

BYLAWS
OF
PHILADELPHIA AREA CONSORTIUM OF
SPECIAL COLLECTIONS LIBRARIES, INC.

ARTICLE I
Name and Location

1.01 Name. The name of the corporation is Philadelphia Area Consortium of Special Collections Libraries, Inc. (the “Corporation”).

1.02 Location. The registered office of the Corporation shall be located at The Historical Society of Pennsylvania, 1300 Locust Street, Philadelphia, Pennsylvania 19107 or such other location authorized by the Board of Directors and registered with the Commonwealth of Pennsylvania. The Corporation may also have offices at such other places as the Board of Directors may designate or the activities of the Corporation may require.

ARTICLE II
Purposes

2.01 Purposes. The Corporation is incorporated under the Nonprofit Corporation Law of the Commonwealth of Pennsylvania (the “Act”) for the purposes of conducting exclusively charitable, literary, scientific, and educational activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or the corresponding provisions of any successor United States Internal Revenue law (the “Code”), specifically being both organized and operated exclusively for the benefit of those institutions named in the Corporation’s Articles of Incorporation and other charitable institutions having special collections libraries admitted to membership by the Board of Directors.

The Corporation shall engage in all activities properly related to the foregoing.

The Corporation shall have all the powers provided to nonprofit corporations under the Act; provided, however, that the Corporation shall not, except to an insubstantial degree, exercise any powers that are not in furtherance of the purpose of this Corporation.

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its Representatives, Executive Committee members, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation. The Corporation shall not participate in, or

intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation (a) exempt from federal income tax under Section 501(a) of the Code as an organization described in Section 501(c)(3) of the Code, or (b) contributions to which are deductible under Section 170(c)(2) of the Code.

Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Code, as the Board of Directors shall determine. Any assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations which are organized and operated exclusively for such purposes, as the Court shall determine.

ARTICLE III

Seal

3.01 Seal. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words “Corporate Seal, Pennsylvania”. The corporate seal may be affixed and attested but the affixation or attestation of the corporate seal shall not be necessary for the due execution of any filing, any document or any other purpose by the Corporation.

ARTICLE IV

Membership

4.01 Qualifications of Members. The Corporation shall have Members within the meaning of the Act. All Members must be organizations described in Section 501(c)(3) of the Code (excluding private foundations) or governmental units or their instrumentalities described in Section 170(c)(1) of the Code. Each Member shall own or operate a special collections library in the greater Philadelphia area as specified herein.

4.02 Designation of Members. Members may be designated by vote of at least two-thirds of all Members at a meeting of the Board of Directors or by unanimous written consent of the Members. Within ten (10) days of the meeting at which a new Member is approved or of the receipt of the written approval which makes the agreement unanimous, the Secretary of the Board of Directors shall deliver, in writing, to the President of each institution approved for new membership, notice of invitation to membership, enclosing a copy of the Bylaws, with a request for certification of the institution’s acceptance of membership. Membership rights and responsibilities shall commence within seven (7) days of delivery of such certification to the

offices of the Corporation. An invitation to membership shall lapse if not accepted within one year of notice.

4.03 Termination. A Member may resign by delivery of written notice from the President of the Member. Resignation shall take effect immediately upon delivery to the Secretary of the Corporation of such notification. A Member may be removed at a meeting of the Board of Directors by vote of at least two-thirds of all other Members or by unanimous written consent of the Members.

4.04 Voting Rights. Each Member shall be entitled to one vote in person or by proxy. Every proxy shall be executed in writing by the Member or by his or her duly authorized attorney in fact and filed with the Secretary of the Corporation. A proxy shall be revocable at will, notwithstanding any other agreement or any provision in the proxy to the contrary. The revocation of a proxy shall not be effective until notice thereof has been given to the Secretary of the Corporation. No unrevoked proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. In no event shall a proxy be voted on after three years from 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 Corporation.

4.05 Representatives. Each Member shall designate an individual to act as its representative ("Representative"). The Representative shall be either the President of the Member, the head of special collections library of the Member or such senior library employee as the President of the Member may appoint. Except as otherwise provided in these Bylaws, the Member shall exercise its voting and other rights as a Member through its Representative. Any Representative, unable to attend a meeting of the Board of Directors or otherwise represent the Member, may name an Alternate (the "Alternate") by written notice to the Secretary of the Corporation at least three (3) days prior to the date upon which such substitution is to commence. If the notice of substitution does not include a closing date for the substitution, the Alternate shall continue to exercise all powers on behalf of the Representative, including attendance at meetings of the Board of Directors, until rescinded by notification by the Representative. The President of the Member may at any time appoint a new Representative or Alternate (in the case of temporary incapacity of the Representative) by providing written notice to the Secretary of the Corporation. Such appointment shall take effect seven (7) days from delivery of such notification.

4.06 Classes of Membership and Dues. The Board of Directors may establish classes of membership and dues. Dues shall normally be payable by Members not later than July of each calendar year.

4.07 Notice for Membership, Resignation, or Appointment. Written notice shall be given in the manner provided in Section 5.05 of these Bylaws for any invitation to membership, certification of acceptance, resignation or appointment of a Representative or Alternate.

ARTICLE V
Board of Directors

5.01 Membership. The Representatives shall be referred to collectively as the “Board of Directors” which is the body that exercises voting and other rights of Members under the Act. The Board of Directors also serves as the Corporation’s governing body to the extent authorized in these Bylaws.

5.02 General Powers. Except as otherwise provided in Section 6.01 of these Bylaws, the business and affairs of the Corporation shall be managed by the Board of Directors. In addition to the powers and authority expressly granted by these Bylaws, the Board of Directors may exercise all powers of the Corporation and do all lawful acts and things that are not prohibited by applicable law, the Articles of Incorporation or these Bylaws. The Board of Directors may delegate to the Executive Committee or any other Standing or Ad Hoc Committee of the Board any power or authority not expressly reserved to it by applicable law, the Articles of Incorporation or these Bylaws.

5.03 Regular Meetings. Regular meetings of the Board of Directors shall be held on the third Wednesday of March, June, September, and December of each year, except as varied according to these Bylaws. Representatives may adjust the date of a meeting of the Board of Directors by a vote of two-thirds of the Representatives present and voting at the meeting previous to that to be changed or by unanimous written consent of Members at least twenty-one (21) days prior to both the previously-scheduled and the revised date of the meeting. Special meetings of the Board of Directors may be called at any time by the Chair or Vice Chair of the Executive Committee. Meetings of the Board of Directors may be held at any location within or without the Commonwealth of Pennsylvania, except that meetings held more than seventy-five (75) miles distant from the Corporation’s registered office in the City of Philadelphia will require the consent in writing of at least two-thirds of the Representatives. Election of officers shall take place at the Annual meeting; a committee roster shall be adopted at the June meeting; a budget for the coming year shall be presented and a call for nominations for officers shall be issued at the December meeting.

5.04 Annual Meeting. Unless the Board of Directors provides by resolution for a different time, the annual meeting of the Board of Directors, for the election of Executive Committee members and officers and the transaction of any other business which may be brought before the meeting, shall be held at 3:30 p.m. on the third Wednesday of March in each year. If such day is a legal holiday under the laws of Pennsylvania, the annual meeting shall be held on the next succeeding business day which is not a legal holiday under the laws of Pennsylvania. The meetings of the Board of Directors shall be held at such place as may be fixed by the Board. If no place is fixed by the Board, the meetings of the Board of Directors shall be held at the registered office of the Corporation.

5.05 Notice. Written notice of every meeting of the Board of Directors shall be given personally or by sending a copy first class or express mail, postage prepaid, or by telegram (with messenger service specified), telex or TWX (with answer back received) or courier service, charges prepaid, or by facsimile transmission, to his or her address (or to his or her telex, TWX or facsimile number) appearing on the books of the Corporation. If notice is sent by mail, telegram or courier service, it shall be deemed to have been given when deposited in the United States mail or with a telegram office or courier service for delivery to that person or, in the case of telex or TWX, when dispatched or, in the case of facsimile, when receipt has been confirmed. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by the Act. A notice of meeting shall be delivered at least fifteen (15) days prior to the date of the meeting, unless otherwise required by the Act, the Articles of Incorporation or these Bylaws and shall specify the place, day and hour of the meeting and any other information required by the Act. Except as otherwise provided by the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

5.06 Quorum. The presence, in person or by proxy, of the Representatives entitled to cast at least one-half of the votes which all Representatives are entitled to cast on the matters to be acted upon at the meeting shall constitute a quorum. The Representatives present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough Representatives to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided in the Act, adjourn the meeting to such time and place as they may determine. In the case of any meeting called for the election of Executive Committee members, those who attend the second of such adjourned meetings, although less than a quorum, shall nevertheless constitute a quorum for the purpose of electing Executive Committee members.

5.07 Voting. Each Representative shall be entitled to one vote on any matter submitted to the Board of Directors. The acts of a majority of the Representatives present and voting at a meeting at which a quorum is present shall be the acts of the Board of Directors unless a greater proportion is required by the Act, the Articles of Incorporation or these Bylaws. Except as required by the Act, the Articles of Incorporation or these Bylaws, voting can be by voice vote, show of hands, or written ballot, as authorized by the Board of Directors.

5.08 Consent in Lieu of Meeting. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all of the Representatives who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary of the Corporation.

ARTICLE VI
Executive Committee

6.01 General Powers. The Executive Committee shall be responsible for the general management of the business affairs of the Corporation within the policies and procedures approved by the Board of Directors, subject to applicable law, the Articles of Incorporation and these Bylaws. The Executive Committee acts as the Corporation's governing body in matters not reserved to the Board of Directors.

6.02 Qualification. Members of the Executive Committee must be natural persons who are selected from those who have been designated as Representatives pursuant to Section 4.05 of these Bylaws.

6.03 Number and Term. The Board of Directors shall determine the total number of Executive Committee members. The Executive Committee shall include the Chair, Vice Chair, Secretary, Treasurer, and such other individuals elected by the Board of Directors. In addition, the Executive Committee shall include as ex officio voting members the Chairs of all Standing and Ad Hoc Committees, and the immediate past Chair of the Board of Directors following the completion of his or her term. All terms of membership on the Executive Committee will commence immediately at the end of the meeting of the Board of Directors at which they were elected.

6.04 Method of Election. The Nominating and Governance Committee shall submit to the Board of Directors a written slate of candidates for officers and for all vacancies on the Executive Committee at least fifteen (15) days in advance of the meeting at which the election is to be held. Notice shall be given in the manner provided in Section 5.05 of these Bylaws. At the meeting at which the election is to be held, any Representative or Alternate may submit nominations from the floor prior to the voting. Voting shall be by written ballot, with the votes to be counted by the Chair of the Executive Committee and the Chair of the Nominating and Governance Committee. Vacancies will be filled by those receiving the highest number of votes from Representatives present and voting at the meeting.

6.05 Meetings. Regular meetings of the Executive Committee shall be held at such times and places as the Executive Committee may determine. Special meetings of the Executive Committee may be called at any time by the Chair or Vice Chair of the Executive Committee. Meetings of the Executive Committee may be held at any location within or without the Commonwealth of Pennsylvania, except that meetings held more than seventy-five (75) miles distant from the registered office of the Corporation in the City of Philadelphia will require the consent in writing of at least two-thirds of the members of the Executive Committee.

6.06 Notice. Written notice of a meeting of the Executive Committee shall be given personally or by sending a copy first class or express mail, postage prepaid, or by telegram (with messenger service specified), telex or TWX (with answer back received) or courier service, charges prepaid, or by facsimile or electronic mail transmission, to his or her address (or to his or her telex, TWX

or facsimile number, or electronic mail address) appearing on the books of the Corporation. If notice is sent by mail, telegraph or courier service, it shall be deemed to have been given when deposited in the United States mail or with a telegraph office or courier service for delivery to that person or, in the case of telex or TWX, when dispatched or, in the case of facsimile or electronic mail, when receipt has been confirmed. A notice of meeting shall be delivered at least ten (10) days prior to the date of the meeting, unless otherwise required by the Act, the Articles of Incorporation or these Bylaws and shall specify the place, day and hour of the meeting and any other information required by the Act. Except as otherwise provided by the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business to be transacted at an adjourned meeting, to her than by announcement at the meeting at which such adjournment is taken.

6.07 Quorum. A majority of the Executive Committee shall constitute a quorum for the transaction of business at any meeting of the Executive Committee. The Executive Committee may invite other committee chairs or advisors to attend its meetings; such attendees shall not vote.

6.08 Voting. Each member of the Executive Committee shall be entitled to one vote. If a majority of members of the Executive Committee are present at a meeting, the acts approved by a vote of a majority of the members of the Executive Committee present and voting shall be the acts of the Executive Committee unless otherwise required by applicable law, the Articles of Incorporation or these Bylaws.

6.09 Consent in Lieu of Meeting. Any action which may be taken at a meeting of the Executive Committee may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all members of the Executive Committee and filed with the Secretary of the Corporation.

6.10 Resignation of Members of the Executive Committee. A member of the Executive Committee may resign at any time. The resignation shall be in writing delivered to the Secretary of the Corporation, except that the Secretary shall deliver notification to the Chair. A vacancy created by the resigning member of the Executive Committee shall be filled by vote of the remaining members of the Executive Committee, subject to approval by the Board of Directors at its next meeting.

6.11 Removal of Members of the Executive Committee. Any member of the Executive Committee may be removed by a vote by written ballot of at least two-thirds of all Representatives.

ARTICLE VII **Officers**

7.01 Officers. The officers of the Corporation shall be a Chair, Vice Chair, Secretary, Treasurer and such other officers elected by the Board of Directors. The term of each office shall

be two years and no person shall serve more than two consecutive terms as an officer. The Nominating and Governance Committee will nominate one candidate for each vacant office. After the slate is announced, members of the Board of Directors may nominate others by contacting any member of the Nominating and Governance Committee; provided, however, that the nominee has given consent for his or her name to be placed in nomination.

7.02 Chair. The Chair shall formulate the agenda and preside at all meetings of the Board of Directors and of the Executive Committee if present. The Chair shall be a voting member ex officio of every Committee of the Board. The Chair shall be responsible for the management of the Corporation including the general supervision of all operations and personnel of the Corporation, including strategic planning and fund-raising, subject in all cases to the policies and directions of the Board of Directors and of the Executive Committee.

7.03 Vice Chair. In the absence of the Chair from any meeting of the Board of Directors or of the Executive Committee, the Vice Chair shall preside at such meeting and shall possess all the powers of the Chair. The Vice Chair shall also act on behalf of the Chair in the absence or incapacity of the Chair. The Chair shall provide written notification to the Secretary of any expected absence. Incapacity of the Chair shall be certified by two-thirds of those present and voting at a meeting of the Executive Committee.

7.04 Secretary. The Secretary shall cause the minutes of all meetings of the Board of Directors and Executive Committee to be kept and shall cause the custody of the records and the seal of the Corporation to be maintained. The Secretary shall have such other duties and responsibilities as are customarily associated with such office or are assigned by the Executive Committee. The Secretary may delegate any duties created under this Section to the Assistant Secretary if such office has been created by the Board of Directors.

7.05 Treasurer. The Treasurer shall have custody of all funds of the Corporation and shall cause an accurate accounting system of such funds to be maintained. The Treasurer shall receive and disburse the funds of the Corporation according to the annual budget as approved by the Board of Directors and any supplemental budget approved by the Board of Directors, provided that no purchase, contract or other encumbrance in excess of such amount as may be established by the Executive Committee shall be made without the prior approval of the Board of Directors or the Finance Committee. The Treasurer shall further cause the presentation of financial reports in such manner and form as the Board of Directors may determine, provided that the audited annual financial report will be presented to the first meeting of the Board of Directors following the close of the financial year. The Treasurer shall have such other duties and responsibilities as are customarily associated with such office or are assigned by the Board of Directors.

7.06 Removal. Any officer may be removed by a vote by written ballot of at least two-thirds of all Representatives.

7.07 Vacancy. Any vacancy in any office shall be filled by the Executive Committee. Each person so elected shall serve for the balance of the unexpired term.

ARTICLE VIII
Committees of the Board of Directors

8.01 Standing Committees. The Nominating and Governance Committee, the Finance Committee and the Development Committee shall be Standing Committees. The Board of Directors may establish such other Committees of the Board of Directors as it deems necessary or desirable (“Ad Hoc Committees”).

8.02 Nominating and Governance Committee. The Nominating and Governance Committee shall prepare a slate of candidates for all vacancies on the Executive Committee, to be submitted to the Board of Directors in accordance with Section 6.04 of these Bylaws. It shall also conduct periodic reviews of the Bylaws, and shall consider issues relating to potential membership candidates and classes of members.

8.03 Finance Committee. The Finance Committee shall, with the assistance of the Treasurer and any employees of or contractors for the Corporation, prepare the annual budget of the Corporation for submission to the Executive Committee for its review in time for submission to the full Board of Directors for approval at the annual meeting. The Executive Committee may serve as the Finance Committee.

8.04 Development Committee. The Development Committee shall oversee efforts by members and employees of the Corporation to identify specific activities that would further the purposes of the Corporation and to secure funding for both such specific activities and the general expenses of the Corporation.

8.05 Miscellaneous Duties. The Board of Directors and the Executive Committee may delegate such authority to any Committee, whether Standing or Ad Hoc, appropriate to the terms of reference of the committee, provided that such delegation is not prohibited by applicable law, the Articles of Incorporation, or these Bylaws.

8.06 Membership. The Chair of the Board shall nominate the members and chair of each Committee (whether or not a Standing Committee), for approval by the Board of Directors. The Chair shall have the power to make an emergency appointment of a member or members of any Committee or of the chair of any Committee, subject to confirmation by the Board of Directors at its next meeting. All Committees, whether or not Standing Committees, shall be comprised of such persons as are designated by the Board of Directors and need not be members of the Executive Committee or Representatives, provided that the Chair and at least one-third of the members of each Committee shall be Representatives.

8.07 Term. Each member of a Committee shall continue as such until the subsequent annual June meeting of the Board of Directors or until his or her successor is elected and has qualified, unless either such member is earlier removed or such Committee is earlier dissolved by the Board of Directors. Vacancies in the membership of any Committee shall be filled by

appointments made in the same manner as the initial appointments to such Committee in accordance with these Bylaws.

8.08 Notice. Notice shall be given in the manner provided in Section 6.06 of these Bylaws to each member of a Committee at least five (5) days prior to the date of a meeting unless a longer period of notice is required by applicable law, the Articles of Incorporation or these Bylaws.

8.09 Quorum. One-half of the members of a Committee shall constitute a quorum for the transaction of any business, and the acts of a majority of the Committee members present and voting at a meeting at which a quorum is present shall be the acts of such Committee, in each case, unless a greater proportion is required by applicable law, the Articles of Incorporation or these Bylaws.

8.10 Removal. Any member of a Committee may be removed at any time by the Board of Directors. Any member of a Committee appointed by the Chair may be removed by the Chair.

8.11 Minutes, Procedures and Reports of Committees. The chair of each Committee shall designate a Secretary, who need not be a member of such Committee. Each Committee shall establish procedural rules consistent with applicable law, the Articles of Incorporation and these Bylaws and the policies and directions of the Board of Directors; shall keep minutes of each of its meetings; and shall issue such reports as the Board of Directors or the Chair of the Board may request.

ARTICLE IX **Limitation of Liability**

9.01 Limitation of Liability of Directors and Executive Committee members. A Representative or member of the Executive Committee shall not be personally liable, as such, for monetary damages for any action taken or any failure to take any action as a director unless:

- (a) The Representative or Executive Committee member has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 57 of the Act; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

This Section shall not apply to (1) the responsibility or liability of a Representative or Executive Committee member pursuant to any criminal statute, or (2) the liability of a Representative or Executive Committee member for the payment of taxes pursuant to federal, state, or local law.

ARTICLE X
Standard of Care

10.01 Standard of care: justifiable reliance. A Representative or Executive Committee member shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Representative or Executive Committee member, including duties as a member of any committee of the Board upon which the Representative or Executive Committee member may serve, in good faith, in a manner the Representative or Executive Committee member reasonably believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Representative or Executive Committee member shall be entitled to rely in good faith on information, opinions, reports or statements, including, without limitation, financial statements and other financial data, in each case prepared or presented by any of the following:

- (a) One or more officers or employees of the Corporation whom the Representative or Executive Committee member reasonably believes to be reliable and competent in the matters presented;
- (b) Counsel, public accountants or other persons as to matters which the Representative or Executive Committee member reasonably believes to be within the professional or expert competence of such person; or
- (c) A committee of the Board upon which the Representative or Executive Committee member does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Representative or Executive Committee member reasonably believes to merit confidence.

A Representative or Executive Committee member shall not be considered to be acting in good faith if the Representative or Executive Committee member has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

10.02 Consideration of Factors. In discharging the duties of their respective positions, the Board of Directors, the Executive Committee, other committees of the Board and individual Representatives and Executive Committee members may, in considering the best interests of the Corporation, consider the effects of any action upon employees, suppliers and customers of the Corporation and upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors.

10.03 Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken by the Board of Directors, Executive Committee, committee of the Board, individual Representatives, or individual Executive Committee members, or any failure to take any action, shall be presumed to be in the best interests of the Corporation.

10.04 Notation of Dissent. A Representative or member of the Executive Committee who is present at a meeting of the Board of Directors, of the Executive Committee, or of a committee of the Board of Directors, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the Representative or Executive Committee member files a written dissent to the action with the Secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the Secretary immediately after the adjournment of the meeting. The right to dissent shall not apply to a Representative or Executive Committee member who voted in favor of the action. Nothing in this Section shall bar a Representative or Executive Committee member from asserting that minutes of the meeting incorrectly omitted his or her dissent if, promptly upon receipt of a copy of such minutes, the Representative or Executive Committee member notifies the Secretary, in writing, of the asserted omission or inaccuracy.

ARTICLE XI **Indemnification**

11.01 Third Party Actions. The Corporation shall indemnify any Representative, Executive Committee member, or officer of the Corporation 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 Corporation) by reason of the fact that he or she is or was a Representative, Executive Committee member, or officer of the Corporation, or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action or proceedings by judgment, order, settlement, 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 which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

11.02 Derivative Actions. The Corporation shall indemnify any Representative, Executive Committee member, or officer of the Corporation 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 Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a Representative, Executive Committee member, or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or

settlement of the action if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation. Indemnification shall not be made under this Section in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the county in which the registered office of the Corporation is located or the court in which such 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 which the Court of Common Pleas or other court shall deem proper.

11.03 Procedure for Effecting Indemnification. Unless ordered by a court, any indemnification under Sections 11.01 or 11.02 of these Bylaws shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the Representative, Executive Committee member, or officer is proper in the circumstance because he or she has met the applicable standard of conduct set forth in those Sections. The determination shall be made:

- (a) By the Board of Directors by a majority vote of a quorum consisting of Representatives who were not parties to such action or proceedings; or
- (b) If such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Representatives so directs, by independent legal counsel in a written opinion.

11.04 Advancing Expenses. The Corporation shall pay expenses (including attorneys' fees) incurred in defending any action or proceeding referred to in Section 11.01 of these Bylaws in advance of the final disposition of the action or proceeding upon receipt of any undertaking by or on behalf of the Representative, Executive Committee member, or officer to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article or otherwise.

11.05 Supplementary Coverage. The indemnification and advancement of expenses provided by or granted pursuant to this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the Act, or any bylaw, agreement, vote of the disinterested Representatives, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding that office. However, no indemnification may be made by the Corporation under this Article or otherwise to or on behalf of any person to the extent that:

- (a) The act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct, or recklessness; or

(b) The Board determines that under the circumstances indemnification would constitute an excess benefit transaction under Section 4958 of the Code.

11.06 Power to Purchase Insurance. The Corporation may, by action of the Board of Directors or the Executive Committee, purchase and maintain insurance on behalf of any person who is or was a Representative, Executive Committee member, or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against that liability under the Act.

11.07 Creation of a Fund to Secure or Insure Indemnification. The Corporation 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 matter its indemnification obligations whether arising under or pursuant to this Article or otherwise.

ARTICLE XII **Miscellaneous Provisions**

12.01 Fiscal Year. The fiscal year of the Corporation shall end on the 31st day of December each year.

12.02 Auditors. The Chair of the Board of Directors shall submit for approval by the Board of Directors no later than the December meeting of the Board of Directors the names of a firm or two qualified individuals who have agreed to audit the Treasurer's annual financial report and the records on which it is based. An auditor shall not be the Treasurer, an employee of the Corporation or other firm or individual who has been directly involved in disbursing funds of the Corporation or maintaining the Corporation's financial records. The auditors shall submit their report together with the Treasurer's report at the annual meeting of the Corporation. The Corporation may pay the auditors compensation in accordance with standard professional rates prevailing at the time of their services.

12.03 Telephonic Board and Committee Meetings. Any Representative or member of a Committee, including the Executive Committee, may participate in any meeting of the Board of Directors or such Committee, as the case may be, by means of a conference telephone or similar communications equipment through which all persons participating in such meeting can hear all other persons so participating. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

ARTICLE XIII
Adoption and Amendments

13.01 Amendments. These Bylaws may be amended or repealed, or new Bylaws may be adopted, by vote of two-thirds of all Representatives present and voting at a regular or special meeting of the Board of Directors.

Adopted by the Board of Directors, March 17, 2004