind by a court of competent jurisdiction, has been convicted of any criminal offense other than a traffic violation, or has been finally adjudicated by a court of competent jurisdiction to have breached his or her duty to the Association shall be deemed to have been removed from such office as of the date of the occurrence of any of the foregoing events. Otherwise, an officer may be removed from office only by majority vote of the voting membership of the Association present at an Annual or Special Meeting of the members at which a quorum is present.

**Section 5. Resignation.** Any officer may resign by providing written notice to the Corresponding Secretary of the Association or, if the Secretary is resigning, to the President of the Association.

**Section 6. Powers and Duties of Officers.**

- (a) President. The President shall preside at all meetings of members and of the Board of Directors. She/he shall have and exercise general supervision of the affairs of the Association, and shall do and perform such other duties as may be assigned to her/him by the Board Directors. With the advice of the other officers, the President shall develop a budget, which shall be presented for approval to a September meeting of the Board of Directors and then presented to the members at the Annual Meeting of members.

- (b) Vice-President. The Vice-President shall perform the duties of the President in his or her absence or disability, and shall perform such duties and exercise such powers as the President shall direct, or shall be assigned to them by the Board of Directors.
- (c) Recording Secretaries. The Recording Secretaries shall keep an accurate record of the proceedings of all meetings of the Association and the Board of Directors, and shall report such proceedings as may be requested by the presiding officer at the stated meetings of the Association.
- (d) Corresponding Secretary. The Corresponding Secretary shall keep a roll of the members, issue notices, when required, of meetings of the Association and the Board of Directors, conduct the correspondence of the Association not otherwise provided for, and perform such other duties as may be requested by the President.
- (e) Treasurer. The Treasurer shall have the custody of all funds, property and securities of the Association subject to such regulations as may be imposed by the Board of Directors. She/he may be required to give bond for the faithful performance of his or her duties, in such sum and with such sureties as the Board of Directors may require. The Treasurer shall be responsible for the following:
  - i. Endorsing on behalf of the Association for collection checks, notes, and other obligations, and depositing the same to the credit of the Association at such bank or banks or depository as the Board of Directors may designate;
  - ii. Signing all receipts and vouchers and, together with such other officer or officers, if any, as shall be designated by the Board of Directors;
  - iii. Making such payments as shall be necessary or proper to be made on behalf of the Association in respect of contracts and purchase orders previously approved by the Board of Directors, in accordance with Article VII, section 2 of these Bylaws;
  - iv. Regularly entering on the books of the Association to be kept by her/him for the purpose, full and accurate account of all moneys and obligations received and paid or incurred by her/him for or on account of the Association, and exhibiting such books at all reasonable times to any Director or have such books available, if requested, at the Annual or any Special Meeting of the Association;
  - v. Making a report to the Board of Directors of the state of the finances of the Association at each regular Board of Directors meeting;
  - vi. Performing in general all the duties incident to the office of Treasurer, subject to the control of the Board of Directors; and
  - vii. Filing of all Federal tax filings and reports required under the District of Columbia Nonprofit Corporation Act.

**Section 7. Compensation of Officers.** No officer shall receive any salary or remuneration for his or her services as such but shall be entitled to reimbursement of any out-of-pocket expense expended on behalf of the Association and may be paid for other services performed on behalf of the Association other than in his or her capacity as an officer, director or member.

#### **ARTICLE IV: DIRECTORS.**

**Section 1. Duties and Powers.** The affairs of the Association shall be managed by the Board of Directors (hereinafter sometimes referred to as the “Board”). The Board shall be responsible for implementing the mission, establishing policies, managing resources and determining programs, positions and activities of the Association, including positions to be taken before governmental agencies and bodies. The actions of the Board in matters within its authority shall be final and conclusive. The Board of Directors may select from the membership of the Association delegates to represent the Association in any federation or organization of citizens’ associations or other charitable or educational association in which this Association may have an interest or membership.

#### **Section 2. Directors; Number and Term.**

- (a) Each officer of the Association shall, during his or her term of office, serve as a member of the Board of Directors *ex officio*, that is, automatically by virtue of his or her office. In addition, at each Annual Meeting of the members of the Association, the Association shall elect no less than four and no more than eight additional persons to serve as directors (the “non-officer directors”).
- (b) The candidates to be voted on by the membership for each non-officer director position shall be the persons nominated by the Nominating Committee for those positions, pursuant to Article V, section 1(b) of these Bylaws, and any other person who has submitted a petition to be a candidate for one of those positions, complying with the requirements of Article V, section 2 of these Bylaws. If there are more candidates for non-officer positions than there are such positions to be filled, the candidates getting the most votes of those cast by the voting membership at the Annual Meeting, equal to the number of positions to be filled, shall be declared elected.
- (c) Each non-officer director elected at the Annual Meeting shall serve on the Board of Directors for a term beginning the following January 1 and ending on December 31 of the same year, or until his her successor shall have been duly elected and qualified.

**Section 3. Qualifications.** No person may serve in a non-officer position on the Board of Directors unless such person resides in an owner-occupied Burleith household and is a paid-up member of the Association. No more than one director, whether that person be an officer or a non-officer, may reside in the same household. No person holding any elected office of the District of Columbia may serve on the Board of Directors.

**Section 4. Resignation.** Any Director may resign at any time by giving written notice of such resignation to the President or the Corresponding Secretary.

**Section 5. Removal.** A non-officer director who no longer meets the qualifications for office set forth in these Bylaws, has been declared of unsound mind by a court of competent jurisdiction, has been convicted of any criminal offense other than a traffic violation, or has been finally adjudicated by a court of competent jurisdiction to have breached his or her duty to the Association shall be deemed to have been removed from the Board of Directors as of the date of the occurrence of any of the foregoing events. Otherwise, a non-officer director may be removed from office only by majority vote of the voting membership of the Association present at an Annual or Special Meeting of the members at which a quorum is present.

**Section 6. Vacancies.** Any vacancy in a non-officer position on the Board of Directors may be filled for the unexpired portion of the term of such non-officer director by a majority vote of the Directors then serving. Any Director so elected by the Board of Directors shall hold office for the remainder of the unexpired term of the vacating director or until the election and qualification of his or her successor.

**Section 7. Annual Meeting.** The newly-elected Directors shall meet immediately following the Annual Meeting of members, with the then-current Directors for the purpose of organization and transition of business. The newly elected Directors shall take office as of January 1st.

**Section 8. Regular Meetings.** Regular meetings of the Board of Directors shall be held monthly except that the Board may dispense with up to two meetings annually. The President may choose to conduct regular meetings “virtually” by internet, conference call or equivalent technology. The schedule for the Board Meetings shall be decided by the Board and published in the January newsletter. Directors shall be notified of the date, time and location of each Board meeting at least five (5) calendar days prior to such meeting by telephone, e-mail or notice hand delivered to such director’s residence.

**Section 9. Special Meetings.** Special meetings of the Board of Directors may be called by the President and must be called by either the President or Corresponding Secretary at the request of a majority of the members of the Board. Notice of all special Directors meetings shall be given at least three (3) calendar days prior to the meeting by telephone, e-mail or hand-delivery of a written notice to the residence address of each Director.

**Section 10. Waiver of Notice.** A director's attendance at any meeting shall constitute waiver of notice of such meeting, excepting such attendance at a meeting by the director for the purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

**Section 11. Conduct of Meetings.** At any meeting of the Board of Directors, the President shall preside but if the President is not present, the meeting shall be conducted by the next officer present in the order listed in Article III, section 6 of these Bylaws.

**Section 12. Quorum and Voting.** At all meetings (including virtual meetings) of the Board of Directors a majority of the Directors shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by these By-Laws. Each director present at a meeting shall be entitled to cast one vote. Proxy voting is prohibited. If at any meeting there is less than a quorum present, a majority of those present may adjourn the meeting from time to time without further notice to any absent Director, and may take such action at any reconvened meeting as might have been taken at the meeting originally scheduled. Any business conducted virtually shall be documented by the Recording Secretary in the minutes of the Association.

**Section 13. Compensation.** No Director shall receive any remuneration for his or her services as a Director but may be reimbursed for his or her out-of-pocket expenses, expended on behalf of the Association, or may be paid for services contracted for by the Association, other than for the performance of his or her duties as a Director.

## **ARTICLE V: NOMINATIONS FOR OFFICER AND DIRECTOR POSITIONS**

### **Section 1. Nominating Committee.**

- (a) No later than August 15<sup>th</sup> of each year, the President shall suggest three individuals from among those who are, or who are part of groups that are, members of the Association, to serve as a Nominating Committee and shall submit the names of those individuals to the Board of Directors for consideration and approval. Upon approval by the Board, three individuals whose names are suggested by the President shall constitute the Nominating Committee. At the same meeting as that at which the Board approves the Nominating Committee, the Board shall, by resolution, determine the number of non-officer director positions to be filled, which shall be no fewer than four and no more than eight.
- (b) The Nominating Committee shall, on or before September 15<sup>th</sup> of that year, submit to the incumbent President of the Association the name of an individual the Committee is nominating for each of the six offices described in Article III, section 1 of these Bylaws; and the names of the persons the Committee is nominating for the non-officer director positions described in Article IV, section 2(a), the number of which has been determined by the Board under section 1(a) of this Article. The President shall submit those names to the Board of Directors, which shall approve a slate of nominees on or before September 30<sup>th</sup> of that year. The President shall cause the names of these nominees to be published in the October newsletter of the Association.

**Section 2. Nomination by Petition.** Any individual not nominated by the Nominating Committee, who is eligible for an officer or non-officer director position under these Bylaws and wishes to be considered for such position by the membership at the Annual Meeting, shall be deemed nominated for such position if he or she submits a written



petition signed by individuals representing no less than thirty percent (30%) of the voting membership of the Association, to the Corresponding Secretary of the Association no later than fourteen (14) days before the date of the Annual Meeting.

## **ARTICLE VI: OTHER COMMITTEES**

**Section 1. Other Committees.** The Board may create such committees, in addition to the Nominating Committee, as the Board deems necessary and appropriate. Each committee shall consist of individuals who are members or associate members or who are part of a group of individuals who are members of the Association.

**Section 2. Appointment & Membership.** The President of the Association shall appoint Chairs of the Committees. The President may select members of the Committees, or may delegate that responsibility to Committee Chairs, subject to the approval of the Board of Directors. The President of the Association shall be an ex-officio member of all Committees except the Nominating Committee.

**Section 3. Activities of Committees.** Each Committee shall perform such duties as may be assigned to the Committee from time to time by the Board, and shall have and exercise general supervision of its own affairs, subject to the authority of the Board. Each Committee shall submit periodic reports and recommendations to the Board of Directors for approval.

## **ARTICLE VII: CONFLICTS OF INTEREST**

### **Section 1. Definitions.**

- (a) Interested Person: Any director or officer of the Association who has a direct or indirect financial or other interest, as defined below, is an interested person.
- (b) Financial Interest: A person has a financial or other interest if the person has, directly or indirectly, through business, investment, or family:
  - (i) An ownership or investment interest in any entity with which the Association has a transaction or arrangement,
  - (ii) A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or
  - (iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.
- (c) Compensation: Includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial or other interest is not necessarily a conflict of interest.

- (d) Non-Financial Conflict Of Interest: Each member of the Board of Directors shall, when in the service of the Board and the Burleith community, always act in the primary interest of the Association and shall avoid the appearance of and not be influenced by secondary or private interests such as academic commitments; intellectual passion; personal relationships; political or ideological beliefs; institutional affiliations; religious beliefs; professional conflicts; advocacy positions and professional relationships. A member of the Board of Directors who wishes to run for elected office shall first resign his or her position.

## **Section 2. Procedures.**

- (a) Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial or other interest and be given the opportunity to disclose all material facts to the directors when considering the proposed transaction or arrangement.
- (b) Determining Whether a Conflict of Interest Exists. After disclosure of the financial or other interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Directors meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.
- (c) Procedures for Addressing the Conflict of Interest. (i) An interested person may make a presentation at the Board meeting, but after the presentation, he/she shall leave the meeting during discussion of, and vote on, the transaction or arrangement involving the possible conflict of interest.
- (d) The President shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (e) After exercising due diligence, the Board shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (f) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

## **Section 3. Violations of the Conflicts of Interest Policy**

- (a) If the Board has reasonable cause to believe an officer or director has failed to disclose actual or possible conflicts of interest, it shall inform the officer or director

of the basis for such belief and afford the officer or director an opportunity to explain the alleged failure to disclose.

- (b) If, after hearing the officer or director's response and after making further investigation as warranted by the circumstances, the Board determines that individual has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary corrective action.

**Section 4. Records of Proceedings.** The minutes of the Board shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a financial or other interest in connection with an actual or possible conflict of interest, the nature of the financial or other interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.
- (b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**Section 5. Compensation.** A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Association for services is precluded from voting on matters pertaining to that member's compensation.

## **ARTICLE VIII: FINANCIAL OBLIGATIONS AND DISBURSEMENTS**

**Section 1. Contracts.** The Board of Directors may authorize any officer or agent to enter into any contract or purchase order, or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to a specific instance. Unless so authorized by the Board of Directors, no person shall have any power or authority whatsoever to bind the Association by any contract or engagement, or to pledge its credit, or to render it liable for any purpose in any amount.

**Section 2. Payment of Money.** Checks, drafts and other orders for payment from any deposit account maintained by the Corporation shall be issued only as payment pursuant to a contract or to satisfy an obligation approved by the Board of Directors pursuant to section 1 of this Article VIII. All such checks and other orders for payment of money shall be signed by any two of the President, Vice-President and Treasurer.

**Section 3. Borrowing.** Any borrowing of funds by the Association shall be previously authorized by the Board of Directors.

## **ARTICLE IX: AUDITS AND COMPILATIONS**

The Board of Directors shall, on or before March 31<sup>st</sup> of each year make available to the members of the Association the financial statements of the Association for the preceding calendar year, and at the discretion of the Board, cause to be performed an independent audit or a compilation of the financial statements of the Association for the preceding calendar year.

## **ARTICLE X: FISCAL YEAR**

The fiscal year of the Association shall terminate on December 31<sup>st</sup> of each calendar year.

## **ARTICLE XI. INDEMNIFICATION.**

**Section 1. Mandatory Indemnification.** The Association shall indemnify an individual who is a party to a proceeding because he or she is or was a director or officer of the Association, against liability incurred in the proceeding if the individual (a) acted in good faith; (b) reasonably believed, in the case of conduct in an official capacity, that the conduct was in the best interest of the corporation and, in all other cases, that the individual's conduct was at least not opposed to the best interests of the corporation; and (c) in the case of any criminal proceeding, had no reason to believe his or her conduct was unlawful. The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, be determinative that the director or officer did not meet the relevant standard of conduct described in this section.

**Section 2. Prohibited Indemnification.** Unless ordered by a court, the Association shall not indemnify a director or officer (a) in connection with a proceeding by or in the right of the Association, except for reasonable expenses incurred in connection with the proceeding if it is determined that the director has met the relevant standard of conduct under section 1 of this Article; or (b) in connection with any proceeding with respect to conduct for which the director or officer was adjudged liable on the basis that the director or officer received a financial benefit to which the director or officer was not entitled whether or not involving action in an official capacity.

**Section 3. Advance of Expenses.** The Board of Directors may authorize the Association, before final disposition of a proceeding, to reimburse the reasonable expenses incurred by an individual who is a party to proceedings because he or she is or was a director or officer if the individual submits to the Board of Directors: (a) an affirmation in the form of a record of his or her good faith belief that he or she has met the relevant standard of conduct described in section 1 of this Article; and (b) an undertaking in the form of a record to repay any funds advanced if the individual is not successful on the merits in the proceeding and it is ultimately determined that the individual has not met the relevant standard of conduct described in section 1 of this Article. Authorizations under this section 3 shall be made, if there are two or more disinterested directors, by a vote of the majority of all of the incumbent disinterested directors, a majority of whom will constitute a quorum for that purpose; or, if there are fewer than two incumbent disinterested directors, by the vote of a majority of all directors

(including interested directors), a quorum being present; or by the membership of the Association.

**Section 4. Determination and Authorization of Indemnification.** The Association shall not indemnify a director or officer under this Article unless authorized for a specific proceeding after a determination has been made that indemnification is permissible because the director or officer has met the relevant standard of conduct set forth in section 1 of this Article. The determination shall be made, if there are two or more interested directors, by a majority vote of all the disinterested directors, a majority of whom shall constitute a quorum for this purpose; or by the members of the Association.

## **ARTICLE XII: AMENDMENTS TO BYLAWS**

**Section 1. By Board of Directors.** Except for those provisions amendment of which requires approval of the membership under the District of Columbia Code, sections 29-408.21 or 408.22 or any successor provisions, these Bylaws may be amended by the Board of Directors at any regular or special meeting provided that the notice of the meeting describes and sets out the full text of the proposed amendments to be considered by the Board at such meeting.

**Section 2. By the membership.** Any provision of these Bylaws required or desired to be amended by the membership of the Association may be amended by the membership at any Annual or Special Meeting, provided that the notice of the meeting specifies and sets out the full text of the amendments to be considered by the membership at such meeting.