

APPENDIX A.1 - NAPSA BYLAWS

BYLAWS OF THE NATIONAL ADULT PROTECTIVE SERVICES ASSOCIATION

Approved by NAPSA members on September 1, 2013

ARTICLE I: OFFICES AND REGISTERED AGENT

Section 1. Principal Office. The principal office of the National Adult Protective Services Association (NAPSA) may be located at such place as designated by the Board of Directors.

Section 2. Registered Office and Agent. NAPSA shall have and continuously maintain in service a registered agent in the State of Colorado at such place as be designated by the Board of Directors.

Section 3. Other Offices. NAPSA may have such other office or offices, at such other places as the Board of Directors may determine, or as the affairs of NAPSA may require.

ARTICLE II: PURPOSES

The general purposes for which NAPSA is formed are as set forth in NAPSA's Certificate of Incorporation.

The mission of NAPSA is to strengthen Adult Protective Services (APS) programs in order to improve the safety and independence of older persons and adults with disabilities who are victims of abuse, neglect, self-neglect, or financial exploitation.

Through collaboration with local, state, and federal partners, NAPSA:

- a. Delivers training and technical assistance to adult protective services professionals and programs, victim service organizations, counselors, attorneys, criminal justice agencies, and allied professionals;
- b. Fosters research and innovative thinking about the impact of abuse, neglect, self-neglect, or financial exploitation of older persons and adults with disabilities and the ways in which APS can help them regain control of their lives;
- c. Advocates for public policies to secure rights and protections for older persons and adults with disabilities who are victims of abuse, neglect, self-neglect, or financial exploitation and to improve services to them; and
- d. Provides opportunities for APS professionals to network and learn from each other how to better serve vulnerable adult victims.

NAPSA is organized and shall be operated exclusively for charitable and educational purposes within the meaning of sections 170(c) (2) (B), 501(c) (3), 2055(a) (2), and 2522(a) (2) of the Internal Revenue Code. No part of the net earnings of NAPSA shall inure to the benefit of, or be distributable to, its directors, officers, other private individuals, or organizations organized and operating for profit (except that NAPSA shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes stated above). No *substantial* part of the activities of NAPSA shall be attempting to influence legislation, and NAPSA shall be empowered to make the election authorized under Section 501(h) of the Internal Revenue Code.

NAPSA shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office. Notwithstanding any other provisions herein, NAPSA shall not carry on any activities not permitted to be carried on by an organization:

- a. Exempt from federal income tax under section 501(a) of the Internal Revenue Code, as an organization described in section 501(c) (3) of such code; and/or
- b. Contributions to which are deductible under sections 170 (c) (2), or 2522(a) (2) of the Internal Revenue Code.

ARTICLE III: *MEMBERSHIP*****

Section 1. Eligibility. The following persons and entities are eligible for membership in NAPSA:

- a. Individual Members:
 - i. Professionals working in or on behalf of APS; and
 - ii. Any person or agency with an interest in Adult Protective Services and/or older persons and adults with disabilities who are victims of abuse, neglect, self-neglect, or financial exploitation.
- b. Organizational Members: APS agencies and institutions may register one or more persons in their membership, in accordance with the membership policies established by the Board of Directors.

Section 2. Dues. Members shall pay annual dues as established by the Board of Directors.

Section 3. Term. The term of membership of any member shall be for a one-year period. Notwithstanding the foregoing, any member may resign at any time by mailing, e-mailing, or delivering written notice to the Secretary of NAPSA (any resignation to take effect as specified therein or, if not specified, upon receipt by the Secretary), and any member may be removed at any time, with cause, by majority vote of the Board. In addition, membership shall automatically terminate upon the non-payment of annual dues.

Section 4. Right to Have Issues Addressed.

- a. A member may bring an issue of concern relating to the organization to the Executive Committee. The issue and any suggested or requested resolution shall be submitted in writing to both the Secretary and the President.
- b. The Secretary shall acknowledge receipt of the information, and shall forward the submission to the Committee within two business days. In the event the Secretary is unavailable, the President will forward the information to the Committee within two business days.
- c. The Executive Committee shall take the issue under consideration and shall reply to the member to communicate its decisions regarding the issue within 20 business days from the date of receipt. The Executive Committee may ask the full Board to consider the issue and its resolution and shall communicate the issue and any resulting decision to the full Board as well as to the member.
- d. If the member is not satisfied with the response of the Executive Committee or Board, the member may present the issue and any proposed resolution to the NAPSA membership. NAPSA staff will assist in dissemination of the information. Members will be given 20 business days to respond with their recommended course of action for NAPSA. The members' responses will be tallied.
- e. The Board of Directors will consider the members' responses and decide on the final course of action for the organization within 20 business days following the deadline for member responses. The decision will be communicated to all members within ten business days.

Section 5. Annual Meeting. A meeting of the members shall be held annually for the transaction of such business as may properly come before the members.

Section 6. Special Meetings. The President or a majority of the Board of Directors may call special Meetings, of the members at any time.

Section 7. Place and Time of Meetings. Meetings of members may be held at such place and at such hour as may be fixed in the notice of the meeting.

Section 8. Notice of Annual and Special Meetings. Written or e-mail notice of each meeting of the members shall be given which shall state the place, date and hour of the meeting, and, in the case of a special meeting, shall state the purpose or purposes for which the meeting is called. The written or e-mail notice of any meeting shall be given not fewer than ten days before the date of the meeting. If mailed, such notice is given when deposited in the United States mail, postage prepaid, directed to the member at his or her address as it appears on the records of NAPSA; if e-mailed, notice is given when sent electronically to the e-mail address of the member as it appears on the records of NAPSA.

Section 9. Waivers of Notice. Whenever notice is required to be given by law, the Certificate of Incorporation or these Bylaws, a written waiver signed by the member entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to notice. The attendance of a member at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

Section 10. Quorum. A quorum is defined as the members of NAPSA present or represented by proxy at the annual meeting of members.

Section 11. Proxies. Every member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize another person to act as his or her proxy. Proxies shall be registered in writing with the Secretary prior to any vote and shall expire at adjournment of the meeting. Every member may authorize another person to act as his or her proxy.

Section 12. Vote. Each member is entitled to one vote on matters the Board of Directors presents for decision. Whenever any corporate action is to be taken by vote of the members, it shall, except as otherwise required by law or by the Certificate of Incorporation, be authorized by the affirmative vote of the majority of the members present in person or represented by proxy at the meeting, or responding to an electronic communication from the President of the Board, and entitled to vote.

Section 13. Presiding Officer and Secretary. At any annual meeting or special meeting of the members, if neither the President nor a person designated by the Board of Directors to preside at the meeting is present, the members present shall appoint a presiding officer for the meeting. If the Secretary also is not present, the appointee of the person presiding at the meeting shall act as secretary of the meeting.

ARTICLE IV: *BOARD OF DIRECTORS*

Section 1. Powers. There shall be a Board of Directors of NAPSA, which shall manage, supervise and control the business, property and affairs of NAPSA in accordance with the Certificate of Incorporation of NAPSA and these Bylaws. The Board of Directors shall be vested with the powers possessed by NAPSA itself, including the powers to determine the policies of NAPSA and prosecute its purposes, to appoint and remunerate agents and employees (including the power to delegate some or all of this

authority), to establish the membership and other fees of NAPSA, to establish the budget of NAPSA, to disburse the funds of NAPSA, and to adopt such rules and regulations for the conduct of its business as shall be deemed advisable.

Section 2. Number and Qualifications. The Board of Directors of NAPSA shall be composed of the following individuals: (i) the officers of NAPSA, (ii) one chairperson from each of the standing committees, and (iii) up to ten at-large members as the board may designate. The number of directors may be increased or decreased by action of the Board of Directors. Members of the Board of Directors

must be current members of NAPSA.

Section 3. Election and Term of Office. The members of the Board of Directors shall be elected by the members of NAPSA at the annual meeting of NAPSA, or in the alternative, through an electronic communication distributed to all members. Each member of the Board of Directors of NAPSA shall serve for a term of two years, and may be re-elected to subsequent two-year terms, except the President-Elect, President, and Past President, who shall not be eligible for re-election to those offices immediately following their terms.

Section 4. Responsibilities. All members of the Board of Directors shall:

- a. Manage, supervise, and control the business of NAPSA by:
 - i. Participating in board meetings and responding to board communications;
 - ii. Reviewing board materials;
 - iii. Casting votes as needed and providing feedback as requested;
 - iv. Providing support, guidance, and supervision to the executive director;
 - v. Ensuring effective planning;
 - vi. Monitoring and strengthening programs and services; and
 - vii. Ensuring the legal and ethical integrity of the organization.
- b. Financially support NAPSA by:
 - i. Maintaining a current membership;
 - ii. Contributing monetarily on an annual basis;
 - iii. Working to ensure that NAPSA has adequate resources; and
 - iv. Protecting NAPSA's assets and providing proper financial oversight.
- c. Enhance NAPSA's public standing by completing and signing a conflict of interest and confidentiality agreement annually.

Section 5. Resignation. Any Board of Directors' member may resign at any time by giving written notice to the President of NAPSA. Such resignation shall take effect upon acceptance.

Section 6. Removal. Any Board of Directors' member may be removed from such office by a two-thirds vote of the remaining Board of Directors' members at any regular or special meeting of the Board of Directors at which a quorum is present for: (1) violation of these Bylaws; (2) engaging in any other conduct prejudicial to the best interests of NAPSA; or (3) failure to carry out the duties of a board member. Written notice of the reasons for removal shall be given to any Board of Directors' member so removed. Prior to removal, such member shall have the opportunity to respond to the allegations for removal. In removing any Board of Directors' member, the Board of Directors shall act on the basis of reasonable and consistent criteria, always with the objective of advancing the best interests of NAPSA.

Section 7. Vacancies. Vacancies shall be filled by majority vote of the remaining members of the Board of Directors for the unexpired term. Each successor shall hold office for the unexpired term or until he or she resigns, is removed or can no longer serve. The Board of Directors shall have and may exercise all its powers, notwithstanding the existence of one or more vacancies.

Section 8. Regular Meetings. A regular annual meeting of the Board of Directors of NAPSA shall be held each year, at such time, day and place as shall be designated by the Board of Directors, for the purpose of transacting such business as may come before the Board. The Board of Directors may, by resolution, provide for the holding of additional regular meetings. If a regular annual meeting is not held as herein provided, a special meeting may be held in place thereof with the same force and effect as the regular annual meeting, and in such case, all references in these Bylaws, except in this

section, to regular annual meetings shall be deemed to refer to such special meetings.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called at the direction of the President of NAPSA or by a majority of the Board of Directors' members then in office, to be held at such time, day and place designated in the notice of the meeting.

Section 10. Notice. Notice of the time, day and place of any meeting of the Board of Directors shall be given at least ten (10) days previous thereto by notice sent by mail, telephone, or e-mail to each board member at his or her address as it appears on the records of NAPSA. If mailed, such notice is given when deposited in the United States mail, postage prepaid. If e-mailed, notice is given when sent electronically. The purpose or purposes for which a special meeting is called shall be stated in the notice thereof. Any Board of Directors' member may waive notice of any meeting by a written statement executed either before or after the meeting. Attendance at a meeting shall constitute a waiver of notice, except where attendance is for the express purpose of objecting to the call or convening of the meeting.

Section 11. Quorum. One third of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Any meeting may be adjourned by a majority of the votes cast upon the question, whether or not a quorum is present.

Section 12. Manner of Acting. Except as otherwise expressly required by law, the Certificate of Incorporation of NAPSA, or these Bylaws, the affirmative vote of a majority of the Board of Directors' members present at any meeting of the Board of Directors at which a quorum is present shall be the act of the Board of Directors. Each Director shall have one vote. Voting by proxy shall not be permitted.

Section 13. Consent. Action taken by the Board of Directors without a meeting is nevertheless a Board of Directors' action if consent to the action in question is agreed to by a majority of the Board of Directors' members and filed with the minutes of the proceedings of the Board of Directors, whether done before or after the action so taken. Agreement may be indicated through electronic or written communications. Such consent shall be treated for all purposes as a vote at a meeting.

Section 14. Telephone Meeting. Any one or more Board of Directors' member may participate in a meeting of the Board of Directors by means of a conference telephone call, web-meeting or similar method of communication, which allows all persons participating in the meeting to communicate with each other. Such participation in a meeting shall be deemed presence in person at such meeting.

Section 15. Compensation. No Board of Directors' member shall receive any compensation for services rendered in such capacity, except that the Board of Directors may by resolution provide for the reimbursement of actual travel and lodging expenses incurred in the performance of the duties of the Board of Directors' member, to the extent provided by such resolution. In circumstances where the Board of Directors resolves to compensate a member for organizational work, the board will do so in accordance with applicable law and organizational policies.

ARTICLE V: *OFFICERS*

Section 1. Officers. The officers of NAPSA shall consist of a President, a President-Elect, a Secretary, a Treasurer, and a Past President and together they shall be referred to as the NAPSA Executive Committee. NAPSA may also have such other officers and assistant officers as the Board of Directors may deem necessary, such officers to have the authority to perform the duties prescribed by the Board of Directors. One person may hold more than one office, except the President and Secretary may not be the same person.

Section 2. Election of Officers. The officers of NAPSA shall be elected by the members of NAPSA at the annual meeting of NAPSA, or through an electronic communication distributed to all members.

Section 3. Term of Office. The officers of NAPSA shall be installed at the annual meeting, or after a vote by electronic means, at which time they are elected and shall hold office for two years.

Section 4. Resignation. Any officer may resign at any time by giving written notice to the President of

NAPSA. Such resignation shall take effect at the time specified therein, or, if no time is specified, at the time of acceptance by the President.

Section 5. Removal. Any officer may be removed by the Board of Directors in accordance with Article IV, Section 6.

Section 6. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, shall be filled by the Board of Directors for the unexpired term.

Section 7. President. The President shall be the Chief Executive Officer of NAPSA, and, subject to the overall guidance and supervision of the Board of Directors, shall actively direct and oversee the business and affairs of NAPSA. He or she may sign, with the Secretary or any other proper officer of NAPSA authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors, or by these Bylaws, or by statute to some other officer or agent of NAPSA; and in general, he or she shall perform all duties incident to the office of President, and such other duties as may be prescribed by the Board of Directors. The President shall preside at all meetings of the Board, except as the Board otherwise determines.

Section 8. President-Elect. In the absence of the President or in the event of his or her inability to act, the President-Elect shall perform the duties of the President, and, when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The President-Elect shall serve as the Regional Representatives' Board of Directors' liaison and shall convene and chair any meetings of the Regional Representatives. The President-Elect shall perform such other duties and have such other powers as the Board of Directors or the President may prescribe, subject to the powers and the supervision of the Board of Directors.

Section 9. Secretary. The Secretary shall ensure, either directly or by delegation to an agent per Article IV Sec. 1, that the minutes of the meetings of the Board of Directors are taken and maintained in a manner that is accessible to the Board and to the membership of NAPSA; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be the person responsible for the corporate records; and in general, perform all duties incident to the office of Secretary and such other projects or duties as may be assigned by the President or by the Board of Directors.

Section 10. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of NAPSA; shall either directly or by delegation to an agent per Article IV Sec. 1, receive and give receipts for moneys due and payable to NAPSA from any source whatsoever, and deposit all such moneys in the name of NAPSA in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VIII of these Bylaws; and in general, perform all the duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the President or by the Board of Directors.

Section 11. Past President. The immediate Past President shall continue to serve on the Board of Directors for two years after leaving office as President. During this two-year period, the Past President shall have full voting privileges, shall perform such duties as the President may assign, and shall chair the nominating committee and the operations committee.

Section 12. Bonding. If requested by the Board of Directors, any person entrusted with the handling of funds or valuable property of NAPSA shall furnish, at the expense of NAPSA, a fidelity bond, approved by the Board of Directors in such sum as the Board of Directors shall prescribe.

ARTICLE VI: COMMITTEES

Section 1. Committees of Board of Directors. The Board of Directors shall designate an Executive Committee to be composed of the Officers, and to be chaired by the President, which shall be

authorized to make decisions and to act on behalf of the Board of Directors between meetings of the full board. The Board of Directors, by resolution adopted by a majority of the members in office, may also designate and appoint one or more standing committees to carry out one or more activities on behalf of NAPSA; provided, however, that no committee, including the Executive Committee, shall have the authority of the Board of Directors in reference to electing, appointing or removing any Board of

Directors' member or officer of NAPSA; amending the Certificate of Incorporation of the Corporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of NAPSA; authorizing the voluntary dissolution of NAPSA or revoking proceedings therefore; adopting a plan for the distribution of the assets of NAPSA; or amending a resolution of the Board of Directors. The designation and appointment of any such committee and the delegation thereto of authority shall not relieve the Board of Directors, or any individual Board of Directors' member, of any responsibility imposed upon the Board of Directors or the Board of Directors' member by law.

Section 2. Standing Committees. The Board of Directors may create standing committees as it deems appropriate, such committees to have the power and duties designated by the Board of Directors; provided that no such committee which has members who are not Board of Directors' members shall have and exercise the authority of the Board of Directors in the management of NAPSA. The Board shall select a Chairperson of each standing NAPSA Committee to stand for election according to the process described in Article IV, Section 3, Election and Term of Office. The Chairperson of each standing committee shall be a member of the Board of Directors and may select members for his/her committee. The Chairperson shall also directly, or by delegation, ensure that minutes of all standing committee meetings are kept, maintained and made accessible to the Board of Directors and to committee members.

Section 3. Vacancies. Vacancies in the membership of committees may be filled in the same manner as provided in the case of the original position's election or selection.

Section 4. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 5. Rules. Each committee may adopt rules for its own government not inconsistent with these Bylaws, NAPSA's Strategic Plan, or with policies and rules adopted by the Board of Directors.

ARTICLE VII: *REGIONAL REPRESENTATIVES*

Section 1. Regions. The Board of Directors shall divide the United States, including its territories and protectorates, into as many national Regions as the Board of Directors deems appropriate.

Section 2. Election of Regional Representatives. A Nominating Committee chaired by the Past President, using such criteria and comprised of such individuals as the Board of Directors may designate, shall nominate individuals to serve as Regional Representatives. There shall be one representative in each of NAPSA's regions, although the Board of Directors may designate two co-representatives in a region. Nominated individuals shall be elected as Regional Representatives by a majority vote of NAPSA members present or represented by proxy at the annual meeting, or in the alternative, through an electronic communication distributed to all members, and shall serve for a term of two years and may be reelected for additional terms.

Section 3. Responsibilities of Representatives. The general responsibilities of the Regional Representatives include disseminating information to the states they represent; obtaining input from the membership regarding activities of NAPSA; making contacts within their regions with organizations and conference planners to promote increased awareness of issues which impact adults served by NAPSA's membership; and promoting membership in NAPSA. The Board of Directors may add such

additional responsibilities for Regional Representatives as it deems appropriate. Regional Representatives may also, if appointed, concurrently serve as chairpersons of committees.

ARTICLE VIII: *CONTRACTS, CHECKS, DEPOSITS AND FUNDS*

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of NAPSA, in addition to the officers so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of NAPSA, and such authority may be general or confined to specific instances.

Section 2. Financial Instruments. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of NAPSA, shall be approved by such officer or officers, agent or agents of NAPSA, and in such a manner as shall be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, the Treasurer and the Executive Director of NAPSA shall approve such instruments.

Section 3. Deposits. All funds of NAPSA shall be deposited to the credit of NAPSA in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts. The Board of Directors may accept any contribution, gift, bequest, or device for the general purposes or for any special purpose of NAPSA.

ARTICLE IX: *MISCELLANEOUS PROVISIONS*

Section 1. Fiscal Year. The fiscal year of NAPSA shall commence on January 1 and terminate on December 31.

Section 2. Notice. Whenever, under the provisions of these Bylaws, the Certificate of Incorporation of NAPSA or statute, notice is required to be given to a Board of Directors' member, committee member, or officer, such notice shall be given in writing, by first-class, certified, registered or electronic mail, or by express delivery service, the postage or express delivery charges thereon prepaid, to such person at his or her address as it appears on the records of NAPSA. Such notice shall be deemed to have been given when deposited in the United States mail, sent through e-mail or delivered to the express delivery service. Notice may also be given by telephone or in person, and will be deemed given when received.

Section 3. Books and Records. NAPSA shall keep correct and complete books and records of account, and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members of its Board of Directors.

Section 4. Amendments. Bylaws are subject to change by:

- a. A majority vote of the members present and voting at the annual meeting on a recommendation approved by a majority of the Board of Directors; or
- b. A mail or e-mail ballot mailed to the members at least ten (10) days prior to the date by which it must be received by the Secretary for counting purposes, provided:
 - i. That the ballot will have been approved by a majority of the Board of Directors prior to submission to the members;
 - ii. That the ballot will be accompanied by a statement of the reason for the proposed change and a statement of impact; and
 - iii. That at least a majority of the returned ballots cast a vote in the affirmative.

ARTICLE X: *INDEMNIFICATION*

NAPSA may indemnify any Board of Directors' member, officer, employee or agent, any former Board

of Directors' member, officer, employee or agent, any person who may have served at its request as a Board of Directors' member, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by

him or her in connection with any threatened, pending or completed action, or proceeding (whether civil, criminal, administrative, or investigative) to which he or she may be or is made a party by reason of being or having been such Board of Directors' member, officer, employee or agent, if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of NAPSA. However, there shall be no indemnification if that person is deemed liable, unless the court of jurisdiction finds that he or she is fairly and reasonably entitled to indemnity for expenses which the court deems proper.

NAPSA may pay expenses (including attorneys' fees) incurred by an officer or Board of Directors' member in defending any civil, criminal, administrative or investigative action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such officer or Board of Directors' member, to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by NAPSA under this Article. Such expenses (including attorneys' fees) incurred by other employees and agents may be paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

The provisions of this Article shall be applicable to claims, actions, suits or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions occurring before or after adoption hereof.

The indemnification and advancement of expense provided by this Article shall not be deemed exclusive of any other rights to which such Board of Directors' member, officer, employee or agent may be entitled under any statute, Bylaw, agreement, vote of the disinterested members or Board of Directors' members or otherwise, and shall not restrict the power of NAPSA to make any indemnification permitted by law.

The indemnification and advancement of expenses provided by this Article shall, unless otherwise provided when authorized or ratified, continue for a person who has ceased to be a Board of Directors' member, officer, employee or agent, and shall inure to the benefits of the heirs, executors and administrators of such a person.

The Board of Directors may authorize the purchase of insurance on behalf of any person who is or was a Board of Directors' member, officer, employee or agent of NAPSA, or who is or was serving at the request of NAPSA as a Board of Directors' member, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against or incurred by him or her in any such capacity, or which arises out of such person's status as a Board of Directors' member, officer, employee, or agent, whether or not NAPSA would have the power to indemnify such person against that liability under law. In no case, however, shall NAPSA indemnify, reimburse, or insure any person for any taxes imposed on such individual under chapter 42 of the Internal Revenue Code of 1986, as now in effect or as may hereafter be amended. Further, if at any time NAPSA is deemed to be a private foundation within the meaning of 509 of the Code then, during such time, no payment shall be made under this Article if such payment would constitute an act of self-dealing or a taxable expenditure, as defined in 4941(d) or 4945(d), respectively, of the Code. If any part of this Article shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

ARTICLE XI: DISSOLUTION

On dissolution or final liquidation, the Board of Directors shall, after paying or making provision for the payment of all the lawful debts and liabilities of NAPSA, distribute all the assets of NAPSA to an organization or organizations organized and operated exclusively for charitable or educational purposes

and qualified as an exempt organization under Section 501(c) (3) of the Code as the Board of Directors shall determine.

ARTICLE XII: *INTERNAL REVENUE CODE*

References herein to sections of the Internal Revenue Code are to provisions of the Internal Revenue Code of 1986, as amended, as those provisions are now enacted, or to corresponding provisions of any future United States Internal Revenue law.