

**BY-LAWS  
of  
LAKESHORE CRIME PREVENTION DISTRICT**

**(adopted July 12, 2004)**

**Section 1. CREATION AND GOVERNANCE OF DISTRICT**

1.1 The Lakeshore Crime Prevention District (the "District") was created as a political subdivision of the State of Louisiana by Act 200 enacted during the 2004 Regular Session of the Louisiana Legislature, which amended Subpart C of Part II of Chapter 29 of Title 33 of the Louisiana Revised Statutes to add La. R.S. 33:9091.7 (which, as hereinafter amended, restated, supplemented or otherwise modified, is hereinafter referred to as the "Charter").

1.2 The internal affairs of the District shall be governed by the Charter, these Bylaws and all applicable laws governing political subdivisions of the State of Louisiana.

**Section 2. BOARD OF COMMISSIONERS**

2.1 All of the powers of the District shall be vested in, and the operations and affairs of the District shall be managed by, a Board of Commissioners. The Board may exercise all such powers of the District and do all such lawful acts and things which are not by law, the Charter or these By-laws directed or required to be approved by the residents of the District or other local or state political bodies or subdivisions.

2.2 The members of the Board shall be appointed in the manner provided in the Charter. Each commissioner shall represent the interests of all residents of the District, regardless of which body or person appoints such commissioner.

2.3 Each commissioner shall hold office for the term prescribed in Paragraph D of the Charter and until his or her successor has been duly appointed and qualified. The Board shall have the power to randomly select which of the initial commissioners shall serve initial terms of 12, 18 and 24 months, as required under Paragraph (D)(3) of the Charter. Following the completion of these initial terms, all subsequent terms of commissioners shall be 24 months. All terms shall begin on either July 1 or January 1.

2.4 Commissioners may be removed from office only by the body or person who appointed them under the Charter.

2.5 The office of a commissioner shall become vacant if the commissioner dies or is duly removed from office, or, to the maximum extent permitted by applicable law, if the commissioner resigns or ceases to hold the qualifications specified in Section 2.8 of these Bylaws. The Board of Commissioners may declare vacant the office of a commissioner if the commissioner becomes incapacitated or is adjudicated to be an incompetent. If the office of any

commissioner becomes vacant for any reason, such vacancy may be filled for the remainder of the unexpired term only by the body or person who appointed such commissioner under the Charter.

2.6 If the office of any commissioner becomes vacant for any reason or the term of any commissioner expires, then, to the maximum extent permitted by applicable law, no successor shall be deemed to have been duly appointed and qualified unless and until a successor meeting the qualifications specified in Section 2.8 of these Bylaws (i) has been appointed by a written instrument duly executed by the body or person entitled under the Charter to appoint such successor, (ii) has furnished or caused to be furnished such written instrument to the Board of Commissions or the President or Secretary of the District and (iii) has taken any oaths required by applicable law. The Board may, but shall not be required to, waive the foregoing documentation and delivery requirements for appointments made in accordance with the Charter by West Lakeshore Citizens Against Crime, Inc., East Lakeshore Citizens Against Crime, Inc. or the Lakeshore Property Owners Association.

2.7 Commissioners shall be eligible for reappointment. The Board may, but shall not be required to, recommend (i) the removal of commissioners for cause and (ii) replacements or successors to commissioners.

2.8 No person may serve as a commissioner unless they have attained the age of 21 and shall have either (i) resided in the District for at least one year or (ii) owned, directly or indirectly through a wholly-owned business organization, property within the District for at least one year.

2.9 A commissioner may resign at any time, effective, to the maximum extent permitted by applicable law, upon furnishing a written resignation letter to the Board of Commissioners or the President or Secretary of the District or upon any date specified in such letter.

### Section 3. MEETINGS OF THE BOARD

3.1 The meetings of the Board of Commissioners may be held at such place within or without the District as a majority of the commissioners may from time to time determine. All such meetings shall be convened and conducted in accordance with the Louisiana Open Meetings Law, La. R.S. 42:4.1, *et seq.* (which, as hereinafter amended, restated, supplemented or otherwise modified, is hereinafter referred to as the "Open Meetings Law").

3.2 Commencing January 1, 2005, the Board shall hold regular meetings on the first Wednesday of each January, March, May, July, September, and November (or, if such day is a nationally-recognized holiday, on the next succeeding business day) or on such other dates as may be designated by the Board. Regular meetings of the Board shall be held upon three days' notice from the President or the Secretary, at such time and place as shall from time to time be determined by the Board.

3.3 Special meetings of the Board may be called by the President or by any two or more commissioners on two days' notice given to each commissioner, either personally or by telephone, mail, electronic mail, telecopy, or any combination thereof.

3.4 Commissioners present at any regular or special meeting shall be deemed to have received due, or to have waived, notice thereof, provided that a commissioner who participates in a meeting by telephone shall not be deemed to have received or waived due notice if, at the beginning of the meeting, he or she objects to the transaction of any business because the meeting is not lawfully called.

3.5 Unless otherwise provided in the Open Meetings Law, the Board may consider at any meeting of the commissioners any matter included in the agenda included in the public notice furnished for such meeting in accordance with the Open Meetings Law or, upon approval of two-thirds of the commissioners present at such meeting, any other matter not on the agenda.

3.6 A majority of the total number of commissioners shall be necessary to constitute a quorum for the transaction of business. Each commissioner shall have one vote with respect to all matters brought before the Board for approval, ratification or consent. Except as otherwise provided by applicable law or the Charter, the acts of a majority of the commissioners present at a duly convened meeting at which a quorum is present shall be required to decide any matter upon which the Board takes action. For purposes of this Section 3.6, the total number of commissioners shall equal, on any particular date, nine less the number of offices of commissioners that are then vacant.

3.7 If a quorum is present when a duly covered meeting is called to order, the commissioners present may continue to do business, taking action by vote of a majority of the commissioners present, until adjournment, notwithstanding the withdrawal of enough commissioners to leave less than a quorum as fixed in Section 3.6 hereof or the refusal of any commissioner present to vote.

3.8 Unless and to the extent permitted by the Open Meetings Law, (i) the Board of Commissioners may not take action by written consent and (ii) a commissioner may not grant a proxy to any other commissioner or person to vote at any meeting of the Board.

3.9 Telephonic meetings of the Board shall not be permitted; *provided, however*, that one or more commissioners shall be permitted to participate and vote by telephone at any duly convened meeting attended in person by a number of commissioners constituting a quorum under Section 3.6 hereof.

3.10 The Board of Commissioners may adopt rules and procedures governing the conduct of its meetings, and such rules shall be binding upon all commissioners and guests attending such meetings to the extent that such rules and procedures do not conflict with the Open Meetings Law.

#### Section 4. COMMITTEES OF THE BOARD

4.1 The Board may designate one or more other committees, each committee to consist of at least two commissioners of the District (and one or more commissioners may be named as alternate members to replace any absent or disqualified regular members) which, to the extent provided by resolution of the Board or these By-laws, shall have and may exercise the powers of the Board in the management of the business and affairs of the District within the limits of its authority. In no event, however, will any committee have the power to (i) appoint or replace officers, (ii) retain individuals or entities to provide security patrols, (iii) adopt, amend or repeal these Bylaws or any other bylaws of the District, (iv) determine the amount of the parcel fee for the District under Paragraph F of the Charter or (v) adopt any budget contemplated by Paragraph G of the Charter. Such committee or committees shall have such name or names as may be stated in these Bylaws, or as may be determined from time to time by the Board. Any vacancy occurring in any such committee may be filled by the Board, but the President may designate another commissioner to serve on the committee pending action by the Board. Committee members shall hold office for terms prescribed by the Board.

#### Section 5. OFFICERS

5.1 The officers of the District shall be chosen by the Board of Commissioners and shall be a President, a Secretary and a Treasurer. Any two offices may be held by one person, provided that no person holding more than one office may sign, in more than one capacity, any certificate or other instrument required by law to be signed by two officers. Each officer must be a commissioner of the District.

5.2 The Board of Commissioners may appoint such other officers as it shall deem necessary, who shall exercise such powers and perform such duties as shall be determined from time to time by the Board.

5.3 The officers of the District shall hold office at the pleasure of the Board of Commissioners. The Board may remove any such officer from his or her position as an officer at any time with or without cause. All officers shall serve without compensation and shall not receive reimbursement for expenses.

5.4 The President shall preside at any meetings of the District's residents and all meetings of the Board of Commissioners, and shall have general and active management of the day to day affairs of the District.

5.5 The Secretary shall attend any meetings of the District's residents and all meetings of the Board of Commissioners, and record all votes taken at meetings of the Board. The Secretary shall be responsible for providing all public notices of such proceedings and preparing all written minutes of such proceedings, in each case as required by the Open Meetings Law. The Secretary shall perform such other duties as may be prescribed by law or by the Board or President, under whose supervision he or she shall serve.

5.6 The Treasurer shall have the custody of the funds of the District and shall keep or cause to be kept full and accurate accounts of receipts and disbursements in books belonging to the District and shall deposit or cause to be deposited all monies and other valuable effects in the name and to the credit of the District in such depositories as may be designated by the Board of Commissioners. The Treasurer shall be responsible for compiling or preparing all budgets or other financial materials required under the Louisiana Local Government Budget Act, La. R.S. 39:1301, *et seq.*

5.7 The Board of Commissioners may also appoint one or more Assistant Secretaries or Assistant Treasurers, each of whom shall (i) perform the duties and exercise of the powers of the Secretary or Treasurer, respectively, in the event the Secretary or Treasurer, respectively, is absent or temporarily or permanently unable to act and (ii) have such powers and perform such duties, if any, or may be assigned by the Secretary or Treasurer, respectively.

## Section 6. INDEMNIFICATION

6.1 Definitions. As used in this Section:

(a) The term “Expenses” shall mean any expenses or costs including, without limitation, attorney’s fees, judgments, punitive or exemplary damages, fines and amounts paid in settlement.

(b) The term “Claim” shall mean any threatened, pending or completed claim, action, suit, or proceeding, whether civil, criminal, administrative or investigative and whether made judicially or extra-judicially, or separate issue or matter therein, as the context requires.

(c) The term “Determining Body” shall mean (i) those members of the Board of Commissioners who are not named as parties to the Claim for which indemnification is being sought (“Impartial Commissioners”), if there are at least three Impartial Commissioners, (ii) a committee of at least three commissioners appointed by the Board of Commissioners (regardless whether the commissioners voting on such appointment are Impartial Commissioners) and composed of Impartial Commissioners or (iii) if there are fewer than three Impartial Commissioners or if the Board of Commissioners or a committee thereof so directs (regardless whether the commissioners voting on such action are Impartial Commissioners), independent legal counsel, which may be the regular outside counsel of the District.

(d) The term “Indemnitee” shall mean any person who is or was a commissioner or officer of the District.

6.2 Indemnity. (a) To the extent any Expenses incurred by any Indemnitee are in excess of the amounts reimbursed or indemnified pursuant to any policies of liability insurance maintained by or for the benefit of the District or its commissioners or officers, the District shall indemnify and hold harmless Indemnitee against any Expenses actually and reasonably incurred

(as they are incurred) in connection with any Claim against Indemnatee or involving Indemnatee solely as a witness or person required to give evidence, by reason of Indemnatee's position as a commissioner or officer of the District, or the performance of any duties or services on behalf of or for the benefit of the District, whether relating to service in such position before or after the effective date of adoption of these Bylaws, if (A) Indemnatee is successful in his defense of the Claim on the merits or otherwise or (B) Indemnatee has been found by the Determining Body to have met the Standard of Conduct; *provided, however*, that (a) the amount of Expenses for which the District shall indemnify Indemnatee may be reduced by the Determining Body to such amount as it deems proper if it determines that the Claim involved the receipt of personal benefit by Indemnatee, and (b) no indemnification shall be made in respect of any Claim as to which Indemnatee shall have been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable for willful or intentional misconduct in the performance of his duty to the District or to have obtained an improper personal benefit, unless, and only to extent that, a court shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnity for such Expenses which the court shall deem proper.

(b) For purposes of this Section, the Standard of Conduct is met when conduct by an Indemnatee with respect to which a Claim is asserted was conduct performed in good faith which he reasonably believed to be in, or not opposed to, the best interest of the District, and, in the case of a Claim which is a criminal action or proceeding, conduct that Indemnatee had no reasonable cause to believe was unlawful. The termination of any Claim by judgment, order, settlement, conviction, or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that Indemnatee did not meet the Standard of Conduct.

(c) Promptly upon becoming aware of the existence of any Claim as to which Indemnatee may be indemnified for Expenses related thereto and as to which Indemnatee desire to obtain indemnification, Indemnatee shall notify the President, who shall promptly advise the Board of Commissioners of the Claim and notify the Board of Commissioners that the establishment of a Determining Body with respect to Indemnatee's request for indemnification as to the Claim will be a matter presented at the next regularly scheduled meeting of the Board. After the Determining Body has been established, the President shall inform the Indemnatee of the constitution of the Determining Body, and Indemnatee shall immediately notify the Determining Body of all facts relevant to the Claim known to such Indemnatee. Within 90 days of the receipt of such notice and information, together with such additional information as the Determining Body may request of Indemnatee, the Determining Body shall determine whether or not Indemnatee has met the Standard of Conduct and shall advise Indemnatee of its determination. The Determining Body may extend such 90-day period, but by no more than an additional 90 days.

(d) If Indemnatee has requested indemnification pursuant hereto, Indemnatee shall, promptly upon his becoming aware of any facts relevant to the Claim, inform the Determining Body of such facts not theretofore provided by him to the Determining Body, unless the Determining Body has obtained such facts by other means.

(e) If, after determining that the Standard of Conduct has been met, the Determining Body obtains facts of which it was not aware at the time it made such determination, the Determining Body on its own motion, after notifying the Indemnitee and providing him an opportunity to be heard, may, on the basis of such facts, revoke such determination, provided that, in the absence of fraud or willful and egregious misconduct by Indemnitee in connection with the deliberations of the Determining Body, no such revocation may be made later than 45 days after final disposition of the Claim.

(f) In the case of any Claim not involving a proposed, threatened or pending criminal proceeding:

(i) if Indemnitee has, in the judgment of the Determining Body, met the Standard of Conduct, the District may, in its sole discretion, after notice to Indemnitee, assume all responsibility for the defense of the Claim, and, in any event, the District and the Indemnitee each shall keep the other informed as to the progress of the defense of the Claim, including prompt disclosure of any proposals for settlement; *provided, however*, that if the District is a party to the Claim and Indemnitee reasonably determines that there is a conflict between the positions of the District and Indemnitee with respect to the Claim, then Indemnitee shall be entitled to conduct his defense with counsel of his choice; and *provided further* that the Indemnitee shall in any event be entitled at his expense to employ counsel chosen by him to participate in the defense of the Claim; and

(ii) the District shall fairly consider any proposals by Indemnitee for settlement of the Claim. If the District proposes a settlement of the Claim and such settlement is acceptable to the person asserting the Claim or the District believes a settlement proposed by the person asserting the Claim should be accepted, it shall inform Indemnitee of the terms of such proposed settlement and shall fix a reasonable date by which Indemnitee shall respond. If Indemnitee agrees to such terms, he shall execute such documents as shall be necessary to make final the settlement. If Indemnitee does not agree with such terms, Indemnitee may proceed with the defense of the Claim in any manner he chooses, provided that if Indemnitee is not successful on the merits or otherwise, the District's obligation to indemnify such Indemnitee as to any Expenses incurred following his disagreement shall be limited to the lesser of (A) the total Expenses incurred by Indemnitee following his decision not to agree to such proposed settlement or (B) the amount that the District would have paid pursuant to the terms of the proposed settlement. If, however, the proposed settlement would impose upon Indemnitee any terms or conditions that would materially interfere with the conduct of Indemnitee's affairs or his ability to continue to perform his occupation or profession, Indemnitee may refuse such settlement and continue the defense of the Claim, if he so desires, at the District's expense in accordance with the terms and conditions of this Agreement without regard to the limitations imposed by the immediately preceding sentence. In any event, the District shall not be obligated to indemnify Indemnitee for any amount paid in a settlement that the District has not approved.

(g) In the case of any Claim involving a proposed, threatened or pending criminal proceeding, Indemnatee shall be entitled to conduct the defense of the Claim with counsel of his choice and to make all decisions with respect thereto; provided that the District shall not be obliged to indemnify Indemnatee for any amount paid in settlement of such a Claim unless the District has approved such settlement.

(h) After notification to the District of the existence of a Claim, Indemnatee may from time to time request of the President, or, if the President is a party to the Claim as to which indemnification is being sought, any officer who is not a party to the Claim and who is designated by the President (the "Disbursing Officer"), which designation shall be made promptly after receipt of the initial request, that the District pay to Indemnatee the Expenses (other than judgments, fines, penalties or amounts paid in settlement) that he incurs in pursuing a defense of the Claim prior to the time that the Determining Body determines whether the Standard of Conduct has been met. If the Disbursing Officer believes the amount requested to be reasonable, he may cause the District to pay to Indemnatee the amount requested upon receipt of an undertaking by or on behalf of Indemnatee to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the District under the circumstances.

(i) After the Determining Body has determined that the Standard of Conduct has been met, for so long as and to the extent that the District is required to indemnify Indemnatee under this Agreement, the provisions of paragraph (h) shall continue to apply with respect to Expenses incurred after such time except that (A) the Disbursing Officer will be required to advance sums reasonably requested, (B) no undertaking shall be required of Indemnatee and (C) the Disbursing Officer shall pay to Indemnatee the amount of any fines, penalties or judgments against him which have become final and for which he is entitled to indemnification hereunder, and any amount of indemnification ordered to be paid to him by a court.

(j) Any determination by the District with respect to settlement of a Claim shall be made by the Determining Body.

(k) All determinations and judgments made by the Determining Body hereunder shall be made in good faith.

(l) Notwithstanding anything to the contrary in this Section 6, the District's indemnification liabilities hereunder shall be limited to its assets, and the District shall not be required to make a special assessment against the residents of the District to fund the District's obligations hereunder.

6.3 Enforcement. (a) The rights provided by this Section shall be enforceable by Indemnatee in any court of competent jurisdiction.

(b) If Indemnatee seeks a judicial adjudication of his rights under this Section, Indemnatee shall be entitled to recover from the District, and shall be indemnified by the District against, any and all expenses actually and reasonably incurred by him in connection with such proceeding but only if he prevails therein. If it shall be determined that Indemnatee is entitled to



receive part but not all of the relief sought, then the Indemnitee shall be entitled to be reimbursed an appropriately prorated amount of all expenses incurred by him in connection with such judicial adjudication.

(c) In any judicial proceeding described in this subsection, the District shall bear the burden of proving that Indemnitee is not entitled to the relief sought.

6.4 Savings Clause. If any provision of this Section is determined by a court having jurisdiction over the matter to violate or conflict with applicable law, the court shall be empowered to modify or reform such provision so that as modified or reformed, such provision provides the maximum indemnification permitted by law and such provision, as so modified or reformed, and the balance of this Section shall be applied in accordance with their terms. Without limiting the generality of the foregoing, if any portion of this Section shall be invalidated on any ground, the District shall nevertheless indemnify an Indemnitee to the full extent permitted by any applicable portion of this Section that shall not have been invalidated and to the full extent permitted by law with respect to that portion that has been invalidated.

6.5 Non-Exclusivity. (a) The indemnification and advancement of Expenses provided by or granted pursuant to this Section shall not be deemed exclusive of any other rights to which Indemnitee is or may become entitled under the Charter or any statute, by-law, authorization of the District's residents or commissioners, agreement, or otherwise.

(b) It is the intent of the District by this Section to indemnify and hold harmless Indemnitee to the fullest extent permitted by law, so that if applicable law would permit the District to provide broader indemnification rights than are currently permitted, the District shall indemnify and hold harmless Indemnitee to the fullest extent permitted by applicable law notwithstanding that the other terms of this Section would provide for lesser indemnification.

6.6 Successors and Assigns. This Section shall be binding upon the District, its successors and assigns, and shall inure to the benefit of the Indemnitee's heirs, personal representatives, and assigns and to the benefit of the District, its successors and assigns.

6.7 Amendment. No amendment to or modification of this Section or any portion hereof shall limit any Indemnitee's entitlement to indemnification in accordance with the provisions hereof with respect to any acts or omissions of Indemnitee which occur prior to such amendment or modification.

## Section 7. OPERATIONS AND OTHER MATTERS

7.1 All checks or demands for money and notes of the District shall be signed by such officer or officers or such other person or persons as the Board of Commissioners may from time to time designate.

7.2 In no event shall the District or its commissioners or officers make any expenditures or engage in any activity inconsistent with the District's status as a political subdivision of the State of Louisiana.

7.3 The funds of the District may be invested in non-interest bearing accounts, interest bearing accounts, certificates of deposit or similar instruments.

7.4 The District may, to the extent the Board of Commissioners deems necessary or appropriate, (i) retain auditors, attorneys or other professionals, (ii) hire stenographers or other individuals to record proceedings, take notes or prepare draft minutes, (iii) purchase signs, stationery, minute books, stamps, and other necessary office or administrative supplies, (iv) purchase such other goods or services necessary to achieve or promote the purposes of the District, including, without limitation, services to create and maintain a website or to mail notices or newsletters to residents of the District, (v) convene or sponsor, solely in the discretion of the Board of Commissioners, informational meetings of the residents of the District pertaining to the affairs of the District, and (vi) procure and maintain liability insurance against any personal or legal liability of a commissioner or officer that may be asserted or incurred based upon his services as a commissioner or officer or that may rise as a result of his action taken within the scope and discharge of any duties or services provided on behalf of or for the benefit of the District.

7.5 In connection with preparing any annual budget of the District required by Paragraph G of the Charter, the Board of Commissioners may fix the annual parcel fee for the upcoming year in any amount deemed appropriate by the Board in its sole discretion, provided that such fee may not exceed the maximum amount prescribed by Paragraph F of the Charter.

7.6 To the extent deemed necessary or appropriate by it, the Board may from time to time designate a registered or principal office of the District, in or outside of the District, which may include the home address of a commissioner, a post office box, or the business address of a commercial enterprise. The Board may from time to time maintain such other offices as it deems necessary to collect funds, receive correspondence or invoices, or otherwise transact business.

7.7 Unless otherwise required by law, the fiscal year of the District shall commence on January 1 of each year.

7.8 All pronouns and variations thereof used in these Bylaws shall be deemed to refer to the masculine, feminine or neuter gender, singular or plural, as the identity of the person, persons, entity or entities referred to may require.

## Section 8. AMENDMENTS

8.1 These By-laws may be repealed or amended, restated, supplemented or otherwise modified by the Board of Commissioners at any regular or special meeting of the commissioners.

8.2 To the maximum extent permitted by law, the Charter shall not be repealed or amended, restated, supplemented or otherwise modified unless such action is first approved by the Board of Commissioners and then by an enactment of the Louisiana Legislature that becomes effective in accordance with the Constitution of the State of Louisiana.

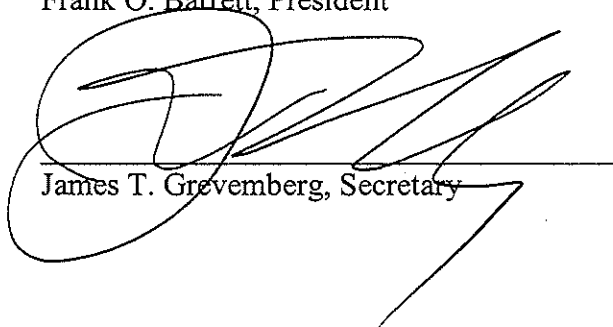
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The undersigned officers hereby certify that the foregoing is a true and correct copy of the By-laws of the Lakeshore Crime Prevention District.

July 12, 2004

  
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Frank O. Barrett, President

July 12, 2004

  
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James T. Grevemberg, Secretary