

**DEL WEBB AT TRADITIONS HOMEOWNERS ASSOCIATION, INC.
RESOLUTION 2025-01**

That the following resolution was adopted by the Board of Directors of Del Webb at Traditions Homeowners Association, Inc. (hereinafter "Association") as indicated below:

THAT WHEREAS, the Board of Directors has the authority to amend the Bylaws of the Association pursuant to Section 13.01 of the Bylaws by a majority vote of the Board;

THAT WHEREAS, the Board of Directors has determined that a minor change to the Bylaws would be in the best interest of the Association and should be adopted;

BE IT THEREFORE RESOLVED that the Board of Directors of the Association hereby approves the following change and amendment to the Bylaws of the Association:

1) Section 7.02 (Election of Officers) of the Bylaws is deleted and is hereby replaced with the following Section 7.02:

The election of officers shall take place at the first meeting of the new Board following each annual meeting of the Members.

The foregoing action was approved by a majority of the Board of Directors of the Association on the 13th day of January 2025.

**DEL WEBB AT TRADITIONS
HOMEOWNERS ASSOCIATION, INC.**

By: Donald R. Miller
Donald Miller, President

ATTEST:
Julie Brown
Julie Brown, Secretary

Date: 1-27-2025

Brigitte Hanes
Brigitte Hanes, Director

Dillard Keels
Dillard Keels, Director

Michael Franceschelli
Michael Franceschelli, Director

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RESOLUTION 2023-01**

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THAT WHEREAS, the Board of Directors has determined that a minor change to the Bylaws would be in the best interest of the Association and should be adopted;

BE IT THEREFORE RESOLVED that the Board of Directors of the Association hereby approves the following change and amendment to the Bylaws of the Association:

1) Section 4.01 (b) of the Bylaws is deleted and is hereby replaced with the following Section 4.01 (b):

(b) At such time as Declarant no longer has the right to appoint and remove all members of the Board as provided in the Declaration, the Board will be increased to five (5) members. The President of the Association will thereupon call a meeting of the Members of the Association where the Members will elect one (1) Director for a three (3) year term, two (2) Directors for a two (2) year term, and two (2) Directors for a one (1) year term. Upon expiration of the term of a Director elected by the Members pursuant to this Section 4.01(b), his or her successor will be elected for a term of two (2) years. An elected Director's term shall commence on the first day of January following the election in which the Director was elected. An appointed Director takes office upon the adjournment of the meeting at which the Director is appointed. Directors, absent death, ineligibility, resignation, or removal will hold office until their successor is elected or appointed.

The foregoing action was approved by a majority of the Board of Directors of the Association on the _____ day of April 2023.

**DEL WEBB AT TRADITIONS
HOMEOWNERS ASSOCIATION, INC.**

By: _____
Jeffrey Berman, President

ATTEST:

Elizabeth (Libby) White, Secretary

Date: _____

Howard Davis, Director

Russell Lawrence, Director

Marc Opfell, Director

**BYLAWS
OF
DEL WEBB AT TRADITIONS HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
INTRODUCTION**

The name of the corporation is Del Webb at Traditions Homeowners Association, Inc., hereinafter referred to as the “**Association**.” The principal office of the Association shall be located in Wake County, North Carolina, but meetings of the Association’s members and its directors may be held at such places within Wake County, North Carolina, or elsewhere as may be designated by the Association’s Board of Directors.

The Association is organized to be a non-profit corporation.

Notwithstanding anything to the contrary in these Bylaws, a number of provisions are modified by the Declarant’s reservations in that certain Declaration of Covenants, Conditions and Restrictions for Del Webb at Traditions, recorded in the Register of Deeds of Wake County, North Carolina, as it may be amended from time to time, including the number, qualification, appointment, removal, and replacement of members of the Association’s Board of Directors.

**ARTICLE II
DEFINITIONS**

Unless the context otherwise specifies or requires, the following words and phrases when used in these Bylaws shall have the meanings hereinafter specified:

Section 2.01. Act. “Act” shall mean the North Carolina Nonprofit Corporation Act.

Section 2.02. Articles. “Article” or “Articles” shall mean Articles of Incorporation for Del Webb at Traditions Homeowners Association, Inc.

Section 2.03. Assessment. “Assessment” or “Assessments” shall mean assessment(s) levied by the Association under the terms and provisions of the Declaration.

Section 2.04. Association. “Association” shall mean Del Webb at Traditions Homeowners Association, Inc., a North Carolina non-profit corporation.

Section 2.05. Association Property. “Association Property” shall mean all real or personal property now or hereafter owned by the Association, including without limitation, all easement estates, licenses, leasehold estates and other interests of any kind in and to real or personal property which are now or hereafter owned or held by the Association.

Section 2.06. Association Rules. “Association Rules” shall mean the rules and regulations adopted by the Board pursuant to the Declaration, as the same may be amended from time to time.

Section 2.07. Board. “Board” shall mean the Board of Directors of the Association.

Section 2.08. Bylaws. “Bylaws” shall mean these Bylaws, as the same may from time to time be amended.

Section 2.09. Declarant. “Declarant” shall mean Pulte Home Company, LLC, a Michigan limited liability company, and its duly authorized representatives or their successors or assigns; provided that any assignment of the rights of Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment.

Section 2.10. Declaration. “Declaration” shall mean the Declaration of Covenants, Conditions and Restrictions for Del Webb at Traditions, recorded in the Register of Deeds of Wake County, North Carolina, as it may be amended from time to time.

Section 2.11. Development. “Development” shall mean the real property subject to the terms and provisions of the Declaration and the residential improvements constructed thereon.

Section 2.12. Lot. “Lot” shall mean “Lot,” as defined in the Declaration..

Section 2.13. Majority. “Majority” shall mean more than half.

Section 2.14. Manager. “Manager” shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated the duties, powers, or functions of the Association.

Section 2.15. Member. “Member” or “Members” shall mean any person(s), entity or entities holding membership privileges in the Association as provided in the Declaration.

Section 2.16. Mortgage. “Mortgage” or “Mortgages” shall mean any mortgage(s) or deed(s) of trust covering any portion of the Property given to secure the payment of a debt.

Section 2.17. Mortgagee. “Mortgagee” or “Mortgagees” shall mean the holder or holders of any lien or liens upon any portion of the Property.

Section 2.18. Owner. “Owner” or “Owners” shall mean the person(s), entity or entities, including Declarant, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage.

Section 2.19. Restrictions. “Restrictions” shall mean the Declaration, any Supplemental Declaration, any other rules and regulations adopted by the Architectural Reviewer or the Association, the Articles of Incorporation and the Bylaws of the Association, as the same may be amended from time to time.

Section 2.20. Capitalized Terms. All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Declaration.

ARTICLE III MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 3.01. Membership. Each Owner is a Member, as more fully set forth in the Declaration.

Section 3.02. Place of Meetings. Meetings of the Association shall be held where designated by the Board, either within the Development or as convenient as possible and practical.

Section 3.03. Annual Meetings of Members. The first annual meeting of the Association shall be held within one (1) year from the date of incorporation of the Association. The Board shall set subsequent regular annual meetings so as to occur on a date and time determined by the Board.

Section 3.04. Special Meetings. Special meetings of Members may be called in accordance with Chapter 55A-7 of the Act.

Section 3.05. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally, by mail or by electronic delivery (i.e., email), to each Member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the President, the Secretary, or the officers or persons calling the meeting. In the case of a special meeting, or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage prepaid.

Section 3.06. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting by a Member shall be deemed waiver of notice of all business transacted at such meeting unless an objection by a Member on the basis of lack of proper notice is raised before the business is put to a vote.

Section 3.07. Adjournment of Meetings. If any Association meeting cannot be held because a quorum is not present or for any other reason as determined in the discretion of the Board, a Majority of the Members who are present in person or by proxy at such meeting may adjourn the meeting to a time not more than sixty (60) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those present in person or by proxy at the original meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Members to leave less than a quorum.

Section 3.08. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated by reference.

Section 3.09. Methods of Voting: In Person; Proxies; Absentee Ballots. On any matter as to which a Member is entitled personally to cast the vote for his Lot, such vote may be cast in person, by proxy or by absentee ballot as provided in this Section 3.09:

(a) A Member's vote by proxy is subject to any limitations of North Carolina law relating to the use of general proxies and subject to any specific provision to the contrary in the Declaration or these Bylaws. No proxy shall be valid unless signed by the Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Proxies shall be valid only for the specific meeting for which given and for lawful adjournments of such meeting. In no event shall a proxy be valid more than sixty (60) days after the date

of the original meeting for which it was given. Every proxy shall be revocable and shall automatically cease upon conveyance of the Lot for which it was given.

(b) A Member's vote by absentee ballot is subject to any limitations of North Carolina law relating to the use of absentee ballots and subject to any specific provision to the contrary in the Declaration or these Bylaws. No absentee ballot shall be valid unless it is in writing, signed by the Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Absentee ballots shall be valid only for the specific meeting for which given and for lawful adjournments of such meeting. In no event shall an absentee ballot be valid after the specific meeting or lawful adjournment of such meeting at which such ballot is counted or upon conveyance of the Lot for which it was given.

Section 3.10. Quorum. Except as provided in these Bylaws or in the Declaration, the presence of Members representing at least twenty percent (20%) of the total votes in the Association shall constitute a quorum at all Association meetings. If a meeting must be adjourned due to lack of quorum, the rescheduled meeting shall have a quorum requirement of one half the original quorum or ten percent (10%) of the total votes in the Association.

Section 3.11. Conduct of Meetings. The President or any other person appointed by the Board shall preside over all Association meetings, and the Secretary, or the Secretary's designee, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

Section 3.12. Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without prior notice, and without a vote if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all entitled to vote thereon were present. Such consents shall be signed within sixty (60) days after receipt of the earliest dated consent, dated, and delivered to the Association at its principal place of business in North Carolina. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members at a meeting. Within ten (10) days after receiving authorization for any action by written consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE IV BOARD OF DIRECTORS

Section 4.01. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by the Board. The number of Directors shall be fixed by the Board from time to time. The initial Directors shall be three (3) in number and shall be those Directors appointed by the Declarant. The initial Directors shall serve until their successors are appointed or elected and qualified. Except as provided in the Declaration and in Sections 4.01(b) and 4.01(c) below, Declarant shall have the absolute right to appoint and remove members of the Board.

(b) At such time as Declarant no longer has the right to appoint and remove all members of the Board as provided in the Declaration, the Board will be increased to five (5) members. The President of the Association will thereupon call a meeting of the Members of the Association where the Members will elect one (1) Director for a three (3) year term, two (2) Directors for a two (2) year term, and two (2) Directors for a one (1) year term. Upon expiration of the term of a Director elected by the Members pursuant

to this Section 4.01(b), his or her successor will be elected for a term of two (2) years. A Director takes office upon the adjournment of the meeting or balloting at which he is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until his successor is elected or appointed.

(c) Each Director, other than Directors appointed by Declarant, shall be a Member and resident, or in the case of corporate or partnership ownership of a Lot, a duly authorized agent or representative of the corporate or partnership Owner. The corporate, or partnership Owner shall be designated as the Director in all correspondence or other documentation setting forth the names of the Directors.

Section 4.02. Compensation. The Directors shall serve without compensation for such service.

Section 4.03. Nominations to Board. Members may be nominated for election to the Board in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position shall be deemed to have been nominated for election upon his filing with the Board a written petition of nomination; or

(b) A Director who is eligible to be re-elected shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek re-election in a writing addressed to the Board.

Section 4.04. Removal of Directors for Cause. If a Director breaches such Director's duties hereunder or violates the terms of the Declaration, the Articles, the Association Rules or these Bylaws, such Director may be removed by Declarant unless Declarant no longer has the right to appoint and remove Directors in accordance with Section 4.01 of these Bylaws, and then by a Majority vote of the remaining Directors after Declarant's right to appoint and remove Directors has expired. No Director shall have any voting rights nor may such Director participate in any meeting of the Board at any time that such Director is delinquent in the payment of any Assessments or other charges owed to the Association. Any Director that is ninety (90) days delinquent in the payment of Assessments or other charges more than three (3) consecutive times shall be removed as a Director

Section 4.05. Vacancies on Board. At such time as Declarant's right to appoint and remove Directors has expired or been terminated, if the office of any elected Director shall become vacant by reason of death, resignation, retirement, disqualification, removal from office or otherwise, the remaining Directors, at a special meeting duly called for this purpose, shall choose a successor who shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the one Director with the longest continuous term serving on the Board shall select the successor. At the expiration of the term of his position on the Board, the successor Director shall be re-elected or his successor shall be elected in accordance with these Bylaws.

Section 4.06. Removal of Directors by Members. Subject to the right of Declarant to nominate and appoint Directors as set forth in Section 4.01 of these Bylaws, an elected Director may be removed, with or without cause, by the vote of Members holding a Majority of the votes entitled to be cast in the Association.

ARTICLE V
MEETINGS OF DIRECTORS

Section 5.01. Regular Meetings. Regular meetings of the Board shall be held annually or such other frequency as determined by the Board, without notice, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 5.02. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 5.03. Quorum. A Majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a Majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 5.04. Alternate Forms of Meetings. Members of the Board or any committee of the Association may participate in and hold meetings of the Board or committee by any means permitted pursuant to Chapter 55A-7 of the Act.

Section 5.05. Action without a Meeting. Any action by the Board, including any action involving a vote on a fine, damage Assessment, appeal from a denial or architectural control approval, or suspension of a right of a particular Member before the Member has an opportunity to attend a meeting of the Board to present the Member's position on the issue, may be taken without a meeting if all of the Directors shall unanimously consent in writing to the action. Such written consent shall be filed in the Minute Book of the Association. Any action taken by such written consent shall have the same force and effect as a unanimous vote of the Directors.

ARTICLE VI
POWERS AND DUTIES OF THE BOARD

Section 6.01. Powers. The Board shall have power and duty to undertake any of the following actions, in addition to those actions to which the Association is authorized to take in accordance with the Declaration:

(a) Adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Suspend the voting rights of a Member and right of a Member to use the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules by such Member exists;

(c) Exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the membership by other provisions of the Association Restrictions;

(d) Enter into any contract or agreement with a municipal agency or utility company to provide electric utility or other utility service to all or any portion of the Property;

(e) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(f) Employ such employees as they deem necessary, and to prescribe their duties;

(g) As more fully provided in the Declaration, to:

(1) fix the amount of the Assessments against each Lot in advance of each annual Assessment period and any other Assessments provided by the Declaration; and

(2) foreclose the lien against any property for which Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(h) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(i) Procure and maintain adequate liability and hazard insurance on the Association Property;

(j) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(k) Exercise such other and further powers or duties as provided in the Declaration or by law.

Section 6.02. Duties. It shall be the duty of the Board to:

(a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Association, or at any special meeting when such statement is requested in writing by Members who are entitled to cast fifty-one percent (51%) of all outstanding votes; and

(b) Supervise all officers, agents and employees of the Association, and to see that their duties are properly performed.

ARTICLE VII OFFICERS AND THEIR DUTIES

Section 7.01. Enumeration of Offices. The officers of the Association shall be a President and a Vice-President, who shall at all times be members of the Board, a Secretary and a Treasurer, and such other officers as the Board may from time to time create by resolution.

Section 7.02. Election of Officers. The election of officers shall take place at the first meeting of the new Board following each annual meeting of the Members.

Section 7.03. Term. The officers of the Association shall be elected annually by the Board and each shall hold office for one (1) year unless the officer resigns sooner or shall be removed or otherwise disqualified to serve.

Section 7.04. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 7.05. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.06. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 7.07. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 7.04.

Section 7.08. Duties. The duties of the officers are as follows:

(a) **President.** The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes as required by the policies established by the Board.

(b) Vice President. The Vice President, if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated by the President or the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(d) Assistant Secretaries. Each Assistant Secretary shall generally assist the Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated by the Secretary, the President, the Board or any committee established by the Board.

(e) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board; shall sign all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and deliver a copy of each to the Members.

ARTICLE VIII OTHER COMMITTEES OF THE BOARD

Section 8.01. Committees. The Board may, by resolution adopted by affirmative vote of a Majority of the number of Directors fixed by these Bylaws, designate two or more Directors (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

ARTICLE IX BOOKS AND RECORDS

Section 9.01. Books and Records. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Association Restrictions shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE X ASSESSMENTS

Section 10.01. Assessments. As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration.

ARTICLE XI CORPORATE SEAL

Section 11.01. Seal. The Association may, but shall have no obligation to, have a seal in a form adopted by the Board.

ARTICLE XII DECLARANT PROVISIONS

Section 12.01. Conflict. The provisions of this Article control over any provision to the contrary elsewhere in these Bylaws.

Section 12.02. Board. As provided in the Declaration, Declarant is entitled to appoint and remove all members of the Board until neither Declarant nor certain related entities own any portion of the Property (as defined in the Declaration). Until Declarant's right to appoint all members of the Board terminates, the Directors appointed by Declarant need not be Owners or residents and may not be removed by the Owners. In addition, Declarant has the right to fill vacancies in any directorship vacated by a Declarant appointee.

ARTICLE XIII AMENDMENTS

Section 13.01. These Bylaws may be amended by: (i) a Majority vote of the Board or (ii) at a regular or special meeting of the Members, by a vote of all the Members provided that such amendment has been approved by Members entitled to cast at least sixty-seven percent (67%) of the total number of votes of the Association.

Section 13.02. In the case of any conflict between the Articles and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE XIV INDEMNIFICATION OF DIRECTORS AND OFFICERS

Section 14.01. Indemnification. The Association shall indemnify every Director and Officer of the Association against, and reimburse and advance to every Director and Officer for, all liabilities, costs and expenses incurred in connection with such directorship or office and any actions taken or omitted in such capacity to the greatest extent permitted under the Act and all other applicable laws at the time of such indemnification, reimbursement or advance payment; provided, however, no Director or Officer shall be indemnified for: (a) a breach of duty of loyalty to the Association or its Members; (b) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (c) a transaction from which such Director or Officer received an improper benefit, whether or not the benefit resulted from an action taken within the scope of directorship or office; or (d) an act or omission for which the liability of such Director or Officer is expressly provided for by statute.

ARTICLE XV FISCAL YEAR

Section 15.01. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.