

BYLAWS

of the

NORTH FORK COMMUNITY DEVELOPMENT COUNCIL, INC.

a California Nonprofit Public Benefit Corporation

As Amended December 4, 2000

ARTICLE I

Name and Location of Corporation

Section 1.1: Name

The name of this corporation is North Fork Community Development Council, Inc.

Section 1.2: Location of Office

The principal office of the corporation shall be in North Fork, Madera County, California at:

Post Office Box 1484
North Fork, California 93643

ARTICLE II

Purpose of Corporation

This corporation is organized for the following purposes:

- 1) To develop the North Fork mill site and other economic, business and housing opportunities in a way that
 - creates employment for unemployed and underemployed residents,
 - creates environmental and infrastructure improvements for the mill site and the town that benefit the general public,
 - provides training programs for youth and others in need of training,
 - assists disadvantaged persons in establishing businesses,
 - provides amenities for residents, and
 - promotes economic diversification and prosperity for the Greater North Fork, California area.
- 2) To use profits from the development of the mill site and to develop other sustainable sources of funding to
 - create and enhance community services and facilities for the general public, and

- provide resources, technical assistance and support for organizations that serve the public.
- 3) To assist the community in managing growth by facilitating land use, design, and other plans that
 - combat community deterioration,
 - preserve the natural beauty of the area,
 - support environmental sustainability, and
 - preserve North Fork's small town qualities and unique history.
 - 4) To work with county, state, and federal government agencies and other institutions to promote community benefit for the greater North Fork area.
- (5) To engage in any activity incidental or conducive to the attainment of the purposes of this corporation and to receive, administer, and expend funds for these purposes; and
 - (6) To engage in any activity that lawfully may be conducted by a non-profit public benefit corporation organized under the 1980 California Corporations Code.

ARTICLE III

Membership

Section 3.1: Types of Membership

The North Fork Community Development Council, Inc. shall have three types of membership; (1) individual full members/family members, (2) organizational members, and (3) individual associate members.

Section 3.2: Conditions of Membership

All members of the corporation shall have a sincere interest in the prosperity and welfare of the Greater North Fork Community, defined to include North Fork proper and the surrounding areas known as Bass Lake Annex, Teaford Meadows, Church Ranch, Old Town, Leisure Acres, Fine Gold, Walker Grade, South Fork, Cascadel Woods, Kinsman Flat, and any remaining areas within the North Fork postal delivery area. The sincere interest of members is exhibited by, but not limited to, economic or social connections including property ownership, residence, business activities, family ties, and employment. In addition to this general condition, there are three types of membership status that are achieved according to the following conditions;

- (1) Individual/family Full Members - Any person who pays the annual individual or family membership fee set by the Board of Directors shall be granted full membership status with all of the rights and responsibilities thereof.
- (2) Organizational Members - Any organization that meets the requirements for organization membership may apply to the Board of Directors for membership. The total number of organizational members shall be no more than two-thirds of the total Board membership.

In the event that there are vacant organizational member positions, the Board of Directors may, by majority vote, select the new member organization(s) from the applicant organizations or convert the position to a membership director position (see section 4.7 (4)).

Minimum qualifications for organizational membership are: 1) be a local public agency or 2) a non-profit group with a North Fork origin and address with at least half of the members being residents or property owners of North Fork; and 3) pay the annual organizational fee set by the Board of Directors. The Board of Directors has sole discretion in determining if an organization meets the requirements for consideration for organizational membership and may prescribe an appropriate application procedure to determine eligibility.

- (3) Individual Associate Members - Any individual who is a member in good standing of any organization that has attained organizational membership within this corporation shall be granted associate membership status with all of the rights and responsibilities thereof.
- (4) Supporting Member: Organizations, agencies or individuals who wish to donate more than the fee for individual membership to the CDC. This type of membership is afforded one vote at the annual meeting.

Section 3.3: Membership Rights and Privileges

Attainment of membership status entitles the member to the following rights and privileges:

- (1) Individual Full Member - Each member is entitled to cast one vote per open "Membership Director" board position in annual Board of Director elections. Each member is eligible to nominate for election, be nominated for election, and to be elected to a "Membership Director" board position on the Board of Directors. All

full members are entitled to notice and attendance of regularly scheduled meetings of the corporation. Full members are entitled to any additional to any additional rights and privileges granted by amendment to these by-laws.

- (2) Family Membership - Provided that the annual membership fee has been paid family members will have the same rights and responsibilities as individual membership with no more than two vote per family."
- (3) Organizational Member - Each organizational member is required to appoint one of their members to serve on the Board of Directors of this corporation according to the terms of election set forth in these by-laws. The process for appointment is within the discretion of the organizational member provided it is done legally, according to the by-laws of that organization. The appointed representative of the organization is responsible for all notification of and reporting to the board and membership of the organizational member. Organizational members are entitled to any additional rights and privileges granted by amendment to these by-laws.
- (4) Associate Member - Each associate member may attend the regularly scheduled meetings of this corporation. Associate members are not entitled to voting privileges unless they also meet the conditions for individual full membership, in which case, their rights and privileges are those of an individual full member.

Section 3.4: Membership Quotas

The following quotas are placed on each category of membership;

- (1) Individual Full Membership - There is no quota for full membership.
- (2) Organizational Membership – Organizational membership is limited to eight (8) members, provided that the board of Directors of the corporation becomes no larger than thirteen. (13).
- (3) Individual Associate Membership - There is no quota for associate membership.

Section 3.5: Termination of Membership

A member may be expelled only under the following conditions;

- (1) Individual Full Member - Membership will only be terminated for flagrant violation of the by-laws and/or failure to pay annual dues by the annual due date. Expulsion requires a two-thirds (67%) affirmative vote of a quorum of the Board of Directors.

- (2) Organizational Member - Membership will only be terminated for flagrant violation of the by-laws and/or failure to pay annual dues by the annual due date. Expulsion requires a two-thirds (67%) affirmative vote of a quorum of the Board of Directors.
- (3) Associate Member - Membership will only be terminated when it is directly associated with the lawful termination of an organizational membership.

ARTICLE IV

Board of Directors

Section 4.1: Types of Directors

The Board of Directors will consist of two types of directors:

- (1) Organizational Directors - Directors appointed by organizational members according to Section 4.3.
- (2) Membership Directors - Directors elected by the general membership of individual full members according to Section 4.3.

Section 4.2: Number of Directors

The initial Board of Directors shall consist of 9 directors. Of these, 6 will be organizational directors, and 3 will be membership directors. The Board may be expanded to no more than 13 directors. Expansion will be accomplished using any combination of organizational and membership directors deemed appropriate and necessary by the Board of Directors. The number of membership directors shall never be less than one-third (33%) of the Board of Directors.

Section 4.3: Election, Appointment, and Terms of Office

Each Board member shall serve a term of two (2) years, unless appointed to complete a vacancy created by resignation or expulsion. To ensure that no more than half of the Board of Directors is replaced each year, two-year terms will be staggered with approximately half of the Board appointed or elected in odd-numbered years and approximately half of the Board appointed or elected in even-number years. To commence this pattern, four (4) of the initial directors will serve a one-year term, and five (5) of the initial directors will serve a two-year term. Organizational directors will serve a two-year term. Organizational directors will be appointed and membership directors will be elected as follows:

- (1) Organizational Directors - Each organizational member is responsible for appointing a single individual to serve a 2-year term on the Board of Directors of the North Fork Community Development Council, Inc. Organizational members may appoint alternates who are authorized to act with the full authority of a Director when an appointed organizational director must be absent. Organizational members shall see to it that their appointed representative and alternate exhibit the connection to North Fork required as a general condition of membership in Section 3.2. In the case of any anticipated prolonged absence of an organizational director (two or more monthly meetings), the organizational member shall notify the President of the North Fork Community Development Council, Inc. that an alternate organizational director will serve for the duration of that absence.
- (2) Membership Directors - Membership directors will be elected during the annual meeting of the corporation (Section 6.3). All individual full members are eligible to nominate, be nominated for, and to vote on the slate of openings for membership director positions. All three (3) initial membership directors will be elected at the first annual meeting of the corporation. Two (2) of these will be elected to two-year terms and one (1) will be elected to a one-year term. Thereafter, approximately half of the membership directors will be elected at each annual meeting. Membership Directors may not appoint an alternate when they are absent. An individual member who has previously served as an organizational director on the board or previously was or currently is an officer of an organization who holds membership on the board may not be elected or appointed to the board as a member at large until at least six months after they have completed their service with the organization represented on the board.

Section 4.4: Powers and Duties

Each member of the Board of Directors is endowed with equal powers and duties, with the exception of additional powers and duties prescribed for officers of the corporation in Section 5.

- (1) Expenditures - The Board of Directors is fully qualified to receive and expend funds to serve the purposes of the corporation. Only an act of the Board of Directors may financially obligate the North Fork Community Development Council, Inc. All matters of expenditure will be decided by a simple majority of a quorum of the Board of Directors.
- (2) Policy - The Board of Directors is fully qualified to make resolutions stating a position or urging an action on some issue of importance to the community and of relevance to the purposes of the corporation. Only an act of the Board of Directors may be interpreted as an official position or action of the North Fork Community Development Council, Inc. All matters of policy will be decided by a simple majority of quorum of the Board of Directors.

- (3) Voting - Each member of the Board of directors, regardless of office or directorship type, shall have one (1) vote on all matters of expenditure and policy considered by the Board.
- (4) Individual Duty - Each member of the Board of Directors is expected to maintain a record of good attendance of the monthly, annual, and special meetings of the corporation. Each Director is responsible for remaining informed on community issues, and for truthfully responding to inquiries from the general public and from organizational members on the purposes, positions, and actions of the corporation. Where there is any doubt, directors are to refer to the Articles of Incorporation, By-laws, and minutes of the corporation. Each member of the Board of Directors is responsible for notifying the Secretary of the corporation of their correct legal address and phone number.
- (5) Collective supervision and Execution - The Board of Directors is collectively responsible for executing these By-Laws, holding meetings at such times and places as required by these By-Laws, and supervising all officers, agents, and employees of this corporation to assure that their duties are performed properly.
- (6) Unreserved Powers and Unspecified Duties - Subject to provisions of the California Nonprofit Public Benefit Corporation Law and limitations set forth in the Articles of Incorporation and By-Laws of the North Fork Community Development Council, Inc., the Board of Directors shall exercise all unspecified powers and duties necessary for the affairs and purposes of this corporation.

Section 4.5: Compensation

Members of the Board of Directors will not be compensated for time used in service of the corporation. Members of the Board of directors may be reimbursed for approved expenditures made on behalf of the corporation, and must submit a receipt or receipts that document the exact amount, date, place, and object of expenditure. The Board of Directors is authorized to make expenditures for training, lodging, and travel of directors, or members when it serves the purposes of the corporation and so long as there is no personal compensation for time and effort spent in service of the corporation.

Section 4.6: Conflict of Interest

Individuals serving on the Board of Directors shall refrain from any activity that is or creates an undue appearance of a conflict of interest. Specific instances of conflict of interest to be avoided are as follows:

- (1) Employment - No employee of the corporation may serve on the Board of Directors, except for the provision of ex officio Board of Director status granted to the executive director.
- (2) Self-Dealing - The Board of Directors shall not use the powers and finances of the corporation for any personal gain. In such cases where personal gain or self-dealing may be inferred, the affected member of the Board of Directors shall abstain from voting on matters of policy or expenditure and declare their potential conflict of interest.

Section 4.7: Vacancies and Replacement

- (1) Vacancy - Vacancies on the Board of Directors shall exist when there is a death, resignation, or removal of any Director or when the number of authorized Directors is increased.
- (2) Death or Resignation - If an individual is no longer able to serve on the Board of Directors, that individual (unless deceased) or the organization that individual represents shall give written notice of resignation and cause to the Chairman or Secretary of the corporation. Resignation shall be effective immediately upon notice unless otherwise specified in the notice of resignation.
- (3) Removal - A Director may be removed from the Board of Directors for flagrant violation of the By-Laws and/or failure to pay annual dues by the annual due date. A Director may also be removed for failure to attend 3 or more consecutive monthly meetings without cause and/or arranging for the attendance of an alternate. The Board of Directors may also declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or been found by final order of judgement of any court to have violated California statutes pertaining to Nonprofit Public Benefit Corporations. Expulsion for any of these causes requires a two-thirds (67%) affirmative vote of a quorum of the Board of Directors.
- (4) Replacement - Vacancies on the Board of Directors shall be filled by appointment made by either (a) the Board of Directors when a membership Director position is vacant, or (b) by the respective organizational member when an organizational Director position is vacant.

Board of Director appointments may only be made from among the individual full membership members, and shall be approved by the affirmative vote of a simple majority (51%) of a quorum of the Board of Directors. The Board of Directors may request by a two-thirds (67%) affirmative vote of a quorum that an organizational member replace its representative on the Board of Directors for any of the causes

specified in Section 4.7.3 or for insufficient connections and interest in North fork as defined under general conditions of membership in Section 3.2.

Appointment of vacant organizational Directors shall be conducted according to the By-Laws of the affected organization unless the vacancy of a Director position is caused by the withdrawal or termination of an organizational membership. In such a case, the Board of Directors may hold the position open until another organizational membership is secured or they may appoint an individual full member to serve as a Director, thereby converting that organizational director position to a membership director position filled by vote of the general membership at the next annual meeting when the appointed Director's term has expired. Such a conversion of Board position status requires a two-thirds (67%) affirmative vote of a quorum of the Board of Directors.

Section 4.8: Ex Officio Members of the Board of Directors

The Board of Directors may, as it deems necessary, appoint individuals from within and outside of the North Fork community to serve as non-voting ex officio members of the Board of Directors. Ex officio board members will be appointed for the purpose of observing Board meetings, speaking on issues at Board meetings, and coordinating between the North Fork Community Development Council, Inc. and other organizations and institutions with missions and purposes similar to the North Fork Community Development Council, Inc. Ex officio Board members may send an alternate in their absence. Ex officio Board positions may be created with the approval of a simple majority (51%) of a quorum of the Board of Directors. Initial ex officio Board positions have been offered to and accepted by:

- (1) The President or designated representative of the Coarsegold Resource Conservation District.
- (2) The Executive Director of the Madera County Economic Development Commission.
- (3) The Executive Director of the Workforce Development Office of Madera County.
- (4) The Madera County Supervisor representing the North Fork area.
- (5) The District Ranger of the U.S. Forest Service local district office or his appointed representative
- (6) The Executive Director of the North Fork Community Development Council, Inc.

ARTICLE V

Officers

Section 5.1: Titles, Election, and Terms

The officers of this corporation shall be a President, Vice President, Treasurer, and Secretary. Officers must be members of the Board of Directors, and may not hold more than one officer position. Officers will be elected by a plurality of the members of the Board of Directors to a one-year term. Election of officers shall occur at the first monthly meeting of the Board of Directors immediately following the annual meeting of the corporation.

Section 5.2: President

The President shall preside at all meetings of the Board of Directors. He or she shall have and exercise general charge and supervision of the affairs of the corporation and shall do and perform such other duties as may be assigned to him or her by the Board of Directors.

Section 5.3: Vice President

At the request of the President, or in the event of his or her absence or disability, the Vice President shall perform the duties and possess and exercise the powers of the President; and to the extent authorized by the By-Laws, the Vice President shall have such other powers as the Board of directors may determine, and shall perform such other duties as may be assigned to him or her by the Board of Directors.

Section 5.4: Treasurer

The Treasurer is the technical custodian of all funds and assets of the corporation. The Treasurer is responsible for maintaining all financial records of the corporation, including invoices, receipts, and cancelled checks from all expenditures and obligations of the corporation, and records of all deposit slips, gifts, grants, dues, and accounts receivable by the corporation. The Treasurer is also responsible for maintaining an inventory of the real and financial assets of the corporation.

The Treasurer shall give a financial report at least quarterly to the Board, and always at the annual meeting. The Treasurer shall, with the approval of the Board of Directors, designate the bank(s) in which funds shall be deposited and determine investment policies. If the Board of Directors deems it necessary, the Treasurer shall cause periodic audits of the corporation to be made by a certified public accountant.

Section 5.5: Secretary

The Secretary shall have charge of such books, documents, and papers as the Board of Directors may determine. Specifically, the Secretary shall maintain the official records of the corporation including the Articles of Incorporation, By-Laws, Minutes, and official membership lists. The Secretary shall attend and keep minutes of all meetings of the Board of Directors or arrange an alternate when that is not possible. The Secretary may sign with the President and Treasurer or, in the absence of the President, with the Vice President and Treasurer any contracts or agreements authorized by the Board of Directors. The Secretary shall perform all other duties incident to the office of Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned by the Board of Directors.

Section 5.6: Removal, Vacancies, and Replacement

An officer may be removed from office for failure to perform the prescribed duties of office, or for reasons of expulsion from membership or the Board of Directors. Such a removal will require a two-thirds (67%) affirmative vote of a quorum of the Board of Directors. Any vacancy created by such a removal shall be filled from among the remaining members of the Board of Directors by a plurality vote of the Board of Directors.

ARTICLE VI

Conduct of Meetings and Minutes

Section 6.1: Regular Meetings of the Board of Directors

The Board of Directors shall meet monthly. Notification of the time and location of each monthly meeting shall be submitted to the local media for publication in the issue immediately preceding the monthly meeting. The Secretary shall record and keep the minutes of these meetings.

Section 6.2: Quorum and Voting Rules

The number of Directors required to be present to constitute a quorum at all meetings of the Board of Directors shall be a majority of the directors then serving. The presence of a quorum shall be required for the transaction of all business except as specifically authorized herein. The act of a majority (51%) of the Directors present at any meeting for which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specified in these By-Laws.

The President or Vice President or an appointed meeting Chair shall preside over meetings of the Board of Directors, conducting them in accordance with Robert's Rules of Order, except in instances where they conflict with these By-Laws.

Section 6.3: Annual Meeting

The Annual Meeting of the Board of Directors and full membership of the North Fork community Development Council, Inc. shall be held at a time and place designated by the Executive Committee. The Annual Meeting shall be held during the first quarter of the fiscal year in the months of January, February or March. Notice of this meeting shall be given to all organizational and individual full members at least 30 days prior to its occurrence. Meeting notice for individual associate members shall be the responsibility of their constituent organizational members.

Section 6.4: Special Meetings

Special Meetings of the Board of Directors may be called by the President or the Executive Committee. The President and Executive Committee must call a special Meeting upon the written request of any three Directors.

Section 6.5: Meeting Notices

Meeting Notice is the responsibility of the Secretary of the corporation. Meeting Notice of time and place must be given to all organizational and individual full members 30 days in advance of the Annual Meeting. Meeting Notice of time and place must be published in the local media in the issue immediately prior to monthly meetings of the Board of directors. Meeting Notice must be attempted for all members of the Board of Directors prior to Special Meetings.

Section 6.6: Public Involvement

All meetings of the corporation, with the exception of Executive Session and Special Meetings, shall be open to public observation and will provide a period of public comment with time limits set by the Board of Directors. Individuals in the general public and general membership may obtain the special opportunity to speak at length by requesting that they be placed on a meeting agenda. Such a request must be made of any member of the Executive Committee at least 5 days prior to the meeting, unless it is a Special Meeting.

ARTICLE VII

Committees and Task Forces

Section 7.1: Executive Committee

The Executive Committee shall consist of the four officers of the corporation; the President, Vice President, Secretary and Treasurer. The Executive Committee shall be responsible for the day-to-day administration, management, and operation of the North Fork Community Development Council, Inc. The Executive Committee is authorized to approve meeting places and times, to call special meetings, and to unanimously approve expenditures no greater than \$200.00. The Executive Committee shall meet upon the call of the President.

Section 7.2: Standing Committees and Special Task Forces

The President may, with the approval of the Board of Directors, create Standing Committees and temporary Special Task Forces to address the issues and affairs of the corporation. With the Board's approval, the President shall appoint the membership of Standing Committees and Special Task Forces from among the individuals on the Board of Directors, in full membership, or among the associate members. All committee and task force appointments serve at the pleasure of the President, and are subject to reappointment by the President. All committees and task forces serve in an advisory capacity to the Board of Directors unless given other specific duties by the Board of Directors.

ARTICLE VIII

Financial Management and Records

Section 8.1: Membership Dues

To finance the operations of the corporation, the Board of Directors are authorized to set annual membership dues, varying by type of membership.

Section 8.2: Grants and Gifts

The North Fork Community Development Council, Inc., may, with the approval of the Board of Directors, apply for, receive, manage, and expend grants from the county, state, and federal governments for the purposes of the corporation and the grant. The North Fork Community Development Council, Inc. is also authorized to solicit, receive, manage and expend gifts and/or grants from individuals and philanthropic organizations for the purposes of the corporation and the donor.

Section 8.3: Checks and Deposits

The financial transactions of the corporation, consisting of drawn checks and deposits, shall be handled in the following manner:

- (1) Checks - All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of the North Fork Community Development Council, Inc. shall be signed by two Officers of the Executive Committee or by one officer of this committee and an authorized officer or agent of the corporation empowered by a resolution of the Board of Directors. The Executive Committee shall have the authority to approve all expenses or contracts for any single item or items of \$200.00 or less. All expenditures exceeding that amount must be approved by a vote of the Board of Directors.
- (2) Deposits - All dues, gifts, and grants shall be promptly deposited to the credit of the North Fork Community Development Council, Inc. in such banks or other depositories as may be selected by the Board of Directors.

Section 8.4: Corporate Records

The Officers of the corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board and members. The Officers shall also keep a record giving the name, address, and phone number of each Board member, and a record listing the names and addresses of all organizational and individual full members. All books and records may be inspected by any organizational or individual full member for any purpose at any reasonable time.

Section 8.5: Fiscal Year and Annual Report

The Fiscal Year of the corporation shall begin and end with the calendar year, beginning January 1 and ending December 31. At the end of each fiscal year, an Annual Report will be prepared for presentation at the Annual Meeting.

Section 8.6: Contracts and Purchases

The Directors and Officers of the corporation may freely make contracts, enter transactions or otherwise act for and on behalf of the corporation; provided, however, that any contract, transaction, or purchase on behalf of the corporation in a matter in which the Directors and Officers are personally interested shall be at "arm's length" and shall not violate the proscription of these By-Laws against conflict of interest (Section 4.6).

Section 8.7: Employees

The Board of Directors may hire employees for the corporation, in compliance with all state and federal requirements for employers. Employees may be an Executive Director, hired by the Board of Directors, or employees hired by the Executive Director and approved by the Board of Directors.

- (1) Executive Director - Conditioned upon sufficient funds, the Board of Directors shall employ an Executive Director upon such terms as it shall determine from time to time. The Executive Director shall be the chief executive officer charged with the general business affairs of the corporation and generally shall perform such duties as determined by the Board of Directors. The Executive Director shall serve as advisor to the President, the Executive Committee, and the Board of Directors. He or she shall be an Ex Officio member of the Board of Directors and a non-voting member of all committees and task forces. The Executive Director shall have the power to bind the corporation by any contract or agreement in the ordinary course of operations, subject to constraints of the budget and authorization of the Board of Directors.
- (2) Other Employees - Within the policy and budget authorized by the Board of Directors, the Executive Director may hire employees and appoint representatives of the corporation to perform activities and duties on behalf of the corporation.

Section 8.8: Asset Management and Disposition

With the approval and guidance of the Board of Directors, the Treasurer shall be responsible for the management and disposition of corporate assets. The sale, lease, or exchange of all, or substantially all, the property and assets of the corporation may be made, for such consideration which may consist in whole or in part of money or property, real or personal, including shares of any corporation for profit, upon the affirmative vote of two-thirds majority (67%) of the Board of Directors.

ARTICLE IX

Adoption and Amendments to By-Laws

These By-Laws will be adopted by the affirmative vote of a simple majority (51%) of the initially elected and appointed Board of Directors.

These By-Laws may be altered, amended, repealed, or added to by the affirmative vote of a two-thirds (67%) majority of a quorum of the Board of Directors. Amendments to the By-Laws can be made at any monthly meeting, special meeting, or at the annual meeting with the understanding that the power to amend is reserved by the Board of Directors, and not available to any separate segment of the corporation membership. Each membership must work through its representation on the Board of Directors to pursue amendments.

Prior to any consideration of amendments at a monthly, special or annual meeting, written notice shall be sent to each member of the Board of Directors. Such notice shall not be sent less than 10 days before the meeting, and shall state the amendments, additions, or changes that are proposed for the By-Laws.

ARTICLE X

Indemnification and Non-Liability

Any member of the Board of Directors, or officer, employee, or agent of the North Fork Community Development Council, Inc. so designated by the Board of Directors, who was or is involved or threatened to be involved, as a party or otherwise, in any threatened, pending or completed action, suit, or proceeding including any appeal related thereto, whether criminal, civil, administrative or investigative (other than an action by or in the right of the North Fork Community Development Council, Inc.) by reason of the fact that he or she is or was an officer, employee or agent of the North Fork Community Development Council, Inc., shall in accordance with this Article X be indemnified by the North Fork Community Development Council, Inc. against expenses (including attorney's fees), judgements, fines and amounts paid in settlement, actually and reasonably incurred in connection with such action, suit, or proceeding of the defense thereof, if he or she acted in good faith in a manner reasonably believed to be in or not opposed to the best interests of the North Fork Community Development Council, Inc., and, with respect to any criminal action or proceeding, has reasonable cause to believe that the conduct was unlawful. The termination of any action, suit or proceeding by judgement, order, settlement, conviction, or upon a plea to 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 was reasonably believed to be in or not opposed to the best interests of the North Fork Community Development Council, Inc.

Within five days after the institution of an action, suit, proceeding, or investigation, the person seeking indemnity shall give the Board of Directors written notice thereof, together with a copy of any complaint or declaration filed therein.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the North Fork Community Development Council, Inc. in advance of the final disposition of such

action, suit or proceeding as authorized in the specific case upon receipt of an undertaking by or on behalf of the person seeking indemnification, to repay such amount unless it shall ultimately be determined that indemnification is authorized in accordance with this Article X.

Individuals serving on the Board of Directors or as employees of the North Fork Community Development Council, Inc. shall not be personally liable for debts, liabilities, or other obligations of the corporation.