

**AMENDED AND RESTATED  
BYLAWS**

**OF**

**THE PHILADELPHIA ASSOCIATION  
OF PARALEGALS**

**Adopted October 17, 2016**

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## **ARTICLE 1. NAME; REGISTERED OFFICE; AFFILIATIONS**

1.1 Name. The name of the corporation shall be The Philadelphia Association of Paralegals (the "Association").

1.2 Registered Office. The Association shall have and continuously maintain in the Commonwealth of Pennsylvania a registered office, as required by the Pennsylvania Nonprofit Corporation Law of 1988, as amended. The current registered address of the Association is c/o AAAgent Services, LLC, 125 Locust Street, Harrisburg, Pennsylvania 17101. The address of the registered office may be changed from time to time by the Board of Directors.

1.3 Affiliations. The Association shall be affiliated with the Keystone Alliance of Paralegal Associations (the "Alliance") and the National Federation of Paralegal Associations, Inc. ("NFPA"). No actions or programs may be initiated or undertaken which are in conflict with the policies of the Alliance or NFPA.

## **ARTICLE 2. PURPOSES; POLICY AND DEFINITIONS**

2.1 Purposes. The Association shall promote such common business interest through activities that include, but are not limited to:

- (a) offering continuing legal education to Paralegals;
- (b) evaluating and defining the Paralegal role in various sectors delivering legal services and educating both employers and consumers to these roles;
- (c) maintaining mutually beneficial working relationships with local, state and national bar associations and other paralegal associations; and
- (d) maintaining academic relationships with accredited educational institutions offering legal education programs and/or continuing legal education programs and/or continuing legal education courses for Paralegals throughout the Commonwealth of Pennsylvania.

In furtherance of the foregoing activities and purposes, the Association may engage in any lawful act or activity for which associations may be formed under the Pennsylvania Nonprofit Corporation Law of 1988, as amended, 15 Pa.C.S. § 5101, et seq. (the "Act").

2.2 Policy. The Association shall be non-sectarian, non-partisan and non-union. No actions or programs may be initiated or undertaken (now or in the future) in conflict with the Bylaws or the Procedures Manual of the Association.

2.3 Nonprofit Legal Status. The Association is a Pennsylvania non-profit corporation, recognized as tax exempt under Section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the "Code").

2.4 Exempt Activities Limitation. Notwithstanding any other provision of these Bylaws, no Director, Officer, employee, Member, or representative of the Association shall take any action or carry on any activity by or on behalf of the Association not permitted to be taken or carried on by an organization exempt under Section 501(c)(6) of the Code. No part of the net earnings of the Association

shall inure to the benefit or be distributable to any Director, Officer, Member, or other private person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the Articles of Incorporation and these Bylaws.

2.5 Dissolution upon Termination. Upon termination or dissolution of the Association, any assets lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the Code (or described in any corresponding provision of any successor statute) which organization or organizations have a charitable purpose which, at least generally, includes a purpose similar to the terminating or dissolving corporation. The organization to receive the assets of the Association hereunder shall be selected in the discretion of a majority of the Board of Directors of the Association, and if its members cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the Association by one (1) or more of its Directors, which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets to be distributed, giving preference if practicable to organizations located within the Commonwealth of Pennsylvania. In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to the Association, then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the Commonwealth of Pennsylvania to be added to the general fund.

2.6 Definitions. In these Bylaws, unless the context otherwise requires:

(a) "Act" means the Pennsylvania Nonprofit Corporation Law, as amended (15 Pa.C.S. § 5101, *et seq.*).

(b) "Alliance" shall mean the Keystone Alliance of Paralegal Associations.

(c) "Associate Member" means an individual who meets the membership criteria for an Associate Member found in Section 3.1(c) herein who has made application to become an Associate Member of the Association and has paid such dues as the Board may determine.

(d) "Association" means The Philadelphia Association of Paralegals, a Pennsylvania nonprofit corporation.

(e) "Board" means the Board of Directors of the Association.

(f) "Chair" means an individual, acting individually or jointly with another, who leads one of the Association's Committees.

(g) "Code" means the Internal Revenue Code of 1986, as amended.

(h) "Committee" means a Member or group of Members that is perpetual and continues unless otherwise dissolved. A Committee may be chaired by one or more individual(s) who are Members of the Association in good standing at the time of their election/appointment. Committee Chairs and Members must be in good standing during their service on a committee. A Committee may be divided into subcommittees when necessary.

(i) "*Director*" means a duly elected Member of the Board of Directors in Good Standing.

(j) "*Dual Member*" means an individual who meets the membership criteria for a Dual Member found in Section 3.1(h) herein who has made application to become a Dual Member of the Association and has paid such dues as the Board may determine.

(k) "*Emeritus Member*" means an individual who meets the membership criteria for an Emeritus Member found in Section 3.1(f) herein who has made application to become an Emeritus Member of the Association and has paid such dues as the Board may determine.

(l) "*Good Standing*" means having made application to become a Member, having met membership criteria found in Article 3 herein and having paid such dues as the Board may determine.

(m) "*Institutional Sustaining Member*" means any partnership, association, corporation or other entity interested in supporting the purposes of the Association who meets the membership criteria for an Institutional Sustaining Member found in Section 3.1(d) herein who has made application to become an Institutional Sustaining Member of the Association and has paid such dues as the Board may determine.

(n) "*Member*" means a person or institution that has submitted the appropriate Membership Application, paid the requisite dues, and whose Membership Application has been accepted by the Association.

(o) "*Membership Application*" means the form proscribed for new membership in the Association.

(p) "*Notice*" means informing the Member or Members of an event in writing either via first class mail, email, publication in newsletter or telephone call.

(q) "*Officer*" or "*Officers*" means those person(s) duly elected as an officer(s) of the Association as specified in Article 6 herein.

(r) "*Paralegal*" means a person qualified through education, training and/or work experience to perform substantive legal work that requires knowledge of legal concepts and is customarily, but not exclusively, performed by a lawyer. This person may be retained or employed by a lawyer, law office, governmental agency or other entity or may be authorized by administrative, statutory or court authority to perform this work. Substantive shall mean work requiring recognition, evaluation, organization, analysis, and communication of relevant facts and legal concepts.

(s) "*Procedures Manual*" means the manual provided to each Officer, Director and Committee Chairperson which provides an overview of the operating policies and procedures of the Association, as the same may be amended from time to time.

(t) "*Public Interest/Military Member*" means an individual who meets the membership criteria for a Public Interest Member found in Section 3.1(f) herein who have made application to become a Public Interest/Military Member of the Association and have paid such dues as the Board may determine.

(u) "*Renewal Application*" means the form proscribed for renewal membership in the Association.

(v) "*Student Member*" means an individual who meets the membership criteria for a Student Member found in Section 3.1(g) herein who have made application to become a Student Member of the Association and have paid such dues as the Board may determine.

(w) "*Voting Member*" means an individual who meets the membership criteria for a Voting Member found in Section 3.1(a) herein who has made application to become a Voting Member of the Association and has paid such dues as the Board may determine.

(x) "*Voting Membership (PAP) with Non-Voting Philadelphia Bar Association Membership*" means an individual who meets the membership criteria for a Voting Member found in Section 3.1(b) herein and the membership criteria for Associate Members of the Philadelphia Bar Association and has paid such dues as the Board and/or the Philadelphia Bar Association may determine.

### **ARTICLE 3. MEMBERSHIP**

3.1 Classes of Membership. There shall be eight (8) classes of membership of the Association, consisting of "Voting," "Voting (PAP) with Non-Voting Philadelphia Bar Association Membership," "Associate," "Institutional Sustaining," "Public Interest/Military," "Emeritus," "Student" and "Dual" as follows:

(a) Voting Member. Any person who is employed as a Paralegal as defined in Section 2.4(r) may apply to become a Voting Member and, upon approval of his/her Membership Application, will be entitled to one vote on all matters which require the vote of Members of the Association.

(b) Voting Member (PAP) with Non-Voting Philadelphia Bar Association Membership. Any person who is employed as a Paralegal as defined in Section 2.4(r) may apply to become a Voting Member of PAP with Non-Voting Philadelphia Bar Association membership, and, upon approval of his/her Membership Application, will be entitled to one vote on all matters which require the vote of Members of the Association and shall be an Associate Member of The Philadelphia Bar Association.

(c) Associate Member. Open to any person who has recently graduated from a formal course of study, upon the completion of which such person is qualified to be employed as a paralegal; any person whose primary responsibilities and job classification are not paralegal but does perform paralegal duties on a limited basis (full-time paralegals do not qualify as Associate Members and must apply as Voting Members); any person previously employed as a paralegal or equivalent position, subject to approval of the Board and Member Services Committee. An Associate Member may fully participate in the affairs of the Association, but shall not have the right to (i) vote, (ii) hold any office, or (iii) serve as a director or committee chair.

(d) Institutional Sustaining Member. Any partnership, association, corporation or other entity interested in supporting the purposes of the Association may become an Institutional Sustaining Member. An Institutional Sustaining Member shall not be entitled to vote on matters requiring the vote of Members of the Association.

(e) Public Interest/Military Member. Open to any person employed as a paralegal in a position with an organization that provides indigent or reduced-fee legal services, such as prisoners' legal services and campus legal services; and positions with public interest and non-profit employers, including private non-profit advocacy, religious, social service, fund-raising, community resource, or cause-oriented organizations; or military personnel.

(f) Emeritus Member. Open to any person who is a former voting member of the Association, who is no longer working as a paralegal and who has retired from the profession, moved out of the area, taken a leave of absence, or changed careers. An Emeritus Member in good standing may fully participate in the affairs of the Association, but shall not have the right to (i) vote, (ii) hold any office or (iii) serve as a director or committee chair. An Emeritus Member may re-apply for Voting Membership if he/she returns to the paralegal profession at such time that he/she satisfies the criteria for Voting Membership by completing and submitting the then-current Membership Application.

(g) Student Member. Any person who is enrolled in a formal course of study intended to lead to employment as a Paralegal may become a Student Member. A Student Member may fully participate in the affairs of the Association, but shall not have the right to (i) vote, (ii) hold any office or (iii) serve as a director or committee chair.

(h) Dual Member. Open to any person who is a member, whether voting, student, or associate, of another NFPA state or county affiliated paralegal association and whose membership dues to NFPA have been paid through such other association for the current year.

Notwithstanding the provisions of this Section 3.1, (a) the conviction of a felony or misdemeanor offense will be reviewed by the Board of Directors on a case by case basis and (b) any potential member may petition the Member Services Committee to accept his or her Membership Application or Renewal Application based on special circumstances. The Member Services Committee shall consider all circumstances surrounding such application and submit the application with its recommendation to the Board of Directors for a vote.

3.2 Membership Application. Application to become a Member shall be made on a form or forms approved by the Board of Directors for this purpose. All applications must be accompanied by the required nonrefundable application fee and/or annual dues as described in Section 3.5. The Member Services Committee shall review each Membership Application to determine that the appropriate category of membership has been elected. If the Member Services Committee determines that an applicant does not meet the requirements for membership, the Committee shall deny the application for respective membership. Subject to the approval of the Board, the determination of the Member Services Committee is final. The Association's membership requirements shall not exclude or discriminate on the basis of race, color, religion, sex, national origin, age or physical handicap.

3.3 Transferability. Membership is the personal property of the individual or institution who pays membership dues to the Association. No individual Member may transfer the membership granted by the Association or any right arising therefrom. Sustaining Membership issued to an organization is transferable in the event the Association Member retires or leaves a position prior to the expiration of such annual membership, and provided the transferee meets the qualifications for membership.



3.4 Membership Prohibitions. All Members are prohibited from selling, using or otherwise distributing the Association membership lists for advertisement, endorsement or business development purposes, unless otherwise permitted by the Board.

3.5 Dues and Assessments. Each applicant for membership in the Association shall, at the time of application submission, submit a nonrefundable application fee and annual dues, in such amounts as shall be determined from time to time by resolution of the Board of Directors, such dues may be pro-rated, depending upon the date of approval of the application, as follows: January 1 through October 31, 100%; there will be no pro-ration of dues. Any member joining the Association on or after November 1 shall be considered a member for the remainder of such membership year as well as the immediately subsequent membership year. No later than December 26 of each year, the Member Services Chair shall cause renewal notices to be sent via email to all then-current Members. Annual dues shall be payable, in advance, on or before the 1<sup>st</sup> day of February of each year. Any Member whose dues have not been received by 5:00 p.m. on the 5<sup>th</sup> day of February shall be notified that such Member is in arrears. If such Member's dues have not been received by the Treasurer by 5:00 p.m. on the 15<sup>th</sup> day of February, then on the 16<sup>th</sup> day of February such Member shall be automatically dropped, without further notice to the Member, from membership in the Association.

3.6 Resignation/Removal of Members. Members shall cease to be Members, as the case may be, upon their resignation from the Association, or their failure to meet membership requirements, or on February 16, after nonpayment of dues or other assessments, or may be expelled from the Association for failure to act in furtherance of the purposes of the Association as set forth in the Articles of Incorporation and/or these Bylaws, or for such other reasons as the Board of Directors shall adopt such procedures as necessary to accomplish the foregoing, including procedures enforcing the collection of dues, providing for the termination of membership upon reasonable notice and specifying the procedure for reinstatement of membership. Such procedures shall be uniformly applied to all Members similarly situated. In the event of a resignation from or removal by the Board, dues previously paid by a Member shall be nonrefundable.

#### **ARTICLE 4. MEETING OF MEMBERS**

4.1 Regular Meetings. A regular meeting of the Members shall be held once each quarter of the year. The Board of Directors shall adopt a resolution fixing the day on which, and the time and place at which, all such regular meetings shall be held until changed by further action of the Board.

4.2 Special Meetings. Special meetings of the Members may be called by the President and shall be called upon the written request of a majority of the Members of the Board of Directors or upon the written request of 10% of the voting members of the Association. Written notice of the place, date, time and purpose of each special meeting of members shall be given to each person entitled to notice of such meeting not less than ten (10) nor more than twenty (20) days prior to the date thereof. Matters to be considered shall be limited to those mentioned in the call of the meeting.

4.3 Annual Meeting. The regular meeting held in January of each year shall be designated as the Annual Meeting for the purpose of the presentation of the Board-Elect, Officers-Elect and Committee Chairs-Elect to the Members of the Association and the transaction of such other business as may properly come before the meeting. If the Annual Meeting shall not be called and held within six (6) months after the designated time, any Voting Member may call such meeting at any time thereafter.

Written notice of the Annual Meeting, specifying the place, the date and the hour of such meeting, shall be given at least ten (10) days prior to the date of the meeting.

4.4 Meeting to Elect the Board of Directors. The regular meeting held in the last quarter of each year shall be designated as the Meeting to Elect the Board of Directors, and for the transaction of such other business as may properly come before the Board. If the regular meeting to elect Directors shall not be called and held within six (6) months after the designated time, any Voting Member may call such meeting at any time thereafter. Written notice of the regular meeting to elect Directors, specifically the place, the date and the time of such meeting, shall be given at least ten (10) days prior to the date of the meeting.

4.5 Notice.

4.5.1 Generally. Unless otherwise provided by law, the Articles of Incorporation, as amended from time to time, or the Bylaws, as amended from time to time, no notice shall be required for any regular or annual meeting of members held in accordance with the resolution fixing the day, time and place of such meetings, but if the day, time or place for a particular regular or annual meeting or for all future regular or annual meetings of members shall be changed, written notice of such change shall be given to all persons entitled to notice of the particular meeting, or the first of such future meetings to which such change is applicable, not less than ten (10) nor more than fifty (50) days prior to the date of such meeting. Unless otherwise required by law, the Articles of Incorporation, as amended from time to time, or the Bylaws, as amended from time to time, no notice of any regular or annual meeting of members shall be required to specify the matters to be considered at such meeting.

4.5.2 Bulk Mail Notice. If the Association has more than 100 Members of record, the Association can give notice by mail of any regular or special meeting of the Members (or any other notice required by this subpart or by the articles or bylaws to be given to all Members or to a class of Members) at least twenty (20) days prior to the day named for the meeting or any corporate or Member action specified in the notice may use any class of postpaid mail.

4.6 Persons Entitled to Notice. The only persons who shall be entitled to receive notice of any regular, special or annual meeting of members shall be those persons who are Members in good standing on the date immediately prior to the date on which notice is mailed or otherwise delivered.

4.7 Quorum. The presence in person of a majority of the Members entitled to vote at a meeting of Members held in accordance with the Bylaws shall be necessary and sufficient to constitute a quorum for the transaction of business at any Regular or Special Meeting. If a quorum shall not be present at any meeting of the Members, the Voting Members present at such meeting may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

4.8 Voting. When a quorum is present at any meeting, the vote of a majority of the Members present and entitled to vote shall be the act of the Members, unless the vote of a different number is required by law, the Articles of Incorporation, as amended from time to time, or the Bylaws, as amended from time to time. Any vote, except for the election of officers, may be taken by voice or by show of hands. Each Voting Member shall be entitled to one vote.

4.9 Proxies. Every Voting Member may authorize another Voting Member to act for him or her by proxy to vote at a meeting. Every proxy shall be executed in writing by the Voting Member, or by

his or her duly authorized attorney-in-fact, and received by the Secretary of the Association at least forty-eight (48) hours prior to the scheduled time of the meeting. In the event that a quorum is not present at the originally scheduled meeting, those persons in attendance at that meeting may submit proxies for the first adjourned and/or second adjourned meetings. Each and every proxy shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary, but the revocation of a proxy shall not be effective until written notice thereof to the Secretary of the Association. No unrevoked proxy shall be valid after eleven (11) months from the date of its execution, unless a longer time is expressly provided therein, but in no event shall a proxy be voted upon after three (3) years the date of its execution. A proxy shall not be revoked by the death or incapacity of the maker unless, before the vote is counted or the authority is exercised, written notice of such death or incapacity is given to the Secretary of the Association.

## **ARTICLE 5. DIRECTORS**

5.1 Entire Board. The number of Directors which shall constitute the entire Board of Directors shall be such number, not less than five (5) nor more than fifteen (15), as the Board of Directors may determine.

5.2 Powers. The business and affairs of the Association shall be managed by its Board of Directors, which may exercise all such powers of the Association and do all such lawful acts and things that are provided by statute, or by the Articles of Incorporation, or by these Bylaws directed or required to be exercised and done by Members, including the retention of legal counsel, accounting professionals, and other professional advisors as it so deems necessary.

5.3 Qualifications of Directors.

5.3.1 Each elected Director must:

(i) be a Voting Member in Good Standing of the Association on January 1 in order to assume office and throughout their tenure as a Member of the Board of Directors. Except as hereinafter provided, in the case of vacancies, Directors shall be elected by the Voting Members at the fourth quarterly meeting of the Members, and shall have the singular power to name Officers-Elect and Committee Chairpersons-Elect immediately upon the adjournment of said meeting. The Board-Elect shall have full power to act as the Board of Directors as set forth in Section 5.2 hereof on the January 1<sup>st</sup> following the 4<sup>th</sup> quarterly meeting.

(ii) not have abandoned a position on the Board of Directors (as determined by the Board of Directors) or been removed from a position on the Board of Directors within the immediately preceding five (5) years. Additionally, the candidate for President must have served (1) for at least one year, at any time, as a Committee Chair and (2) as an officer/director for at least one year in the immediately preceding three years as of January 1 of the year in which the candidate would take office for President. Any ineligible officer/director candidate may submit a request of the then-current Board of Directors for reinstatement of eligibility. The then-current Board of Directors has discretion to reinstate eligibility; and

(iii) be a Voting Member in Good Standing on the last day of February (having paid their dues) in order to maintain such position.

Each Director must remain a Voting Member in Good Standing (subject to the provisions of the Bylaws, as amended from time to time) during his or her term of office. A Director may serve concurrently as a Voting Officer/Director for another paralegal association provided the Officer/Director: (a) notifies the Board of Directors, in writing, of their voting position on another paralegal association's board, the term of that position and the duties of that position; and (b) the Officer/Director will voluntarily abstain from voting on any/all issues which are in direct conflict with any/all issues of PAP. Should any Officer/Director cease to be a Voting Member and/or become not in Good Standing during his or her term office, or should any Officer/Director not be a Voting Member and/or not be in good standing on the date he or she is to assume his or her duties, the remaining members of the Board of Directors shall immediately declare that office vacant, and with the exception of the office of President, a new Officer/Director to fill the vacancy shall be appointed.

5.4 Term. The term of office of Directors shall be two (2) years. The Board of Directors shall be divided as nearly equally as possible into two groups, so that one-half (or as near to one-half as possible) of the Director positions expire annually on the second Tuesday of the month of January in each calendar year, or at the time of induction of the new Board. Each newly elected Officer/Director shall assume his or her duties on January 1<sup>st</sup>. Each person appointed to fill an unexpired term of office shall assume his or her duties on the date his or her appointment is approved by a majority of the members of the Board of Directors. Each officer/director shall serve through the last day of December, or until his or her successor is elected, appointed or assumes office, or until his or her earlier resignation, removal or death.

(a) Vacancies. Should Board membership drop below five (5), any vacancy occurring on the Board for whatever reason shall be filled for the balance of the unexpired term by electing, by a majority vote, a candidate qualified by the Nominating Committee.

(b) Decrease in Number. A decrease in the number of Directors shall not have the effect of shortening the term of any incumbent Director.

5.5 Minimum Attendance Requirements for Directors. Directors shall be required to attend a minimum of 75% of the Board meetings a year in person, in addition to attending the organizational meeting, unless excused by the President. Failure to attend the required minimum number of Board Meetings may result in immediate dismissal from the Board.

5.6 Election of Directors. The Directors of the Association shall be elected in the manner outlined Section 2.3 of the Procedures Manual.

5.7 Resignations. Any Director or officer of the Association may resign at any time by giving written notice to the President or the Secretary of the Association. Such resignation shall take effect as of the date of receipt of such notice, or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.8 Removal of Directors. Any Director may be removed from such position by a two-thirds (2/3) vote at a meeting of the Board of Directors at which there is a quorum, whenever in the judgment of the Board of Directors, the best interests of the Association will be served. The person sought to be removed shall be given not less than fourteen (14) days prior to the date of such meeting via certified or registered mail, return receipt requested, notice of the meeting and the charges against him or her.

(a) Removal by the Members. The entire Board of Directors or any individual Director of the Association may be removed from office without assigning any cause by the vote of Members. In case the Board or any one or more Directors are so removed, new Directors may be elected at the same meeting.

(b) Removal by the Board. The Board of Directors may declare vacant the office of a Director who has been judicially declared of unsound mind or who has been convicted of an offense punishable by imprisonment for a term of more than one year, or for any other proper cause, or if, within 60 days, after notice of selection, a Director does not accept the office either in writing or by attending a meeting of the Board of Directors and fulfill the other requirements of qualification.

(c) Effect of Reinstatement. An act of the Board done during the period when a director has been suspended or removed for cause shall not be impugned or invalidated if the suspension or removal is thereafter rescinded by the Members or by the Board.

5.9 Place of Meetings. All meetings of the Board of Directors shall be held at such a place within the Commonwealth of Pennsylvania as the Board of Directors may from time to time appoint or as may be designated in the notice of the meeting.

5.10 Notice of Meeting. Regular meetings of the Board of Directors may be held upon such notice, if any, as the bylaws may prescribe. Unless otherwise provided in the bylaws, written notice of every special meeting of the Board of Directors or other body shall be given to each director or Member of such other body at least five (5) days before the day named for the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board or other body need be specified in the notice of the meeting.

5.11 Organizational Meeting. The first meeting of each newly elected Board of Directors shall be held on or before January 31<sup>st</sup> in each calendar year at a time and place, determined by the Board of Directors. Notice of the organizational meeting shall be sent to current Directors, Directors-Elect and Committee Chairs at a reasonable time prior to the meeting. The organizational meeting may convene at such time and place as may be fixed by the consent or consents in writing of all of the Directors.

5.12 Regular Meetings. Regular meetings of the Board of Directors may be held at such time and at such place as shall be determined from time to time by the Board of Directors. Notice of regular meetings shall be given within five (5) days of such meeting.

5.13 Special Meetings. Special meetings of the Board of Directors may be called by the President or Secretary upon twenty-four (24) hours' notice to each Director in the manner set forth in Section 5.10 of these Bylaws. Notice of each special meeting of the Board of Directors shall specify the date, the place, the hour and the purpose of the meeting.

5.14 Quorum.

(a) General. At all meetings of the Board of Directors, a majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If a quorum shall not be present at any meeting of the Directors, the Directors present shall adjourn the meeting. It shall not be necessary to give any notice at the adjourned meeting

of the business to be transacted other than by announcement at the time of the meeting at which such adjournment is taken.

(b) Action by Consent. Any action required or permitted to be approved at a meeting of the Directors may be approved without a meeting if a consent or consents to the action in record form are signed, before, on or after the effective date of the action by all of the Directors in office on the date the last consent is signed. The consent or consents must be filed with the Secretary of the Association.

5.15 Executive and Other Committees of the Board.

(a) Establishment and powers. Unless otherwise restricted in the Bylaws:

(i) The Board of Directors may, by resolution adopted by a majority of the Directors in office, establish one or more committees to consist of one or more Directors of the Association.

(ii) Any committee, to the extent provided in the resolution of the Board of Directors or in the Bylaws, shall have and may exercise all of the powers and authority of the Board of Directors, except that a committee shall not have any power or authority as to the following:

(A) the submission to Members of any action requiring approval of Members under this subpart;

(B) the creation or filling of vacancies in the Board of Directors;

(C) the adoption, amendment or repeal of the Bylaws;

(D) the amendment or repeal of any resolution of the Board that by its terms is amendable or repealable only by the Board; and/or

(E) action on matters committed by the Bylaws or a resolution of the Board of Directors exclusively to another committee of the Board.

(b) Term. Each committee of the Board shall serve at the pleasure of the board.

(c) Executive Committee. The Executive Committee of the Board of Directors shall consist of the President, any Vice Presidents and the Board Advisor. The Executive Committee shall have such powers as are delegated to them by the Board of Directors; provided, however, the powers enumerated below may not be delegated by the Board to any committee, including the Executive Committee:

(i) the submission to the Members of any such action requiring approval of the Voting Members;

(ii) the filling of vacancies on the Board of Directors;

(iii) the adoption, amendment or repeal of the Bylaws;

(iv) the amendment or repeal of any resolution of the Board; or

(v) action on matters permitted by the Bylaws or resolution of the Board of Directors unless otherwise provided in the resolution of the Board of Directors designating such committees, 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.

5.16 Information Rights of a Director.

(a) General Rule. To the extent reasonably related to the performance of the duties of the Director, a Director is entitled, at any reasonable time, to inspect corporate books, records and documents and, in addition, to inspect, and receive information regarding, the assets, liabilities and operations of the Association.

(b) Proceedings for the Enforcement of Inspection by a Director. If the Association, or an officer thereof, refuses to permit an inspection or obtain or provide information sought by a Director pursuant to subsection (a) or does not reply to the request within two business days after the request has been made, the Director may apply to the court for an order to compel the inspection or the obtaining or providing of the information. The court shall summarily order the Association to permit the requested inspection or to obtain the information unless the Association establishes that the information to be obtained by the exercise of the right is not reasonably related to the performance of the duties of the Director or that the Director is likely to use the information in a manner that would violate the duty of the Director to the Association. The order of the court may contain provisions protecting the Association from undue burden or expense and prohibiting the Director from using the information in a manner that would violate the duty of the Director to the Association.

5.17 Remuneration. Board members shall serve without payment of salary.

5.18 Conflict of Interest. A Board Member or officer who is a party to, or who is a director or officer of, or who has a material or financial interest in, any corporation, partnership, association or other organization which is a party to a material contract or proposed material contract with the Association, shall disclose the nature and extent of that interest at the time and in the manner provided by Pennsylvania state law. Such a director shall not vote on any resolution to approve the same except as provided by Pennsylvania state law.

## **ARTICLE 6. OFFICERS**

6.1 Qualification and Designation.

(a) General Rule. The Officers of the Association shall be elected by the Board of Directors, and shall be a President, two (2) Vice Presidents, a Secretary and a Treasurer. Candidates for President and Vice President(s) must have served one year of office on the Board. Candidates must also meet any additional qualifications required for Board membership as set forth in Section 5.3 of these Bylaws. The Officers shall be natural persons of full age. Unless otherwise restricted in the Bylaws, it shall not be necessary for the officers to be directors. Any number of offices may be held by the same person. The Officers and assistant officers shall be elected or appointed at such time, in such manner and for such terms as may be fixed by or pursuant to the Bylaws. Unless otherwise provided by or pursuant to the Bylaws, each officer shall hold office for a term of one year and until his/her successor has been selected and qualified or until his/her earlier death, resignation or removal. Any Officer may

resign at any time upon written notice to the Association. The resignation shall be effective upon receipt thereof by the Association or at such subsequent time as may be specified in the notice of resignation. The Association may secure the fidelity of any or all of the officers by bond or otherwise. The Board of Directors shall have power to fill any vacancies in any office occurring from whatever reason.

(b) Authority. All officers of the Association, as between themselves and the Association, shall have such authority and perform such duties in the management of the Association as may be provided by or pursuant to these Bylaws or, in the absence of controlling provisions in the bylaws, as may be determined by or pursuant to resolutions or orders of the Board of Directors or other body.

(c) Nomination of Officers. Officers shall be nominated by a nominating committee or from the floor.

6.2 Election/Term of Office. The Board-Elect immediately following the fourth quarterly meeting of the Members at which it is elected, shall elect a President, two Vice Presidents, a Secretary, and a Treasurer. Each officer of the Association shall take office immediately upon adjournment of the Annual Meeting, and shall hold office until his/her successor is duly elected and qualified.

6.3 Removal of Officers and Agents. The Board may remove any officer or agent elected or appointed by the Board of Directors, with or without cause, whenever in its sole judgment the best interest of the Association will be served thereby. The removal shall be without prejudice to the contract rights, if any, of any person so removed. Election or appointment of an officer or agent shall not of itself create contract rights. If the office of any Officer becomes vacant for any reason, the Board of Directors shall fill the vacancy. The First Vice President shall fill presidential vacancies for the balance of the unexpired presidential term. If the First Vice President is unable to so fill a presidential vacancy, the vacancy shall be filled in accordance with the procedure for the filling of other vacancies on the Board. The Second Vice President shall fill vacancies arising in the position of First Vice President. The presentation of all new officers shall take place at the Association's Annual Meeting of Members, or at such other time determined by the Board.

6.4 Additional Officers. The Board of Directors may also elect such other officers and assistant officers from among the Members of the Board of Directors as the needs of the Association may from time to time require, who shall hold their offices for such terms, and shall have such authority, and shall perform such duties as shall be determined by resolution of the Board of Directors.

6.5 President. The presidential term of office shall be one (1) year. The President shall have served at least one (1) year on the Board prior to election, and shall be the Chief Executive Officer of the Association. The President shall preside at all meetings of the Members and Directors, shall manage the business of the Association and shall see that all orders and resolutions of the Board are carried into effect. The President shall execute bonds, mortgages and other contracts requiring the corporate seal, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Association. Additional responsibilities of the President include service as:

- (a) chief representative of the Association at other meetings;
- (b) chief spokesperson for the Association; and



(c) liaison to Bar Associations.

6.6 Vice Presidents. The vice presidential terms of office shall be one (1) year. The First and Second Vice President, in the order delegated by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and shall perform such other duties as the Board of Directors may prescribe, or the President may delegate.

6.7 Secretary. The Secretary's term of office shall be one (1) year. The Secretary shall attend all sessions of the Board of Directors and all meetings of the Members and record all the votes of the Association and minutes of all the transactions in a book to be kept for that purpose, and shall perform like duties for the committees of the Board when required. The Secretary shall give, or cause to be given, notice of all meetings of the Members and the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or the President. The Secretary shall keep in safe custody the corporate seal of the Association, and, when authorized by the Board, to affix the same to any instrument requiring it, and, when so affixed, it shall be attested by the signature of the Secretary or an Assistant Secretary.

6.8 Treasurer. The Treasurer's term of office shall be one (1) year. Responsibilities of the Treasurer include:

- (a) oversee the receipt and deposit of all funds belonging to the Association;
- (b) approve check requests and issue checks in payment of bills authorized for payment on behalf of the Association, taking proper vouchers for such disbursements, and shall render to the President and Directors at the regular meeting of the Board, at the annual meeting and at such other times as the Board of Directors may require, an account of all transactions of the Treasurer and of the financial condition of the Association;
- (c) keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all moneys and other valuable effects in the name of, and to the credit of the Association in such depositories as shall be designated by the Board of Directors;
- (d) coordinate the issuance of monthly reports and other financial reports to the Board as requested;
- (e) prepare and monitor the annual budget for the Association; and
- (f) participate in or monitor, and be apprised of all meetings and communications with relevant third parties, such as accountants and tax authorities.

6.9 Remuneration. Officers of the Association shall serve without payment of salary.

## **ARTICLE 7. FIDUCIARY DUTY**

7.1 Standard of Care and Justifiable Reliance.

(a) Directors. A Director of the Association shall stand in a fiduciary relation to the Association and shall perform his/her duties as a Director, including his/her duties as a Member of any Committee of the Board upon which he/she may serve, in good faith, in a manner he/she reasonably

believes to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his/her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(i) one or more Officers or employees of the Association whom the Director reasonably believes to be reliable and competent in the matters presented.

(ii) counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person.

(iii) a Committee of the Board upon which he/she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

(b) Effect of Actual Knowledge. A Director shall not be considered to be acting in good faith if he/she has knowledge concerning the matter in question that would cause his/her reliance to be unwarranted.

(c) Officers. Except as otherwise provided in the Bylaws, an Officer shall perform his/her duties as an officer in good faith, in a manner he/she reasonably believes to be in the best interests of the Association and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. A person who so performs his/her duties shall not be liable by reason of having been an Officer of the Association.

## 7.2 Personal Liability of Directors.

(a) General Rule. A Director shall not be personally liable for monetary damages for any action taken unless:

(i) the Director has breached or failed to perform the duties of his/her office under this subchapter; and

(ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

(b) Exception. Subsection (a) shall not apply to:

(i) the responsibility or liability of a Director pursuant to any criminal statute; or

(ii) the liability of a Director for the payment of taxes pursuant to federal, state or local law.

7.3 Notation of Dissent. A Director who is present at a meeting of the Board of Directors, or of a Committee of the Board, at which action on any corporate matter is taken on which the Director is generally competent to act, shall be presumed to have assented to the action taken unless his/her dissent is entered in the minutes of the meeting or unless he/she files his/her written dissent to the

action with the Secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary of the Association immediately after the adjournment of the meeting. The right to dissent shall not apply to a Director who voted in favor of the action. Nothing in this subchapter shall bar a Director from asserting that minutes of the meeting incorrectly omitted his/her dissent if, promptly upon receipt of a copy of such minutes, he/she notifies the Secretary in writing of the asserted omission or inaccuracy.

#### 7.4 Exercise of Powers Generally.

(a) General Rule. In discharging the duties of their respective positions, the Board of Directors, Committees of the Board and individual Directors may, in considering the best interests of the Association, consider to the extent they deem appropriate:

(i) the effects of any action upon any or all groups affected by such action, including Members, employees, suppliers, customers and creditors of the Association, and upon communities in which offices or other establishments of the Association are located;

(ii) the short-term and long-term interests of the Association, including benefits that may accrue to the Association from its long-term plans and the possibility that these interests may be best served by the continued independence of the Association;

(iii) the resources, intent and conduct (past, stated and potential) of any person seeking to acquire control of the Association; and

(iv) all other pertinent factors.

(b) Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, any act as the Board of Directors, a Committee of the Board or an individual Director shall be presumed to be in the best interests of the Association.

### **ARTICLE 8. GENERAL PROVISIONS**

8.1 Corporate Seal. The corporate seal shall have inscribed thereon the name of the Association, the year of its organization and the words "Corporate Seal, Pennsylvania." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

8.2 Fiscal Year. The fiscal year of the Association shall begin on the 1<sup>st</sup> day of January and end on the 31<sup>st</sup> day of December in each year.

8.3 Execution of Instruments. All contracts, agreements and other instruments authorized by the Board and all checks, drafts, or other orders for the payment of money issued in the name of the Association shall be signed by such person or persons and in such manner as may be designated by the Board; and unless so designated by the Board or in these Bylaws, no person shall have authority to bind the Association by any contract or engagement or to render it liable in a pecuniary manner for any purpose or for any amount.

8.4 Banking Arrangements. The banking business of the Association shall be transacted with such banks, trust companies, firms or corporations as may be designated by or under authority of the

Board. Such banking business or any part thereof shall be transacted under such agreement, instructions and delegations of powers as the Board may prescribe or authorize.

#### 8.5 Corporate Records; Inspection by Members.

(a) Required Records. The Association shall keep minutes of the proceedings of the Members, the Directors and any other body, and a membership register, giving the names and addresses of all Members and the class and other details of the membership of each. The Association shall also keep appropriate, complete and accurate books or records of account. The records provided for in this subsection shall be kept at any of the following locations:

- (i) the registered office of the Association in this Commonwealth;
- (ii) the principal place of business wherever situated; or
- (iii) in care of the person in charge of an actual business office of the Association.

(b) Right of Inspection by a Member. Every Member shall, upon written verified demand stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the membership register, books and records of account, and records of the proceedings of the Members, directors and any other body, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of the person as a Member. In every instance where an attorney or other agent is the person who seeks the right of inspection, the demand shall be accompanied by a verified power of attorney or other writing that authorizes the attorney or other agent to so act on behalf of the Member. The demand shall be directed to the Secretary of the Association.

(c) Proceedings for the Enforcement of Inspection by a Member. If the Association, or an Officer or agent thereof, refuses to permit an inspection sought by a Member pursuant to subsection (b) or does not reply to the demand within five business days after the demand has been made, the Member may apply to the court for an order to compel the inspection. The court shall determine whether or not the person seeking inspection is entitled to the inspection sought. The court may summarily order the Association to permit the Member to inspect the membership register and the other books and records of the Association and to make copies or extracts therefrom; or the court may order the Association to furnish to the Member a list of its Members as of a specific date on condition that the Member first pay to the Association the reasonable cost of obtaining and furnishing the list and on such other conditions as the court deems appropriate. Where the Member seeks to inspect the books and records of the Association, other than its membership register or list of Members, he/she shall first establish:

- (i) that he/she has complied with the provisions of this section respecting the form and manner of making demand for inspection of such document; and
- (ii) that the inspection he/she seeks is for a proper purpose.

Where the Member seeks to inspect the membership register or list of Members of the Association and he/she has complied with the provisions of this section respecting the form and manner of making demand for inspection of the documents, the burden of proof shall be upon the Association to establish

that the inspection he/she seeks is for an improper purpose. The court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other or further relief as the court deems just and proper. The court may order books, documents and records, pertinent extracts therefrom, or duly authenticated copies thereof, to be brought into this Commonwealth and kept in this Commonwealth upon such terms and conditions as the order may prescribe.

## **ARTICLE 9. INDEMNIFICATION AND INSURANCE**

9.1 Third-Party Actions. The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association), by reason of the fact that he/she is or was a representative of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with the action or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner that he/she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal proceeding, had reasonable cause to believe that his/her conduct was unlawful.

9.2 Derivative and Corporate Actions. The Association shall have power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of the Association to procure a judgment in its favor by reason of the fact that he/she is or was a representative of the Association, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of the action if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Association. Indemnification shall not be made under this section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the Association unless and only to the extent that the court of common pleas of the judicial district embracing the county in which the registered office of the Association is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the court of common pleas or other court shall deem proper.

9.3 Mandatory Indemnification. To the extent that a representative of a nonprofit Association has been successful on the merits or otherwise in defense of any action or proceeding referred to in section 5741 of the Act (relating to third-party actions) or 5742 of the Act (relating to derivative and corporate actions) or in defense of any claim, issue or matter therein, he/she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

9.4 Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under section 5741 of the Act (relating to third-party actions) or 5742 of the Act (relating to derivative and corporate actions) shall be made by the nonprofit association only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because

he/she has met the applicable standard of conduct set forth in those sections. The determination shall be made:

- (i) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action or proceeding;
- (ii) if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion;
- (iii) by such other body as may be provided in the bylaws; or
- (iv) by the Members.

9.5 Advancing Expenses. Expenses (including attorneys' fees) incurred in defending any action or proceeding referred to in this subchapter may be paid by the Association in advance of the final disposition of the action or proceeding upon receipt of an undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that he/she is not entitled to be indemnified by the Association as authorized in this subchapter or otherwise. Except as otherwise provided in the Bylaws, advancement of expenses shall be authorized by the Board of Directors. Section 5728 of the Act (relating to interested Members, Directors or Officers; quorum) shall not be applicable to the advancement of expenses under this section.

9.6 Supplementary Coverage.

(a) General Rule. The indemnification and advancement of expenses provided by or granted pursuant to the other sections of this subchapter shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any bylaw, agreement, vote of Members or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding that office. Section 5728 of the Act (relating to interested directors or officers; quorum) shall be applicable to any bylaw, contract or transaction authorized by the directors under this section. An Association may create a fund of any nature, which may, but need not, be under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this section or otherwise.

(b) When Indemnification is Not to be Made. Indemnification pursuant to subsection (a) shall not be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

(c) Grounds. Indemnification pursuant to subsection (a) under any bylaw, agreement, vote of Members or directors or otherwise may be granted for any action taken or any failure to take any action and may be made whether or not the Association would have the power to indemnify the person under any other provision of law except as provided in this section and whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Association. Such indemnification is declared to be consistent with the public policy of this Commonwealth.

(d) Trust Property. This subchapter shall not affect the liability of a representative with respect to the administration of assets held by the Association pursuant to section 5547 of the Act (relating to authority to take and hold trust property).

9.7 Power to Purchase Insurance. The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a representative of the Association against any liability asserted against him and incurred by him in any such capacity, or arising out of his/her status as such, whether or not the Association would have the power to indemnify him against that liability under the provisions of this subchapter. Such insurance is declared to be consistent with the public policy of this Commonwealth.

9.8 Duration and Extent of Coverage. The indemnification and advancement of expenses provided by or granted pursuant to this Section 9 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a representative of the Association and shall inure to the benefit of the heirs and personal representative of that person.

9.9 Amendment or Repeal. This Article may hereafter be amended or repealed; provided, however, that no amendment or repeal shall reduce, terminate or otherwise adversely affect the right of a person who is or was a Director or Officer to obtain indemnification or advancement of expenses with respect to a proceeding that pertains to or arises out of actions or omissions that occur prior to the effective date of such amendment or repeal, which date cannot be retroactive.

#### **ARTICLE 10. AMENDMENTS**

These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the affirmative vote of a two-thirds (2/3) majority of the Board of Directors present at any Regular Meeting or at any Special Meeting at which such vote is taken, if at least five (5) days written notice is given of intention to alter, amend or repeal, or to adopt new Bylaws at such meeting.