

EIN Number: 37-1551174

BY-LAWS
OF
THE SANGRE DE CRISTO ACEQUIA ASSOCIATION
A Colorado Nonprofit Corporation
As Amended and Restated February 2017

ARTICLE 1
OFFICES

1.1 The principal office of the Corporation shall be located at its principal place of business in Costilla County, Colorado or such other place as the Board of Directors may designate. The Corporation may have such other offices, either within or outside the State of Colorado, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

1.2 The registered office of the corporation shall have and be continuously maintain in the State of Colorado, a registered office and a registered agent whose office is identical with such registered office. The registered office may be, but not need be identical with the principle office in the State of Colorado, and the address of the registered office may change from time to time by the Board of Directors.

ARTICLE 2
MEMBERSHIP

2.1 As set forth in the Amended and Restated Articles of Incorporation, the Corporation shall have one class of members.

2.2 Membership shall be open to all Acequias in the four counties of Costilla, Conejos, Huerfano and Las Animas, as recognized in CRS 7-42-101.5.

2.3 To exercise membership status, an Acequia must designate one voting delegate from its water users on an annual basis, which designation shall be made through a written application initiated by the Association by February 1st and completed by member applicants by May 1st each year. The requisite form shall be sent to all Acequias as defined in 2.2 above and shall include a place to list the name and contact information for the Acequia's voting delegate. The form shall also include an option for an Acequia to decline membership in the Association. The completed form shall be signed by the President of the Acequia. This membership process will commence in 2018 and annually thereafter.

2.4 When the closing date of May 1st has passed, the Board of Directors shall adopt the delegate slate submitted by the members and update its record of active members and their voting delegates for the succeeding year.

2.5 The same delegate may be named in consecutive years by a member Acequia; however, a delegate may represent only one Acequia per year.

2.6 The annual meeting of the Membership shall take place at a time and place established by the Board of Directors, in accordance with the Articles of Incorporation. At that meeting, the voting delegates will elect directors to fill any open seats on the Association's Board of Directors, as more specifically set out in 3.5 below.

ARTICLE 3 BOARD OF DIRECTORS

3.1 General Powers. The business and affairs of the Corporation shall be conducted under the direction of, and the control and disposal of the Corporation's properties and funds shall be vested in, its Board of Directors, except as otherwise provided in the Colorado Nonprofit Corporation Act or the Corporation's Articles of Incorporation.

3.2 Qualifications. Directors shall be individuals who have reached the age of majority (18) and shall have such other qualifications as set forth below or as the Board of Directors may prescribe by resolution or amendment to these Bylaws from time-to-time.

3.3 Duties of Directors. Each director shall perform the duties of a director, including the duties as a member of any committee of the Board of Directors upon which the director may serve, in good faith, in a manner that such director believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

3.4 Number of Directors. The Board of Directors shall consist of a minimum of five (5) and not more than eleven (11) directors. The number of directors shall be set from time to time by a majority vote of the entire Board of Directors, unless otherwise increased or decreased as hereinafter provided. The number of directors may be increased or decreased (within the stated limits) at any time and from time to time by a majority vote of the Board of Directors or by amendment to these Bylaws, provided that no decrease in the number of directors shall have the effect of shortening the term of any incumbent director.

3.5 Election. Unless the Board of Directors is reducing the number of directors as provided in these Bylaws, a successor to replace each director whose term is ending shall be elected at the annual meeting of the members, or such later time as a quorum of members can be gathered, by a majority vote of members present. Letters of intent to seek a nomination to the Board of Directors or written recommendations for potential nominees from directors of the Board or from the membership shall be submitted to the Board at least two months in advance of the annual meeting of the members. These names shall be processed by the Nominating Committee of the Board in accordance with the Nominating Committee procedures set out in 3.12 below, with a slate of final nominees presented to the members at the annual meeting.

3.6 Class of Members and Term of Office. The Board of Directors shall have two (2) classes of members. Class I members will be the majority of the Board of Directors and shall be limited to surface water users using water from acequias in Southern Colorado, as defined by Colorado law. Class II members will be the minority of the Board of Directors and may include one or more members-at-large or representatives from community partners who will serve in a service capacity to further the mission of the Association. When elected, each Director shall serve for a term of two (2) years and until their successors are elected and qualified or until their death, resignation or removal. Director terms will be staggered so that no more than one-half of the Directors shall be up for election at each annual meeting. Any director, including the initial directors, may serve an unlimited number of terms, including successive terms, and shall not be disqualified by reason of having served previously as a director.

3.7 Increase in Numbers. If the Board of Directors increases the number of directors as provided in these Bylaws, any such new position may be temporarily filled by the affirmative vote of a majority of the remaining Board of Directors until the next annual meeting of the members.

3.8 Vacancies. The Board of Directors, under the guidance of the Nominating Committee established in 3.13 below, may appoint an individual to fill any vacancy in the position of director by the affirmative vote of a majority of the remaining directors. A director who fills a vacancy shall serve for the unexpired term of his or her predecessor in office.

3.9 Resignation. Any director may resign at any time by delivering notice in the form of a record to the president or the secretary at the principal office of the Corporation, or by giving such notice at any meeting of the Board of Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective; provided however, that if the resignation would result in the Corporation having no director or no director capable of serving as such, the resigning director shall continue to serve as a director until a successor director is appointed and qualified as provided in these Bylaws or by resolution of the Board of Directors.

3.10 Removal. At any regular meeting, or at any special meeting called expressly for that purpose, the Board of Directors may remove from office, with a majority vote of the directors, one or more directors as long as there is at least one director remaining after such removal. A director may be removed for failure to perform the duties of director, including but not limited to having four unexcused absences from regular meetings during a calendar year.

3.11 Compensation. Directors shall not receive compensation for their services as such, although the reasonable expenses of directors directly incident to their duties as directors may be paid or reimbursed by the Corporation according to policies adopted by the Board from time-to-time as such funds are available. Directors shall not be disqualified from receiving reasonable compensation for services rendered to or for the benefit of the Corporation in any other capacity, so long as such payments do not violate the Conflict of Interest policy of the Corporation.

3.12 Standing or Temporary Committees. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint from among its members one or more standing or temporary committees, each of which shall:

- (a) Consist of two (2) or more directors;
- (b) Be governed by the same rules regarding meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements as apply to the Board of Directors; and
- (c) To the extent provided in such resolution, have and may exercise the authority of the Board of Directors in the management of the Corporation; provided, however, that the Board of Directors may not delegate its authority to:
 - (i) Amend, alter, or repeal these Bylaws;
 - (ii) Elect, appoint, or remove any member of any such committee or any director or officer of the Corporation;
 - (iii) Amend the Articles of Incorporation;
 - (iv) Adopt a plan of merger or consolidation with another Corporation;
 - (v) Authorize the sale, lease, or exchange of all or substantially all of the property and assets of the Corporation, not in the ordinary course of

- business;
- (vi) Authorize the voluntary dissolution of the Corporation or revoke proceedings therefore;
- (vii) Adopt a plan for the distribution of the assets of the Corporation; or
- (viii) Amend, alter, or repeal any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee.

The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it by law. The Board of Directors shall have the power at any time to change the members of any such committee, to fill vacancies, and to discharge any such committee.

3.12.1 Resignation of Committee Member. Any member of any committee may resign at any time by delivering notice thereof, in the form of a record, to the president, the secretary or the chairperson of such committee, or by giving such notice at any meeting of such committee. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.12.2 Removal of Committee Member. The Board of Directors, by resolution adopted by a majority of the directors in office, may remove from office any member of any committee elected or appointed by it.

3.13 Nominating Committee. There shall be a standing Nominating Committee of the Board to assist with selection of nominees for open positions on the Board of Directors. Said Committee shall be formed and operate in accordance with the committee formation guidelines set forth in 3.12 above, except that the committee shall be composed of at least 3 (three) or more persons and shall be activated at least 3 months prior to the annual meeting of the members.

3.13.1 The Nominating Committee is authorized to carry out the following actions to assist the Board in identifying and screening applicants to serve as Directors of the Board:

a) Seek from the Board the number of open seats and any specific qualifications and characteristics needed or desired for filling such seats at the upcoming election for Directors during the annual meeting of the members;

b) Oversee dissemination of information about the nominations process in advance of each annual election cycle, seek recommendations for nomination from the Board, the members, the advisors and such other sources as it deems appropriate, and receive letters of intent from potential nominees, in accordance with 3.5 above;

c) Review the letters of intent from potential nominees and any other written recommendations for nominees received from the Board and membership, and complete reasonable inquiries to determine their qualifications and fitness for a Director opening;

d) Prepare a slate of nominees, with the consent of each nominee, for the Board's approval, at least 14 days in advance of the annual membership meeting.

e) Recommend to the Board persons to fill vacancies on the Board that occur between annual meetings of the members, due to resignation, death or removal as set forth above.

3.14 Conflict of Interest. No board member, staff or volunteer may participate in any decision-making process when said person or members of his/her immediate family, or any party, group, or organization to which said person has allegiance, may have an interest that may be seen as

competing with the interests or concerns of the Sangre deCristo Acequia Association.

3.14.1 Board members, staff and volunteers must weigh carefully all circumstances in which there exists the possibility of accusations of competing interest. Board members and staff shall disclose to the board any possible conflict of interest and any and all relevant information pertaining to the possible conflict and may not participate in any decision-making process related to the matter in which there may be a conflict of interest. Further, board members and staff shall excuse themselves from the room when there is any deliberation and decision on the matter of interest.

3.14.2 The minutes of the board and/or committee meetings shall reflect that the conflict of interest was disclosed and that the interested person was not present during the deliberation and decision on the matter of interest. In the event of possible conflict of interest in a decision-making process at the level of management, the executive director shall report to the board in writing that the conflict of interest was disclosed and that the interested person was not in the room and did not participate in the formal deliberation and decision on the matter of interest.

3.14.3 Notwithstanding the above, the board may waive the foregoing restrictions and allow a board member or staff member with a conflict of interest to join in such portion of the discussion on the matter of interest as the board deems appropriate.

3.14.4 Board members, staff and volunteers shall not use their program relationship for personal or professional gain. Furthermore, board members, staff, paid consultants and volunteers are prohibited from having direct or indirect financial interest in the assets, leases, business transactions, or professional services of the Association.

3.14.5 When there is doubt as to whether a conflict of interest exists, the matter shall be resolved by majority vote of the board, excluding person(s) who may have the conflict.

3.14.6 This policy shall be reviewed at the first meeting of duly elected board members, annually with all staff, and with each new staff member at the time of his/her hire. Copies of this policy shall be given to each board member and staff member.

ARTICLE 4 MEETINGS OF BOARD OF DIRECTORS

4.1 Annual Meeting. The annual meeting of the Board of Directors shall be held at such time and place as the directors set each year and may, should the directors so determine, be held in conjunction with the annual membership meeting. This meeting shall be for the purpose of electing officers and for transacting such other business as may properly come before the meeting. The failure to hold an annual meeting at the time stated in these Bylaws does not affect the validity of any corporate action.

4.2 Place of Meetings. All meetings shall be held at the registered office of the Sangre deCristo Acequia Association in San Luis, Colorado, unless otherwise determined as follows. The meetings may also from time to time take place at the principal office of the Corporation or at such other place within or without the State of Colorado designated by the Board of Directors, by any persons entitled to call a meeting or by a waiver of notice executed by all directors.

4.3 Regular Meetings. By resolution, the Board of Directors may specify the date, time and place for the holding of regular meetings of the Board of Directors or any committee designated by the Board of Directors without any notice other than such resolution. If no such resolution is adopted, then the Board of Directors may call meetings pursuant to the notice provisions set forth in Sections 4.9 and 4.10.

4.4 Special Meetings. Special meetings of the Board of Directors or any committee designated by the Board of Directors may be called by or at the request of the president or any one or more of the directors in office, or in the case of a committee meeting, by the chair of the committee. The person or persons authorized to call special meetings may fix the place, either within or without the State of Colorado, and time for holding any special Board of Directors or committee meeting called by them. Notice of a special meeting shall be given as provided in Sections 4.9 and 4.10.

4.5 Participation by Telephone. Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of such Board of Directors or committee by means of a conference telephone or similar communications equipment by which means all persons participating in the meeting can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

4.6 Presumption of Assent. A director present at a Board of Directors meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless:

- (a) The director's dissent or abstention from the action taken is entered in the minutes of the meeting;
- (b) The director delivers his or her dissent or abstention to such action to the person acting as the secretary of the meeting before the adjournment thereof; or
- (c) The director delivers such dissent or abstention to the secretary of the Corporation, immediately after the adjournment of the meeting.

Notwithstanding the foregoing, such right to dissent or abstain shall not apply to a director who voted in favor of such action.

4.7 Quorum. Unless a greater portion is required by these Bylaws, the Articles of Incorporation, or applicable Colorado law, a majority of the directors then in office shall constitute a quorum for the transaction of business or any particular item of business at any Board of Directors meeting. If a quorum is not present at a meeting, a majority of the directors present may adjourn the meeting and set a date and time for the meeting to reconvene without further notice.

4.8 Manner of Acting. Each director shall be entitled to one (1) vote and the act of the majority of the directors present at a meeting at which there is a quorum shall be the act of the Board of Directors, unless the act of a greater number is required by these Bylaws, the Articles of Incorporation or applicable Colorado law. A director may not vote or act by proxy at any meeting of directors.

4.9 Notice of Meetings. The dates, times and locations of regular meetings shall be tentatively set at the annual meeting. For any meeting of the Board of Directors or any committee designated by the Board of Directors for which notice is required by these Bylaws or by applicable Colorado law, a notice stating the place, date, and hour of the meeting shall be delivered to each director at his or her address shown on the records of the Corporation in a tangible medium (e.g., a letter or facsimile) or by an electronic transmission (e.g., email, as provided in Section 4.10). The method of notice need not be the same to each director. Such

notice shall be delivered at least ten (10) days prior to the meeting. If notice is delivered in a tangible medium, it may be transmitted by: mail, private carrier, or personal delivery; telegraph or teletype; or telephone, wire, or wireless equipment that transmits a facsimile of the notice. If mailed, the notice shall be deemed delivered when deposited in the United States mail addressed to the director at his or her address as it appears on the records of the Corporation with postage thereon prepaid. Other forms of notice in a tangible medium described in this paragraph are effective when received. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors or any committee designated by the Board of Directors need be specified in the notice, unless otherwise required by the Articles of Incorporation, these Bylaws or state law. Notice of upcoming meetings can also be made by approval of the majority vote by the Board of Directors during a regularly scheduled board meeting and this will be annotated into the minutes of that regularly scheduled meeting.

4.10 Notice by Electronic Transmission. If notice is provided in an electronic transmission, it must satisfy the following requirements:

(a) Notice to directors in an electronic transmission that otherwise complies with these Bylaws is effective only with respect to directors who have consented in writing to receive notices by electronic transmission.

- (i) Notice to directors includes material that these Bylaws require or permit to accompany the notice.
- (ii) A director who provides consent in writing to receipt of notices by electronic transmission shall designate in the consent the message format accessible to the recipient, and the address, location, or system to which these notices may be sent by electronic transmission.
- (iii) A director who has consented to receipt of notices by electronic transmission may revoke the consent by delivering a revocation to the Corporation in writing.
- (iv) The consent of any director is revoked if the Corporation is unable to deliver two consecutive notices by electronic transmission in accordance with the consent, and this inability becomes known to the secretary of the Corporation or other person responsible for giving the notice. The inadvertent failure by the Corporation to treat this inability as a revocation does not invalidate any meeting or other action.

(b) Notice to directors who have consented to receipt of notices by electronic transmission may be provided by posting the notice on an electronic network and delivering to the director a separate record of the posting, together with instructions regarding how to obtain access to this posting on the electronic network.

(c) Notice provided in an electronic transmission is effective when it:

- (i) Is given by electronic transmission to an address, location, or system designated by the recipient for that purpose, and is made pursuant to the consent provided by the recipient or
- (ii) Has been posted on an electronic network and a separate record of the posting has been delivered to the recipient together with

instructions regarding how to obtain access to the posting on the electronic network.

4.11 Waiver of Notice

4.11.1 Waiver by Communication. Whenever any notice is required to be given to any director under the provisions of these Bylaws, the Articles of Incorporation or applicable Colorado law, a waiver thereof in the form of a record executed by the director entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. 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 waiver of notice of such meeting.

4.11.2 Waiver by Attendance. Attendance of a director or a committee member at a meeting shall constitute a waiver of notice of such meeting, except where a director or a committee member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

4.12 Actions by Unanimous Consent in Lieu of Meeting

Any corporate action required or permitted by the Articles of Incorporation or Bylaws, or by the laws of the state of Colorado, to be taken at a meeting of the directors of the Corporation or at a meeting of a committee of the Board of Directors may be taken without a meeting if a consent, in the form of a record setting forth the action so taken, shall be executed by all of the directors or all of the members of the committee, as the case may be, entitled to vote with respect to the subject matter thereof. Such consents may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Such consent shall have the same force and effect as a unanimous vote, and may be described as such. Any such consent shall be inserted in the minute book as if it were the minutes of a meeting of the Board of Directors.

ARTICLE 5 BOARD OF ADVISORS

The Board of Directors may establish a Board of Advisors. The Board of Advisors shall have such qualifications, serve for such terms and be elected or appointed in such manner as the Board of Directors may prescribe by resolution or amendment to these Bylaws. The Board of Directors may, in carrying out its duties and exercising the powers vested in it by these Bylaws, consult the Board of Advisors at any time and from time to time; provided that, the Board of Advisors (i) shall not possess the rights, powers or duties conferred on directors of the Corporation under the provisions of the Corporation's Articles of Incorporation, these Bylaws, or the Act; and (ii) shall not be vested with authority to direct the actions of the Board of Directors regarding the business and affairs of the Corporation.

ARTICLE 6 OFFICERS AND EXECUTIVE DIRECTOR

6.1 Positions. The officers of the Corporation shall consist of a president, one or more vice presidents, a secretary, and a treasurer, each of whom shall be elected by the Board of Directors. Other officers and assistant officers may be elected or appointed by the Board of Directors, such officers and assistant officers to hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as may be provided by resolution of the Board of Directors. Any officer may be assigned by the Board of Directors any additional title that the Board of Directors deems appropriate. Any two or more offices may be held by the same person, except the offices of president and secretary.

The Board of Directors in its discretion may elect a chair from amongst its members to serve as chair of the Board of Directors, who, when present, shall preside at all meetings of the Board of Directors, and who shall have such other powers as the Board may determine.

6.2 President. The president shall be the chief executive officer of the Corporation and, subject to the direction and control of the Board of Directors, shall have general supervision of the business and affairs of the Corporation. Unless a chair of the Board of Directors has been elected, the President shall preside at meetings of the Board of Directors. The president shall sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the president shall perform all duties incident to the office of president and such other duties as are assigned to him or her by the Board of Directors from time to time.

6.3 Vice Presidents. The Board of Directors shall elect one or more vice presidents who shall assist the president in carrying out the programs of the Corporation. In the event of the death of the president or his or her inability to act, the vice president (or if there is more than one vice president, the vice presidents in the order designated by the Board of Directors) shall perform the duties of the president, except as may be limited by resolution of the Board of Directors, with all the powers of and subject to all the restrictions upon the president. Vice presidents shall have, to the extent authorized by the president or the Board of Directors, the same powers as the president to sign deeds, mortgages, bonds, contracts or other instruments. Vice presidents shall perform such other duties as from time to time may be assigned to them by the president or the Board of Directors.

6.4 Secretary. The secretary shall be responsible for ensuring that minutes of meetings of the Board of Directors are recorded and maintained, and to the extent minutes of meetings of committees of the Board of Directors are recorded, that such minutes are maintained; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of the Corporation or appoint such person or entity as is appropriate to act as such custodian; ensure that records are kept of the name and address of each director and of each voting delegate of the member Acequias; sign with the president, or other officer authorized by the president or the Board of Directors, deeds, mortgages, bonds, contracts, or other instruments; and 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 president or the Board of Directors.

6.5 Treasurer. The treasurer shall have charge of and be responsible for all funds and securities of the Corporation; ensure that monies due and payable to the Corporation from any source whatsoever are properly received and that receipts are given for said monies; ensure that all such monies are deposited in the name of the Corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of treasurer and such other duties as may be assigned to him or her by the president or the Board of Directors. If requested by the Board of Directors, at the Corporation's expense, the treasurer shall give a bond for the faithful discharge of his or her duties in such amount and with such surety or sureties as the Board of Directors may determine.

6.6 Election and Term of Office. The officers of the Corporation shall be elected each year by the Board of Directors at its annual meeting. Unless an officer dies, resigns, or is removed from office, he or she shall hold office until the next annual meeting of the Board of Directors or, if later, until his or her successor is elected.

6.7 Vacancies. A vacancy in any office created by the death, resignation, removal, disqualification or creation of a new office, or any other cause, may be filled by the Board of Directors for the unexpired portion of the term or for a new term established by the Board of Directors.

6.8 Resignation. Any officer may resign at any time by delivering notice to the Board of Directors in the form of a record. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

6.9 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed from office, with or without cause, by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

6.10 Compensation; Contract Rights. The salaries, if any, of the officers shall be limited to reasonable compensation for services, as fixed from time to time by the Board of Directors or by any person or persons to whom the Board of Directors has delegated such authority. No officer shall be prevented from receiving a salary by reason of the fact that he or she is a director of the Corporation. Officers may also receive reimbursement for reasonable expenditures incurred on behalf of the Corporation. Election or appointment of an officer shall not of itself create contract rights.

6.11 Executive Director. The Board of Directors may appoint an Executive Director who shall serve at the pleasure of the Board, and who shall be accountable to the Board of Directors. The Executive Director shall have general administrative and management responsibility for the operations of the Corporation. The Executive Director may hire or contract with such staff as is necessary to fulfill the purposes of the Corporation, and shall supervise such staff and perform such other duties as are assigned by the Board.

ARTICLE 7 INDEMNIFICATION

7.1. Scope of Indemnification. The Corporation shall indemnify each person who is or was a director or officer of the Corporation, and shall pay or reimburse in advance his or her expenses, to the fullest extent permissible under the Colorado Revised Nonprofit Corporation Act (the "Act"). The Corporation shall also indemnify each person who is or was an employee or volunteer of the Corporation, and shall pay or reimburse in advance his or her expenses, to the same extent as trustees and officers of the Corporation. The Corporation in its discretion may also purchase insurance insuring its obligations hereunder or otherwise protecting the persons intended to be protected by this Section. In the event of the repeal or modification of this Section, such action shall not adversely affect any right of indemnification already existing at the time of such repeal or modification, for any person who is or was a director, officer, employee or volunteer of the Corporation at the time of such repeal or modification. The Corporation shall have the right, but shall not be obligated, to indemnify any agent of the Corporation not otherwise covered by this Section to the fullest extent permissible under the Act.

7.2 Savings Clause and Limitation. If any provision of the Act or these Bylaws dealing with indemnification is invalidated by any court on any ground, then the Corporation shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any applicable provision of the Act or these Bylaws that has not been invalidated. Notwithstanding any other provision of these Bylaws, the Corporation shall neither indemnify any person nor advance expenses or purchase any insurance in any manner or to any extent that would jeopardize or be inconsistent with the Corporation's qualification as an organization described in sec. 501(c)(3) of the Internal Revenue Code, or that would result in the imposition of any liability under either sec. 4941 or sec. 4958 of the Internal Revenue Code.

Helmer Valpando

Benigno