

RESOLUTION NO. 16-001

A RESOLUTION OF THE EAST LOOP COMMUNITY IMPROVEMENT DISTRICT AUTHORIZING THE FIRST ACTIONS OF THE DISTRICT; APPOINTING OFFICERS AND AGENTS OF THE DISTRICT; DEFINING THE FIRST AND SUBSEQUENT FISCAL YEARS OF THE DISTRICT; ADOPTING A CORPORATE SEAL; ADOPTING BYLAWS; AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH

Pursuant to the provisions of the Community Improvement District Act, Sections 67.1401 to 67.1571 of Revised Statutes of Missouri, as amended (the “*CID Act*”), the Board of Directors of the East Loop Community Improvement District (the “*District*”), a Missouri nonprofit corporation, hereby adopts the following Resolution and directs that this Resolution be filed with the official District minutes:

I

Appointment of Officers and Agents

RESOLVED, that the following individuals are hereby appointed to serve as officers and agents of the Board of Directors, each to hold such office until the first annual meeting of the Board of Directors or until his/her successor shall have been duly appointed:

Chair:	Joe Edwards
Vice Chair:	Steve Rotskoff
Treasurer:	Dave Mastin
Secretary:	Tameka Stigers

FURTHER RESOLVED, that the District shall reimburse each officer of the Board of Directors of the District for his/her reasonable out-of-pocket expenses incurred in the performance of his/her duties as such officer.

II

Board of Directors

RESOLVED, that the District’s initial Board of Directors for the District as appointed by the City of St. Louis, Missouri (the “*City*”) is as follows:

<u>Director</u>	<u>Initial Term</u>	<u>Property/Business Located East/West of Des Peres Avenue</u>
Mary Campbell	4-year term expires August 14, 2020	West
Joe Edwards	4-year term expires August 14, 2020	West
Dave Mastin	4-year term expires August 14, 2020	East
Aliah Holman	4-year term expires August 14, 2020	East
Cheryl Adelstein	2-year term expires August 14, 2018	West

Steve Rotskoff	2-year term expires August 14, 2018	East
Tameka Stigers	2-year term expires August 14, 2018	East

FURTHER RESOLVED, that the District shall reimburse the Directors of the District for their reasonable out-of-pocket expenses incurred in the performance of their duties as such Directors.

III
Appointment of General Counsel

RESOLVED, that the following individual or firm is hereby appointed to serve as the District’s General Counsel, to hold such office until the first annual meeting of the Board of Directors or until its successor shall have been duly appointed:

General Counsel: Armstrong Teasdale LLP

FURTHER RESOLVED, that the General Counsel or its designee shall serve as registered agent of the District and the General Counsel’s office shall be the registered office of the District; and

FURTHER RESOLVED, that the General Counsel may be reimbursed for its actual fees and expenses if they are reasonable and incurred in connection with its capacity as the District’s legal counsel.

IV
Principal Office

RESOLVED, that the principal office of the District shall be as follows: Moonrise Hotel, 6177 Delmar, City of St. Louis, State of Missouri.

V
Fiscal Year

RESOLVED, that the fiscal year of the District shall be July 1 to June 30.

VI
Corporate Seal

RESOLVED, that the District shall have a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name “East Loop Community Improvement District.”

VII
Adoption of Bylaws

RESOLVED, that the Bylaws submitted to and reviewed by the Directors and set forth as **Exhibit A**, attached hereto and incorporated herein by reference, are hereby adopted as the Bylaws of the District, and the Secretary of the District shall cause a true copy of such Bylaws to be kept with the minutes of the meetings of the Board of Directors.

VIII
Organization Expenses

RESOLVED, that the officers of the District are authorized to pay all organization expenses of this District out of the funds of the District.

This Resolution was adopted at the first meeting of the Board of Directors of the District duly called and held this date. This Resolution shall be filed by the Secretary of the District with the minutes of the meetings of the Board of Directors.

Passed this 23rd day of August, 2016.

I, the undersigned, Chair of the East Loop Community Improvement District, hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the District at a meeting held, after proper notice, on August 23, 2016.



EAST LOOP COMMUNITY IMPROVEMENT
DISTRICT

Joe Edwards

Chair, Board of Directors

WITNESS my hand and official seal this 23rd day of August, 2016.

ATTEST:

Jack Stuy

Secretary, Board of Directors

EXHIBIT A

BYLAWS

(Attached hereto.)

BYLAWS
OF
EAST LOOP COMMUNITY IMPROVEMENT DISTRICT
A NON-FOR-PROFIT CORPORATION

ARTICLE I

Purposes

(a) The purposes of the East Loop Community Improvement District (the “*District*”), a Missouri non-profit corporation, will be those nonprofit purposes stated in the Articles of Incorporation of the Corporation, as they may be amended. No part of the net earnings or other assets of the Corporation will inure to the benefit of, be distributed to or among, or revert to, any director, officer, contributor or other private individual having, directly or indirectly, any personal or private interest in the activities of the District, except that the District may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of the nonprofit purposes stated in the Articles of Incorporation.

(b) The District shall have all powers, authority and obligations as set forth in the Community Improvement District Act, Sections 67.1401 to 67.1571 of the Revised Statutes of Missouri, as amended (the “*Act*”), as may be limited by the Petition for the Creation of a Community Improvement District, as may be amended from time to time.

ARTICLE II

Offices

(a) The principal office of the District shall be located at such place within the State of Missouri as the Board of Directors may from time to time designate. The District may have such other offices within the State of Missouri as the business of the District may require from time to time.

(b) The location of the registered office of the District and the name of the District’s registered agent in the State of Missouri shall be as determined from time to time by the Board of Directors and as filed in the manner provided by law.

ARTICLE III

Directors

(a) General Powers. The property, business and affairs of the District shall be controlled and managed by a Board of Directors, consisting of seven (7) members.

(b) Requirements. The Board of Directors of the District shall, at all times, meet the qualifications set forth in Section 67.1451 of the CID Act, as well as the following requirements:

1. Two (2) of the seven (7) members shall be legally authorized representatives of any single owner of real property owning at least 900,000 square feet of land area within the District, provided that, to the extent that such single owner is tax-exempt, it has voluntarily agreed to participate in the provisions of the Act and the payment of the District’s special assessments;

2. One (1) of the seven (7) members shall be an owner or a legally authorized representative of an owner of real property within the District upon which is located a live performance venue with seating capacity of at least 1,000;

3. Two (2) of the seven (7) members shall be an owner or a legally authorized representative of an owner of a business licensed by the City and operating within the District;

4. One (1) of the seven (7) members shall be a legally authorized representative of a tax-exempt owner of real property within the District that operates a public mass transportation system, which tax-exempt owner has voluntarily agreed to participate in the provisions of the Act and the payment of the District's special assessments; and

5. One (1) of the seven (7) members shall be selected at large from among all other owners or legally authorized representatives of owners of real property or of businesses located within the District.

6. The board of directors of the District shall at all times ensure that two (2) of the seven (7) members shall be owners or legally authorized representatives of owners of real property or of businesses located within the District and east of Des Peres Avenue (excluding any real property or businesses located in City Blocks 4850, 4851, 4854 and 4855).

7. The board of directors of the District shall at all times ensure that two (2) of the seven (7) members shall be owners or legally authorized representatives of owners of real property or of businesses located within the District and west of Des Peres Avenue (excluding any real property or businesses located in City Blocks 4850, 4851, 4854 and 4855).

(c) Number and Tenure. The initial Board of Directors of the District shall be composed of seven (7) individuals. Four (4) of the directors shall serve an initial term of four (4) years and three (3) of the directors shall serve an initial term of two (2) years. Each Director shall hold office for the term for which appointed or until a successor Director shall have been appointed and qualified. Successor directors shall serve for a term of four (4) years.

(d) Removal and Resignation. Any director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective. Any director may be removed, with or without cause, by the affirmative vote of at least two-thirds (2/3) of the whole Board. Any such resignation or removal will take effect at the time specified therein.

(e) Vacancies. In the event of a vacancy on the Board of Directors, the remaining Directors shall elect an interim Director to fill the vacancy for the unexpired term.

(f) Annual Meeting and Budget. The annual meeting of the Board of Directors shall be held the fourth Tuesday of May for the purpose of adopting a budget, appointing Directors, and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the place designated for the meeting, such meeting shall be held on the next succeeding business day. Annual meetings of the Board of Directors shall be held upon such notice as hereinafter provided.

The District shall submit the proposed annual budget no earlier than 180 days and no later than 90 days prior to the beginning of each fiscal year to the Board of Aldermen, which may review and make recommendations thereto. The proposed budget shall set forth the District's anticipated expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year.

(g) Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly in February, May, August and November and may be held at any place within the City of St. Louis, Missouri as from time to time designated by resolution of the Board of Directors. Meetings of the Board of Directors shall be held upon such notice as hereinafter provided.

(h) Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board of Directors, or any two or more of the Directors, by giving notice thereof in the manner hereinafter provided. The person or persons calling such meeting may fix any place either within the City as the place for holding such special meeting.

(i) Action Without Meeting. Any action which is required to be or may be taken at a meeting of the directors, or any committee established by the Board of Directors, may be taken without a meeting if consents in writing, setting forth the action so taken, are signed by all of the members of the Board or of the committee as the case may be. The consent will have the same force and effect as a unanimous vote at a meeting duly held, and may be stated as such in any certificate or document. The Secretary will file the consents with the minutes of the meetings of the Board of Directors or of the committee as the case may be. Such consents may be executed in multiple counterparts, each of which shall be deemed to be an original and together shall constitute one and the same instrument. To the extent that the Board of Directors adopts a resolution stating its intent to comply with Chapter 610 of the Revised Statutes of Missouri, as amended, such resolution shall supersede **Article III(i)** hereof for so long as such resolution remains in full force and effect.

(j) Notices. Notice of any annual, regular or special meeting, stating the place, date and time of the meeting, shall be given to each Director by telephone, by facsimile transmission, e-mail or other form of wire or wireless communication, or in writing, at least five (5) days before the meeting. Notice by telephone shall be deemed to be given when the call is either received personally by the Director or received in the Director's personal mailbox in a voice mail system at a number furnished by the Director for such purpose. Notice by facsimile transmission, e-mail or other form of wire or wireless communication shall be deemed to be given upon confirmation by the sending machine of a completed transmission to a number or destination furnished by the Director for such purpose; provided that if the receiving location is at a place other than the Director's residence and is either sent on a Saturday, Sunday or federal holiday or confirmed after 5:00 p.m. local time at the place of receipt it shall be deemed to be given on the next business day. Written notice shall be deemed to be given when delivered personally to the Director, or on the next scheduled mail delivery day after it is deposited in the United States mail addressed to the Director at her/his business address or other address furnished to the District for such purpose, with postage thereon prepaid; provided that if the notice is deposited in the mail on a Saturday, Sunday or postal holiday, or after the latest time for pickup at the place of deposit it shall be deemed to be given on the second scheduled mail delivery day thereafter, and if the place of deposit or place of delivery is outside the State of Missouri it shall be deemed given one additional day after it would otherwise be deemed to be given. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting.

(k) Quorum. The greater of a majority of the full Board of Directors or four (4) directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time to a specified date not longer than 30 days from the last adjournment without further notice.

(l) Manner of Acting. The act of the majority of the Directors present at a meeting of the Directors at which a quorum is present shall be the act of the Board of Directors. Members of the Board of Directors, or of any committee designated by the Board of Directors, may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment whereby

all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall constitute presence in person at such meeting.

(m) Committees. The Board of Directors, by resolution adopted by a majority of the whole Board, may designate two or more Directors to constitute a committee, which committee shall meet at frequent or regular intervals as determined by resolutions from time to time adopted by the Board and shall have and exercise, to the extent provided in such resolutions, the authority of the Board of Directors in the management of the District; provided, however, that: (i) each such committee shall report all of its decisions and actions to the Board of Directors at the next meeting of the Board of Directors thereafter occurring; (ii) each such committee shall at all times be subject to the general supervision and control of the Board of Directors; (iii) members of any such committee may be removed, and new members appointed, at any time by the majority vote of the whole Board; (iv) only the full Board may approve an amendment to these Bylaws, or may approve a project or construction plans, a funding method, the acquisition of real and or personal property, the transfer of all or substantially all the assets of the District, or the dissolution of the District; and (v) the designation of any such committee and the delegation thereto of the authority herein provided shall not operate to relieve the Board of Directors, or any member thereof, of any responsibility imposed by law upon such Board or upon any individual member thereof. A quorum of a committee of the Board of Directors shall be a majority of the full number of Directors constituting the committee, and the act of at least a majority of the full number of Directors constituting such committee shall be the act of the committee. The Board of Directors shall have at least two standing committees:

1. Finance Committee. The Board of Directors shall have a Finance Committee. The membership of the Finance Committee shall include both current directors and individuals who are not current directors but who are (a) at least 18 years of age and (b) are either (i) owners or legally authorized representatives of owners of real property or of businesses operating within the proposed District or (ii) registered voters residing within the District. Directors shall at all times shall constitute a majority of the membership of the Finance Committee.

2. Nominating Committee. The Board of Directors shall have a Nominating Committee. The membership of the Nominating Committee shall include both current directors and individuals who are not current directors but who are (a) at least 18 years of age and (b) are either (i) owners or legally authorized representatives of owners of real property or of businesses operating within the proposed District or (ii) registered voters residing within the District. Directors shall at all times shall constitute a majority of the membership of the Nominating Committee.

3. Other Committees. The Board of Directors shall have the authority to establish any other such committee, in accordance with the provisions of this Article, that may be necessary to sustain the functionality of the District.

(n) Reporting Requirements. Within 120 days after the end of each fiscal year, the District shall submit a report to the Office of the Register of the City of St. Louis, Missouri, and the Missouri Department of Economic Development stating the services provided, revenues collected and expenditures made by the District during such fiscal year, and copies of written resolutions approved by the District's Board of Directors during the fiscal year. The District shall request that such report be retained by the Office of the Register of the City of St. Louis, Missouri, as part of the City's official record and be spread upon the record of the Board of Aldermen.

(o) Compensation. No Director shall receive any stated salaries for services performed, but may be reimbursed for actual, reasonable expenditures incurred in the performance of such duties on behalf of the District.

ARTICLE IV

Officers, Agents and Employees

(a) Number of Officers. The Board of Directors of the District shall elect a Chair, and shall appoint a Vice Chair, a Secretary, and a Treasurer. The Board of Directors may also appoint such other officers, agents or employees as may be elected or appointed in accordance with the provisions of this Article and state law. Any two or more offices (except the office of Chair) may be held simultaneously by the same person.

All officers, employees and other agents of the District, as between themselves and the District, shall have such authority and perform such duties in the management of the property and affairs of the District as may be provided herein or, in the absence of such provision, as may be determined by resolution of the Board of Directors.

(b) Election or Appointment and Term of Office. The officers of the District shall be elected or appointed annually by the Board of Directors at the first meeting of the Board of Directors. If the election or appointment of officers shall not be held at such meeting, such election or appointment shall be held as soon thereafter as conveniently may be.

With the consent of the Board of Directors, the Secretary may appoint an Assistant Secretary as an agent of the District, and the Treasurer may appoint an Assistant Treasurer as an agent of the District.

New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office at the pleasure of the Board until the next annual meeting and until their successors shall have been elected or appointed and qualified.

(c) Resignation and Removal. Any officer or agent elected or appointed by the Board of Directors may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the District; unless otherwise specified therein, the acceptance of such resignation will not be necessary to make it effective. Any officer or agent elected or appointed by the Board of Directors may be removed, with or without cause, by the affirmative vote of at least two-thirds (2/3) of the whole Board. Any such resignation or removal will take effect at the time specified therein.

(d) Vacancies. A vacancy in any office may be filled by the Board of Directors at any meeting for the unexpired portion of the term.

(e) Chair of the Board. The Board of Directors shall elect a Chair of the Board from among its members at its first meeting. The Chair shall be the chief executive officer of the District and shall have all powers and authority and such other responsibilities as may be prescribed from time to time by the Board of Directors. The Chair shall preside at all meetings of the Board of Directors.

As the chief executive officer, the Chair may execute, either alone or with any other proper officer thereunto authorized by the Board of Directors, deeds, mortgages, bonds, notes, contracts, or any other instruments for and in the name of the District, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the corporation or shall be required by law to be otherwise executed. The Chair shall be an ex officio member of all standing committees.

(f) Vice Chair of the Board. If one or more Vice Chairs shall be elected, and if one of such Vice Chairs be designated by the Board as Executive Vice Chair, such Executive Vice Chair, in the absence of the Chair, or in the event of the Chair's inability or refusal to act, shall perform the duties of the Chair, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the

Chair. If there shall be no Executive Vice Chair or if there shall be an Executive Vice Chair and such individual shall be absent, then the Vice Chair who shall have been first elected by the Board of Directors at the last annual meeting of the Board (and the order of the names of such Vice Chairs, as they appear in the minutes of such Annual Meeting of the Board, shall be conclusive as to which Vice Chair shall have been first elected), shall perform the duties of the Chair in the event of the latter's absence, inability or refusal to act. The Vice Chairs shall perform such other duties as from time to time may be assigned to them by the Chair or the Board of Directors. The Executive Vice Chair shall serve as the chair of the Nominating Committee.

(g) Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of such officer's duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the District; (b) receive and give receipts for moneys due and payable to the District from any source whatsoever, and deposit all such moneys in the name of the District in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of **Article V** of these Bylaws; (c) keep or cause to be kept all books of account and accounting records of the District; and (d) in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the Board of Directors. The Treasurer shall serve as the chair of the Finance Committee.

(h) Secretary. The Secretary shall: (a) keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the District and see that the seal of the District is affixed to all documents, the execution of which on behalf of the District under its seal is duly authorized in accordance with the provisions of these Bylaws; and (d) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Chair or the Board of Directors.

(i) Assistant Treasurers and Assistant Secretaries. The Assistant Treasurers shall respectively, if required by the Board of Directors, give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries shall perform the duties of the Treasurer and Secretary respectively, in their absence, and shall perform such other duties as shall be assigned to them by the Treasurer or the Secretary, respectively, or by the Chair or the Board of Directors.

(j) Salaries of Officers. No officer shall receive any stated salaries for services performed, but may be reimbursed for actual, reasonable expenditures incurred in the performance of such duties on behalf of the District.

(k) Salaries of Agents and Employees. Salaries and compensation of agents and employees of the District, if any, may be fixed, increased or decreased by the Board of Directors, but until action is taken with respect thereto by the Board of Directors, the same may be fixed, increased or decreased by the officer or officers as may be empowered by the Board of Directors to do so; provided, however, that no person may fix, increase or decrease one's own salary or compensation. Each employee may be reimbursed for actual expenses if such expenses are reasonable and incurred in connection with the business and activities of the District.

ARTICLE V

Owners

(a) Quarterly Meetings. Beginning in the fourth quarter of 2016, the Board of Directors shall convene quarterly meetings of the owners or legally authorized representatives of owners of real property and of businesses operating within the District. Such quarterly meetings may be held in connection with the regular meetings of the Board of Directors held in accordance with **Article II(g)** hereof. The Board of Directors shall designate any place within the City of St. Louis, Missouri, as the place of meeting. If no designation is made, the place of meeting shall be the principal office of the District.

(b) Notice of Meetings. Written or printed notice stating the place, day and hour of each meeting shall be delivered not less than 15 nor more than 45 days before the date of the meeting, either personally or by mail, by or at the direction of the Chair, the Secretary, or the persons calling the meeting, to each owner of real property and each business operating within the District, except that only owners who are owners of record at the close of business on the 45th day preceding the date of the meeting shall be entitled to notice of the meeting, and any adjournment thereof. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage thereon prepaid, and addressed to the owner at the owner's address, as such address appears on the records of the City Assessor with respect to owners of real property or on the records of the City License Collector with respect to owners of businesses located within the District.

ARTICLE VI

Contracts, Loans, Checks and Deposits

(a) 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 in the name of and on behalf of the District, and such authority may be general or confined to specific instances.

(b) Loans. No loans shall be contracted on behalf of the District and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

(c) Deposits. All funds of the District will be deposited from time to time to the credit of the District with such banks, bankers, trust companies or other depositories as the Board of Directors may select or as may be selected by any officer or officers, agent or agents of the District to whom such power may be delegated from time to time by the Board of Directors.

(d) Checks, Notes, Etc. All checks or other orders for the payment of money, and all notes or other evidences of indebtedness issued in the name of the District, shall be signed by such designated officer or officers, agent or agents of the District and in such manner as shall from time to time be determined by resolution of the Board of Directors. Funds not otherwise employed shall be deposited from time to time to the credit of the District in such banks, trust companies or other depositories as the Board of Directors may select.

ARTICLE VII

Fiscal Year

The fiscal year of the District shall be July 1 to June 30 or such other fiscal year as may from time to time be adopted by the City.

ARTICLE VIII

Seal

The Board of Directors shall adopt a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name “*East Loop Community Improvement District*”.

ARTICLE IX

Indemnification

(a) Indemnification of Directors and Officers Against Third Party Lawsuits. The District shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the District, by reason of the fact that such person is or was a Director or officer of the District, against expenses, including attorneys’ fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the District, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the District, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such conduct was unlawful.

(b) Indemnification of Directors and Officers Against Derivative Lawsuits. The District shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the District to procure a judgment in its favor by reason of the fact that such person is or was a Director or officer of the District, against expenses, including attorneys’ fees, and amounts paid in settlement actually and reasonably incurred by such person in connection with the defense or settlement of the action or suit if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the District; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of such duties to the District unless and only to the extent that the court in which the action or suit was brought determines upon application that, despite the adjudication of liability and in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

(c) Discretionary Indemnification of Agents and Employees. The Board of Directors of the District may extend, on a case-by-case basis, the indemnification provided in (a) and (b) of this Article to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that such person is or was an agent or employee of the District other than a Director or officer of the District. Notwithstanding the foregoing, however, the District shall be obligated to indemnify any agent or employee against expenses, including attorneys’ fees, actually and reasonably incurred by such agent or employee as a result of an action, suit or proceeding described in (a) or (b) of this Article to the extent said agent or employee has successfully defended such action, suit or proceeding on the merits or otherwise.

(d) Determination of Indemnitee’s Compliance with Standard of Conduct. Any indemnification under (a), (b) and (c) of this Article, unless ordered by a court of law, shall be made by the District only as authorized in the specific case upon a determination that indemnification of the

Director, officer, agent or employee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the foregoing Sections. The determination shall be made by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding, or if such a quorum is not obtainable, or even if obtainable if a quorum of disinterested Directors so directs, or by independent legal counsel in a written opinion.

(e) Advance Payment of Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the District in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the Director, officer, agent or employee to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the District as authorized in this Article.

(f) Non-Exclusivity; Survival of Indemnification. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any other provision of law, these Bylaws, or any agreement, or otherwise, both as to action in such individual's official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director, officer, agent or employee and shall inure to the benefit of the heirs, executors and administrators of such a person. The District shall have the power to give any further indemnity, in addition to the indemnity authorized or contemplated under this or other Sections of this Article, to any person who is or was a Director, officer, agent or employee, provided such further indemnity is authorized, directed, or provided for in a Bylaw or agreement of the District, and provided further that no such indemnity shall indemnify any person from or on account of such person's conduct which was finally adjudged to have been knowingly fraudulent, deliberately dishonest or willful misconduct.

(g) Insurance on Indemnitees. In order to satisfy its obligations hereunder, the District may purchase and maintain insurance on behalf of any person who is or was a Director, officer, agent or employee of the District and who is indemnified against liabilities under the provisions of this Article.

(h) Definitions. For the purpose of this Article, references to "the District" include all constituent real property absorbed in a purchase as well as this District.

ARTICLE X

Waiver of Notice

Attendance at any meeting shall constitute a waiver of notice of the meeting except where such attendance is for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE XI

Amendments

These Bylaws, excepting the provisions of **Article I, Article II(b)-(c), Article II(m)(1)-(2) and Article V(a)** hereof, may be altered, amended or repealed and new bylaws may be adopted by a two-thirds vote of the full Board of Directors. The provisions of **Article I, Article II(b)-(c), Article II(m)(1)-(2) and Article V(a)** hereof, may be altered, amended or repealed only by amendment of the Petition for the Creation of a Community Improvement District.

The foregoing Bylaws are adopted effective as of the 23rd day of August, 2016.