

LAKE CANYON YACHT CLUB
BYLAWS
Effective January 1, 2021

The Lake Canyon Yacht Club (the "Club") is a non-profit corporation organized for the purpose of promoting family sailing. It shall have the power to own, control, operate, or lease real or personal property incidental to such purposes.

ARTICLE I. MEMBERSHIP

Section I. Membership Classes. There shall be the following classes of membership in the Club: Charter, Honorary, Senior, Non Resident, Student, Inactive, Junior, and Individual. In the case of married couples in the Charter, Senior, and Non Resident categories, the membership unit shall include both persons as members. Family members sharing a membership are limited to one (1) vote. Upon dissolution of the marriage the shared membership shall become nonviable unless converted to a full voting membership. Either and/or both party(ies) of the previously shared membership may convert to full voting membership(s) by monthly payment of all fees for that category of membership.

Section II. Membership Limitations. The number of Charter, Senior, and Individual members of the Club shall, until otherwise authorized by amendment of the Bylaws, and not to include spousal members, be limited to four hundred (400) members. It is further set forth that, in order to protect the identity of the Club as a sailing club, the membership ratio of powerboat owners who do not own sailboats as compared to club members who own boats shall not exceed fifteen percent (15%) as determined each January 1. No person shall be denied membership because of race, color, gender, creed, disability, or national origin.

Section III. Definitions of Classes of Membership. The classes of membership shall be and are hereby defined as follows:

(a) **Charter** members are those persons who were the original investors in the Club. Spouses of Charter members shall share the membership; however, the spouse shall be a member in the Senior membership category.

(b) **Honorary** members are those appointed by the Board of Governors to that class of membership. Such appointments shall be for a period determined by the Board of Governors.

(c) **Senior** members shall be those members eighteen (18) years of age or older, who are not full-time students, and who have complied with the requirements set out in Section IV, Admission of Members. Spouses shall share the membership.

(d) **Non Resident** members shall be those members eighteen (18) years of age or older, who are not full-time students, who have complied with the requirements set out in Section IV, Admission of Members, and whose principal residence is outside a one hundred fifty (150) mile radius of Lake Canyon Yacht Club. Anyone owning or residing in a lake house or weekend home within the one hundred fifty (150) mile radius does not qualify for Non Resident membership. Spouses shall share the membership.

(e) **Student** members shall be those members eighteen (18) years of age or older, who are full-time students, and who have complied with the requirements set out in Section IV, Admission of Members.

(f) **Inactive** members: Any member in good standing may request the Board of Governors to place their membership in an inactive status on the sole condition that their place of residence has moved outside a one hundred fifty (150) mile radius from the Club. Such inactive member shall lose all privileges and rights provided by these Bylaws. However, they may at any time when circumstances so warrant, solicit the Board of Governors to reactivate their membership.

(g) **Junior** members shall be those members seven (7) years of age to seventeen (17) years of age, or who are still enrolled in and attending high school, whose parents/guardians are not Club members and who have complied with the requirements set out in Section IV, Admission of Members. In addition to the requirements in Section IV, the application must include the signature of the applicant's parent/guardian and consent of that person for such background checks as directed by the Board of Governors. Members in this category who are TSA Circuit participants may continue as Junior members through age nineteen (19). A Junior member who wants to continue as a member of the Club after expiration of the Junior membership must submit an application for another class of membership.

(h) **Individual** members shall be those members eighteen (18) years of age or older, who are not full-time students, and who have complied with the requirements set out in Section IV, Admission of Members EXCEPT that spouses have not complied with Section IV requirements and, therefore, are not members. They may at any time when circumstances so warrant, solicit the

Board of Governors to become Senior members. Family Privileges set out in Section X do not extend to Individual members, but use of club facilities is allowed as described in Section XI Guest Privileges.

Section IV. Admission of Members. Persons of good moral character and with demonstrated interest in sailing who desire to join the Lake Canyon Yacht Club shall fully complete an "Application for membership in the Lake Canyon Yacht Club". Each applicant shall be sponsored by three (3) persons who are and have been in good standing for no less than 24 months. Completed applications for which required fees have been submitted will be forwarded to the Commodore and to the Membership Committee. The applicant's name will be posted on the LCYC Clubhouse Bulletin Board for 30 days, and during this time the Membership Committee will accept comments from the membership. The Membership Committee will review the application, determine eligibility, consider comments from the membership, and conduct such background checks as directed by the Board of Governors. If warranted, the committee will perform additional background inquiries as it deems necessary. The Membership Committee will forward its recommendations to the Board of Governors as soon as is practical after the 30 day period for comment.

If the Board of Governors accepts the applicant for admission by majority vote, the applicant will be accepted for membership.

In the event a sponsor is also a member of the Board of Governors, that sponsor will abstain from the vote to assure an impartial decision.

If the Board of Governors rejects the applicant for admission by majority vote, the sponsoring members of the applicant will be notified. The sponsoring members, at the request of the applicant, may appeal the report to the Board of Governors. The appeal will be conducted in executive session. The appeal process will be determined by the Commodore and approved by the Board of Governors.

Applicants who are denied membership shall be notified, in writing, by the Commodore. Those who are denied membership may reapply after one (1) year from the denial date. The Board of Governors, however, shall have the discretion to deny the applicant successive appeals upon subsequent reapplication.

Former members may seek readmission by following the procedures outlined for admission of new members.

Section V. New and Existing Membership Participation. Each new member is required to attend a New Member Orientation Day as soon as practical after membership is granted, and is encouraged to become an active participant in areas of his/her interest.

Sponsoring Members should review these expectations with prospective new Members, encourage their participation once accepted, and "lead by example".

Section VI. Expulsion of Members. The Board of Governors shall have the power to expel any member of the Club guilty of any violation of the Bylaws or rules of the Club or of any offense against the good government of the Club which shall include any misconduct of a member or his/her affiliations rendering him/her undesirable as a member of the Club.

A copy of the charge preferred against any member shall be delivered to him/her at least ten (10) days before the meeting at which such charges shall be considered, giving him/her notice of time and place of the meeting, and such member shall have the opportunity to be heard in his/her own defense. In order to expel a member a two-thirds vote of the entire Board of Governors shall be required.

Section VII. Voting Rights. Charter, Senior, Student and Individual members shall be classified as voting members and shall be eligible to vote at all Club meetings providing all such members are in good standing. No other classes of membership shall have the right to vote. Members sharing a Charter or Senior membership are limited to one (1) vote per membership.

Section VIII. Charter Membership Extension. If a Charter member is in good standing at the time of his death, the Charter membership, exclusive of the Club cabana building lot, shall survive the death of the Charter member and shall pass and be transferred to the designated heir or devisee of the deceased Charter member at his death; provided that only once may the membership be passed on. If such successor shall be eighteen (18) years of age or older, he/she shall have all the privileges of that membership. Such successor shall likewise be exempt from payment of Club dues with respect to such membership. Should an heir or devisee not be designated at the time of the member's death, such rights of membership transfer shall be lost.

Section IX. Club Privileges. All Club privileges shall be extended to all members in good standing.

Section X. Family Privileges. The Member, his or her spouse, and his or her unmarried sons and daughters under the age of twenty-two (22) are entitled to the use of the Club facilities.

Section XI. Guest Privileges. Each member shall be responsible for the conduct and indebtedness of all guests admitted to the Club at the request of such member. The Board of Governors shall prescribe such rules as they deem appropriate respecting the use of the Club by guests of Members. The policy of the Club shall be to limit frequent or regular use of the Club by non-member residents (living within a one hundred fifty (150) mile radius of Lake Canyon Yacht Club) as guests of members, except in connection with crewing activities, and use of the Club by guests of the Club in the absence of their member hosts.

Section XII. Reciprocal Privileges. Charter, Senior, Non Resident, Student and Individual members in good standing are authorized to exercise reciprocal privileges at other yacht clubs that offer such privileges.

Section XIII. Access to Club Records. Members in good standing may have access to a copy of Club records for non-Club sanctioned purposes upon approval of the Board of Governors. The member must demonstrate to the Board a reasonable cause for the request. The member shall pay 1.5 times the current hourly rate of pay for the time of the Club Administrator required to locate and copy the records, and a per page copy charge to be determined by the Board of Governors.

ARTICLE II. BOARD OF GOVERNORS

Section I. Responsibilities of the Board of Governors. The affairs of the Club shall be conducted by the Board of Governors, consisting of nine (9) voting members. The Commodore shall be the presiding officer who votes only in case of a tie.

Section II. Election of the Vice-Commodore and Board of Governors. The Vice-Commodore and the Governors of the Club shall be elected at the annual meeting of the members. Governors shall serve for a term of two (2) years or until his/her successor is duly elected and qualified. In the even numbered years the four (4) member candidates receiving the greater number of votes and in uneven years the five (5) member candidates receiving the greater number of votes shall be declared Governors. Governors may be elected to succeeding terms.

Section III. Nomination of the Vice-Commodore and Board of Governors. A nominating committee shall consist of five (5) voting members of the Club in good standing as follows: (1) the current Commodore, (2) two members who previously served as Commodore, and (3) two voting members of the Club in good standing. This nominating committee shall nominate candidates for the number of vacancies on the Board of Governors and for the Vice-Commodore if that office will be vacated in the coming year. The names of such nominees shall be posted on the bulletin board at least twenty-five (25) days before the annual meeting. In addition to the above nominations, three (3) or more voting members in good standing may nominate candidates for Governors and/or Vice-Commodore by posting such names on the Club bulletin board at least twenty (20) days before the election and by signing their names thereto.

Section IV. Eligibility for Board of Governors. No member shall be eligible for election as a member of the Board of Governors unless he/she shall be entitled to vote under the provisions of the Bylaws, and who is and has been in good standing for no less than 24 months. No member shall be eligible to serve as a member of the Board of Governors if the member, his or her parent, his or her spouse, his or her children, or his or her child's spouse is employed by Lake Canyon Yacht Club, unless the employment is approved by the Board of Governors.

Section V. Election of Board of Governors. At the annual meeting of the members, the presiding officer shall appoint three (3) members of the Club, no one of whom shall be an officer or a candidate, as tellers and judges of the election, and shall cause to be distributed a list of the candidates for Governors or Vice-Commodore previously nominated in accordance herewith; and such vacancies on the Board of Governors shall be filled in accordance with the vote. The new Board of Governors shall take office on the first day of January following their election.

Section VI. Filling Vacancies on Board of Governors. All vacancies on the Board of Governors between annual meetings shall be filled by appointment by the Board of Governors at any regular or special meeting. Such appointees will serve during the unexpired terms of their predecessors.

Section VII. Meetings. Regular meetings of the Board of Governors shall be held each month at such time and place as may be agreed upon by the Board of Governors or designated by the Commodore. No notices shall be required of the regular meetings of the Board. Special meetings of the Board of Governors may be called at any time by an Officer or Governor and shall be held at such place as agreed upon and designated in the notice of the meeting. No special form or notice shall be required of a special meeting of the Board of Governors as long as each Governor receives actual advance notice of such meeting or waives such notice or has written notice mailed to him/her at least three (3) days in advance of such meeting. Additionally, electronic and telephonic meetings of the Board of Governors shall be considered meetings for obtaining a quorum and for securing votes.

Section VIII. Definition of Quorum. A quorum is required at any Regular or Special meeting of the Board of Governors to transact business. A quorum of the Board of Governors shall consist of a majority of the Governors. A majority of the quorum present at any Regular or Special Board meeting shall rule except as otherwise specified in these Bylaws. There shall be no vote by proxy or by absentee ballot at the Board of Governors' meetings.

Section IX. Attendance at Meetings. Any member of the Board of Governors who is absent from more than two (2) consecutive meetings may be removed from the Board and replaced by another eligible member by a majority vote of the remaining members of the Board.

Section X. Powers and Limitations of Board of Governors. The Board of Governors shall conduct, manage, and direct the business of the Club and shall have control of all its property; and shall have the power to borrow money in the name of the Club necessary for the management and operation of said Club and its facilities. However, the Board shall have no authority to sell, convey, mortgage, pledge, lease, exchange, transfer, and otherwise dispose of any real property in which the Club has any interest unless the Secretary, acting upon instructions from the Board, has obtained the affirmative, written consent of a majority of the entire voting membership of the Club; or unless the action is approved by a majority vote of all members present at any annual meeting or any special meeting called specifically for the purpose of considering such sale or disposition. Twenty (20) days written notice of such a special meeting shall be given all members of the Club. A sale or disposition of property belonging to the Club, or in which the Club has any interest, having a value of less than ten thousand dollars (\$10,000.00) may be made by the Board without approval of the membership, provided two-thirds of the Board gives its written consent, duly recorded..

Section XI. Limitation on Expenditures. The Board of Governors shall have the power to expend or obligate funds in the name of the Club necessary for the management and operation of the Club. The Board shall present a proposed budget for the following calendar year at the annual membership meeting. However, the amount which can be spent in any annual period shall not exceed one hundred seven and one half percent (107.5%) of the expected annual revenues. Expected annual revenues is defined as twelve (12) times the billings for membership fees, dues, maintenance fees, land storage fees, and slip fees for the December of the preceding annual period. In testing the amount that can be spent, expenditures will exclude spending on regattas, including Wurstfest Regatta, and spending on Youth Sailing to the extent that revenues offset such spending. The Board cannot spend more than this amount in any one calendar year unless the Secretary, acting upon instructions from the Board, obtains written consent of a majority of the entire voting membership of the Club or unless the expenditure or obligation is approved by a majority vote of all members present at any annual meeting or any special meeting called specifically for the purpose of considering such obligations or expenditures. Twenty (20) days written notice shall be given all members of the Club of such a special meeting.

ARTICLE III. OFFICERS

Section I. Eligibility to be Officers. Members in good standing are eligible to serve as officers of the Club. The officers of the Club shall consist of a Commodore, Vice-Commodore, Rear Commodore, Secretary, Treasurer, Race Director, and Port Captain. No member shall be eligible to serve as an officer if the member, his or her parent, his or her spouse, his or her children, or his or her child's spouse is employed by Lake Canyon Yacht Club, unless the employment is approved by the Board of Governors.

Section II. The **Commodore** shall preside at all meetings of the Club and Board of Governors, but shall not vote except in case of a tie.

Section III. The **Vice-Commodore** shall discharge all the duties of the Commodore during his/her absence or inability to act. The Vice-Commodore will become Commodore for the next year unless deliberate action is taken by the Board of Governors to prevent such succession.

Section IV. The **Rear Commodore** shall discharge all of the duties of the Commodore during the absence or inability of the Commodore or Vice-Commodore to act. The Rear Commodore shall be the immediate Past Commodore.

Section V. The **Secretary** shall record the proceedings of all meetings of the Club and of the Board of Governors and shall perform such other duties as required by the Commodore and the Board of Governors.

Section VI. The **Treasurer** shall have custody of all moneys and funds belonging to the Club, and shall keep and see that proper books and records of accounts are kept, and shall prepare or cause to be prepared as directed by the Board of Governors a true financial statement reflecting the assets and liabilities of the Club and all receipts and disbursements.

Section VII. The **Race Director** shall direct racing activities of the Club.

Section VIII. The **Port Captain** shall direct social activities of the Club.

Section IX. Appointment of Officers. All officers of the Club, except the Vice-Commodore, shall be appointed for one (1) year by the Commodore and approved by a majority vote of the Board of Governors at the first meeting of the Board of Governors following its election. All vacancies of officers occurring shall be filled by this same process at any regular or special meeting. Officers may be appointed to succeeding terms.

ARTICLE IV. COMMITTEES

Section I. Appointment of Committees. It shall be the duty of the Commodore immediately after his/her election to create, or cause to be created, the following standing committees and name the chairman of each; Commodore will also name the Docks and Grounds Committee Vice Chairman by July 1; such committee chairmen to serve until the next annual meeting or until their successors are appointed.

- (1) Membership Committee
- (2) Auditing Committee
- (3) Cabana Owners' Committee
- (4) Docks and Grounds Committee
- (5) Personnel Committee
- (6) Budget Committee

The appointment of all such committee chairmen shall be subject to the majority approval of the Board of Governors.

Section II. The **Membership Committee** shall consist of three (3) to five (5) members, including the Chairman. The Membership Committee shall review and recommend to the Board of Governors action to be taken on applications for membership, review membership policies and classes and make recommendations on same, and make recommendations to the Board of Governors regarding member recruitment and member retention.

Section III. The **Auditing Committee** shall cause to be performed an annual check of Club funds and accounts and shall perform such other duties as may be directed by the Board of Governors. The annual check shall be completed and presented to the Board of Governors prior to December 31st of the year following the year being checked.

Section IV. The **Cabana Owners' Committee** shall, under the direction of the Board of Governors, supervise all matters relating to the Cabanas and Cabana property. This committee shall consist of the same members who are serving on the Architectural Control Committee as required by deed restrictions to the property.

Section V. The **Docks and Grounds Committee** shall manage all Club facilities and employees related to Docks and Grounds, including the maintenance of grounds and repair of all buildings and improvements on the Club property and leased waterfront. It shall also make and amend the Lake Canyon Yacht Club Rules from time to time with the approval of the Board of Governors. The Docks and Grounds Committee shall have a committee chairman and a vice chairman. The vice chairman will become the chairman for the next year unless deliberate action is taken by the Board of Governors to prevent such succession.

Section VI. Personnel Committee. The Board of Governors shall appoint three (3) of its members to the Personnel Committee, which shall conduct the following activities:

- (1) Receive, review, and make recommendations to the Board concerning any personnel grievances by employees of the Club related to working conditions or any other complaints.
- (2) Formulate policy for employment including pay scales, benefits, raises, and promotions of employees of the Club. Submit to Board of Governors for majority approval.
- (3) Interview potential employees and applicants for positions with the Club. Initiate and evaluate background checks in accordance with LCYC policy.
- (4) Ensure compliance with all applicable state and federal employment regulations and laws for employees.

Replacements to the Personnel Committee will be appointed by the Board of Governors. The Commodore and the Chairman of the Docks and Grounds Committee shall not be members of the Personnel Committee.

Section VII. The **Budget Committee** shall, under the supervision of the Board of Governors, cause an annual budget to be prepared for the Club. Such budget for the following year will be presented to the Board of Governors for their review,

comment and, if necessary, revision such that adequate time is available for a summary of the budget to be provided to the membership at the Annual Meeting.

Section VIII. Audit of Committees or Officers. The Board of Governors shall be entitled to audit or cause to be audited any account of the Club or a committee or officer of the Club at any time.

Section IX. Other Committees. The Board of Governors may appoint such other committees as may from time to time become necessary.

ARTICLE V. MEMBERSHIP FEES AND DUES

Section I. Authority to Change Fees. The Board of Governors shall have the power to change the fees and dues for each class or category of membership with the exception of existing Charter memberships. Such a change may be accomplished by a simple majority vote of the Board of Governors at any Regular or Special meeting. Such a change is not an amendment of the bylaws and does not require membership approval.

Section II. Special Assessments. The Board of Governors may from time to time as it shall be necessary, in the best interests of the operation of the Club, levy upon the Senior and Individual members special assessments for the operation funds of the Club not to exceed the sum of one hundred dollars (\$100.00) per member in any calendar year. The Club membership shall have the power to levy assessments in such manner and such amount upon the Senior and Individual members as it may deem proper at any annual, general, or special meeting of the members. Regarding assessments by the Board of Governors, need two-thirds approval by Board; regarding assessments approved by membership, need majority approval at any annual, general, or special meeting. Notwithstanding the foregoing, Charter members, but not their heirs or devisees as defined in Article I, Section VIII, shall be exempt from any special assessments.

Section III. Suspension or Termination on Nonpayment of Dues and Fees. All debts to the Club shall be payable immediately upon receipt of the Club bill. If all indebtedness is not paid by the 25th day after date of invoice, members' names shall be posted. If not paid within thirty (30) days thereafter members are subject to suspension without further action of the Board of Governors and such members shall not be permitted to enjoy the privileges of the Club. If all of said indebtedness is not paid within thirty (30) days of such suspension, or if a satisfactory schedule of payment is not approved by the Commodore, the member shall be given notice by the Treasurer that their membership has been forfeited. The Board may, at its sole discretion, reinstate a member who has forfeited his or her membership, and may choose to condition reinstatement on payment of a fee it sets at its discretion.

Section IV. No Privileges for Suspended or Terminated Members. No member or former member who stands suspended or whose membership has terminated because of an indebtedness or other obligation due the Club shall be permitted upon the Club premises as a visitor or as a guest so long as any of the indebtedness to the Club remains unpaid.

ARTICLE VI. MEETINGS

Section I. Definition of Year. The Club shall operate on a calendar year basis.

Section II. Annual Meetings. The Club shall hold a regular Annual meeting for the purpose of electing Governors and the Vice-Commodore and for the transactions of such other business designated by the Board of Governors. Any five (5) voting Club members in good standing may place an issue on the agenda for a vote of the membership upon submitting a written request for same to the Commodore no less than thirty (30) days prior to the date set for the Annual meeting. This Annual meeting shall be held the first week of December or such other time and at such place the Board of Governors may designate.

Section III. Special Meetings. Special meetings of the Club may be called either by the Commodore or the Board of Governors upon the request of five (5) voting Club members in good standing. The Secretary shall mail to the last known address of each member a notice of such meeting and the Secretary shall post notice thereof on the Club bulletin board not less than ten (10) days previous to such meeting. No business shall be transacted in any special meeting other than that clearly set forth in the notice calling such meeting.

Section IV. Voting Quorum. Twenty-five percent (25%) of the voting members of the Club with a minimum of ten (10) voting members present at any General or Special meeting of the Club as herein provided shall constitute a quorum. A simple majority of those voting members at any duly organized meeting shall rule on such general business as may come before such a meeting, except as provided for otherwise herein these Bylaws. Absentee mail ballots will be considered at such meetings for obtaining a quorum.

Section V. Vote by Absentee Ballot. Absentee ballots specifying the question for which said absentee ballot was given, and the vote to be made thereon and written ballots for the election of Governors and Vice-Commodore may be presented and counted at any General or Special membership meeting, provided same are in writing and are signed by a voting member.

ARTICLE VII. AMENDMENTS AND PARLIAMENTARY PROCEDURES

Section I. Amendments to Bylaws. These Bylaws may be amended and/or altered in whole or in part by a two-thirds vote at any duly constituted General or Special membership meeting provided that the voting membership of the Club has been notified at least twenty (20) days in advance as to the proposed amendments. Posting of the proposed amendments on the bulletin board shall be deemed a satisfactory method of notification.

Section II. Parliamentary Procedures. All meetings of the Board of Governors and of the membership shall be conducted in accord with Robert's Rules of Order (latest edition) except when specified otherwise by these bylaws or by a two-thirds (2/3) vote of the Board of Governors.

ARTICLE VIII. INDEMNIFICATION

Section I. For the purposes of this section, the Board of Governors or any individual governor of the corporation is the equivalent of the Board of Directors or an individual Director, as appropriate, under Texas Business Corporations Act, Article 1396-2.22A.

Section II. The Corporation shall indemnify governors, officers, and employees, and agents of the Corporation for the purposes set out in Article 1396-2.22A of the Texas Business Corporations Act to the fullest extent required by that section of the Act and may indemnify such persons to the fullest extent permitted by that Section of the Act, subject in each case to restrictions, if any, set forth in the Articles of Incorporation subject to those determinations to be made by the Corporation as set out in that Article. The Corporation shall have the power to purchase and maintain at its cost and expense insurance on behalf of any such persons to the fullest extent permitted by Article 2.22A of the Act.

Section III. Notwithstanding any other provisions of this Article, the Corporation may pay or reimburse expenses incurred by a governor or others in connection with his appearance as a witness or other participation in a proceeding which relates to the Corporation or the governors, officers or employees duties or responsibilities as a governor, officer or employee of the Corporation, whether or not at a time when such governor is not a named defendant or respondent in the proceeding.

Section IV. The right to indemnification and the advancement and payment of expenses conferred in this Article shall not be exclusive of any other right which a governor or other individual person indemnified pursuant to Section II of this Article may have or hereafter acquire under any law (common or statutory), provision of the Articles of Incorporation, these Bylaws, agreement, vote of the Members or disinterested governors, or otherwise.

Section V. The Corporation may purchase and maintain insurance, at its expense, to protect itself and any person who is or was serving as a governor, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a governor, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic company, corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such individual person against such expense, liability or loss under this Article.

Section VI. If this Article or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Corporation shall nevertheless indemnify and hold harmless each governor or any other individual person indemnified pursuant to this Article as to costs, charges and expenses (including attorneys' fees), judgments, fines and amounts paid in settlement with respect to any action, suit or proceeding, whether civil, criminal, administrative or investigative to the fullest extent permitted by any applicable portion of this Article that shall not have been invalidated and to the fullest extent permitted by applicable law.