

BYLAWS OF THE PENNSYLVANIA SECTION
of the
AMERICAN WATER WORKS ASSOCIATION

Table of Contents

- I. NAME
- II. OBJECTIVES
- III. REGISTERED OFFICE AND OPERATIONS
- IV. ORGANIZATION AND MEMBERSHIP
- V. OFFICERS, BOARD, AND EXECUTIVE DIRECTOR
- VI. COMMITTEES AND COUNCILS
- VII. MEETINGS OF THE SECTION
- VIII. EMPLOYEES AND AGENTS
- IX. FINANCES
- X. AWARDS
- XI. NOTICE, WAIVERS AND MEETINGS
- XII. LIMITATION OF LIABILITY; INDEMNIFICATION
- XIII. DISSOLUTION
- XIV. AMENDMENTS
- XV. MISCELLANEOUS

ARTICLE I – NAME

The name of this corporation shall be the Pennsylvania Section of the American Water Works Association, hereinafter referred to as the "Section." The American Water Works Association shall hereinafter be referred to as "AWWA" or the "Association."

ARTICLE II – OBJECTIVES

The objectives of this Section are to promote public health, safety, and welfare through the continual improvement of the quality and quantity of water delivered to the public and the development and furtherance of understanding of the problems relating thereto as noted in the AWWA Articles of Incorporation by:

- a. Advancing and disseminating knowledge related to the design, construction, operation, and management of water works systems.
- b. Promoting understanding by the public and regulatory officials of the problems and complexities of providing an adequate quantity of safe, palatable water.
- c. Promoting a spirit of cooperation between consumers, regulatory officials, and water suppliers.
- d. Promote public awareness of drinking water quality and protection through outreach and educational programs.

Pennsylvania Section Bylaws

- e. Advancing the Association's goals and objectives.
- f. Providing a source of talent and leadership for the Association.

ARTICLE III – REGISTERED OFFICE AND OPERATIONS

3.1 Registered Office

The Registered Office of this Section shall be at 1309 Bridge Street, New Cumberland, Pennsylvania, until otherwise established by a vote of a majority of the Board of Officers and Trustees, and a statement of such change is filed in the Department of State; or until changed by an appropriate amendment of the Section's Articles of Incorporation (hereinafter referred to as the "Articles").

3.2 Operations

All matters pertaining to the operation of the Section shall be in accordance with the Articles of Incorporation, Bylaws, and Governing Documents of the Association, and with the Articles and Bylaws of the Section.

3.3 Tax Exempt Organization

The Section shall at all times be operated in such a manner as will assure its qualification as an organization which is exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

ARTICLE IV – ORGANIZATION AND MEMBERSHIP

4.1 Section

4.1.1 Boundaries

The geographic area of the Section shall include all areas within the political boundaries of the Commonwealth of Pennsylvania. The Section shall be divided into Districts for the purpose of fostering communication among members and providing additional opportunities for members to participate in implementing the objectives of the Section.

4.1.2 Membership

The membership of the Section shall consist of those members of AWWA residing in or having principal business activity in Pennsylvania and those who have been assigned to the Section by the Executive Director of the AWWA. "Members in good standing" as used in these bylaws shall refer to those who are currently members of AWWA and whose Association dues and Section assessments have been paid up to date. All members of the Section in good standing, except multi-section members, are eligible to vote in Section elections and are eligible to hold elective office in the Section.

Pennsylvania Section Bylaws

4.2 Districts

4.2.1 Boundaries

The Board may create, alter or dissolve Districts. The geographic boundaries of Districts shall be established or altered by the Board.

4.2.2 Membership

District membership shall be available to all who wish to participate, but only Section Members in good standing who reside within the boundaries of that District may vote and hold office.

4.2.3 Organization and Operating Procedures

The organization and operating guidelines of the Districts shall be established by the Board and are contained in Appendix A of these Bylaws.

ARTICLE V – OFFICERS, BOARD, AND EXECUTIVE DIRECTOR

5.1 Governing Body

The governing body of the Section shall be a Board of Officers and Trustees, hereinafter called "Board."

The Board shall consist of the Officers, one Trustee from each District (District Trustees), and the chairs of the Water Utility Council, the Educational/Technical Council and the Manufacturers/Associates Council. In addition, the Executive Director and any member of the Section serving as a National officer of the Association, shall be an ex-officio non-voting member of this Board. No person shall hold more than one position on the Board simultaneously.

All members of the Board, except ex-officio members, shall be entitled to one vote. If a Council Chair is unavailable to attend a board meeting, the council Vice Chair may represent the Council with full voting power. If a District Trustee is unable to attend a board meeting, the District Chair may represent the District with full voting power. Other representatives may attend board meetings but shall not be entitled to vote.

5.2 Powers of the Board

The Board shall have full power to conduct, manage and direct the business and affairs of the Section; and all powers of the Section are hereby granted to and vested in the Board.

5.3 Meetings of the Board

A meeting of the Board shall be held immediately after the adjournment of the Annual Conference of the Section. The Board shall hold at least three (3) meetings prior to the next Annual Conference of the Section.

Additional meetings shall also be held if called by the Chair. The Chair or the Treasurer shall also

Pennsylvania Section Bylaws

call a meeting at the request of four (4) members of the Board.

Between Board meetings, action on any proposal(s) may be taken by the Board provided that all members of the Board are polled by letter, e-mail or phone and that a majority of the Board shall indicate acceptance or rejection of the proposal(s). The proposal(s) and the vote of each Board member shall be placed in written form and circulated to all Board members prior to the next Board meeting. The proposal(s) and the results of the vote shall be filed with the official minutes of the Board.

A quorum at any meeting of the Board shall be seven voting members. Decisions by the Board shall be a majority vote of those present. In the case of a telephone, e-mail or letter ballot, a majority vote of the entire Board is required. One or more persons may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this paragraph shall constitute presence in person at such meeting. At the Chair's discretion, up to , but not exceeding one-half, of the regularly scheduled Board meetings in any year can be held via teleconference

5.4 Officers

The Officers shall consist of the Chair, the Chair-Elect, the Vice-Chair, the Treasurer, the most recent Past-Chair, and the Director, each of whom shall be a member of the Section in good standing.

5.5 Terms of Office

The terms of office of each Officer, except the Director and Treasurer, shall be one year, or until his/her successor shall be elected and take office. The term of office of the Treasurer shall be three (3) years. The term of office of the Director shall be three years or as otherwise required by the Bylaws of the AWWA. The terms of office, except for that of the Director, shall begin with the Board meeting immediately following the adjournment of the Section's Annual Conference. The Director's term of office shall begin as provided for by the Association's Governing Documents.

The term of office of District Trustee shall be for a period of two (2) years. The terms of District Trustees shall be adjusted by the Board such that no more than three (3) District Trustees or two-thirds of the District Trustees, whichever is less, shall expire in any one year.

The term of office on the Board of the chairs of the Water Utility Council, the Educational/Technical Council and the Manufacturers/Associates Council shall coincide with their term as chair of their council.

All vacancies in Board positions between Annual Meetings shall be filled by the Board with persons having the eligibility required.

If the Board determines that an officer or another member of the Board is failing to perform or is improperly performing any of his/her duties or obligations, the Board shall have the right to suspend the powers of such Board member, and to specify the manner in which, and by whom, and for what period of time, such powers shall be exercised by another person. Such determination shall be made after a Board hearing, at which the Board member in question has been invited. Not less than twenty (20) days prior to the hearing, the Chair shall give written notice to the Board member in question, setting forth the details in which his/her performance is questioned and the time and date of the hearing.

Pennsylvania Section Bylaws

Suspension of the powers of a Board member shall require Board action. The Board member in question shall not be eligible to vote, nor be considered in the determination of the quorum for the Board action.

5.6 Eligibility

All officers and members of the Board shall be members of AWWA in good standing whose primary section shall be the Pennsylvania Section. Additional eligibility requirements for each officer position are as follows:

- Chair Shall have served as a District Trustee or a District Chair, or shall have served or currently be serving as a council chair or committee chair.
- Chair-Elect Shall have served as a District Trustee or a District Chair, or shall have served or currently be serving as a council chair or committee chair.
- Vice-Chair Shall have served as a District Trustee or a District Chair, or shall have served or currently be serving as a council chair or committee chair.
- Past-Chair Shall be the most recent Section Chair who has completed his/her term of office as Chair and is available to attend Board meetings and participate in the conduct of Section business.
- Director Shall have served as Section Chair and must have completed his/her term as Chair prior to the time of taking office.
- Treasurer Shall be a Section member in good standing who has demonstrated interest in the Section's activities and well being.

5.7 Nominations

At least six (6) months prior to the Section's Annual Business Meeting, the Chair shall appoint a Section Officers Nominating Committee, consisting of the three (3) most recent available Past-Chairs of the Section and two (2) members of the Section who are not members of the Board for the purpose of selecting nominees for Chair, Chair-Elect, and Vice-Chair. Every third year this same committee shall also select a nominee(s) for Treasurer. The most recent available Past-Chair shall serve as Chair of the Nominating Committee. All committee members shall currently be members of the Section in good standing.

Every three (3) years, at least six (6) months prior to the Section's Annual Business Meeting, the Chair shall appoint a Director's Nominating Committee to select a candidate for Director. The Director's Nominating Committee shall be composed of the current Director, two (2) past Directors, Chair-Elect, and Vice-Chair of the Section. The Chair-Elect shall serve as Chair of the Director's Nominating Committee. All committee members shall currently be members of the Section in good standing.

As part of the nominating process, and prior to the first meeting of the nominating committees, an announcement shall be placed in the Section Newsletter listing the positions to be filled, the eligibility requirements of the positions, the names of the nominating committee members, and soliciting names

Pennsylvania Section Bylaws

of people who are interested in being considered for the positions. Nominating Committees are encouraged to nominate two or more candidates for each vacancy, unless, in the case of the Treasurer, the committee believes it would be in the best interest of the Section to have him/her succeed himself/herself.

The names and vitae of nominees selected by the nominating committees shall be published in the Section Newsletter which contains the announcement for the Annual Conference and Annual Business Meeting.

At the Section's Annual Business Meeting, the Nominating Committees shall report the name(s) of one or more candidates for each office to be filled. Additional nominations will not be allowed from the floor of the meeting.

5.8 Elections

The election of all Officers shall take place at the Section's Annual Business Meeting. This method of election shall be determined by the Board.

Officers to be elected each year shall consist of the Vice-Chair. Unless unable to complete their current term of office, the current Vice-Chair shall advance to the office of Chair-Elect, and the current Chair-Elect shall advance to the office of Chair. The election of the Treasurer shall take place every third year. The election of the Director shall take place every third year at the Section's Annual Business Meeting held the calendar year prior to the Annual Conference of the Association at which the new Director will take office.

5.9 Duties of Officers and Board Members

It shall be the duty of all Board members to promote the objectives of the Association and the Section, to actively strive for the advancement of the Section, perform specific duties assigned by the Chair, and perform the duties outlined hereinafter:

Chair

- a. Have general supervision over the affairs of the Section.
- b. Preside at all meetings of the Section, Board and Executive Committee.
- c. Appoint all committees, subject to Board approval, except as otherwise provided herein.
- d. Be an ex-officio member of such committees as he desires, except the Section Officers Nominating and Director's Nominating Committees.
- e. Assign specific duties to Officers and other Board members as necessary.
- f. Appoint election tellers, if required.
- g. Represent the Section at appropriate functions.
- h. Be or appoint an Official Spokesperson for the Section.

Chair-Elect

- a. In the absence of the Chair, fulfill the duties of the Chair.
- b. Serve as Chair of the Annual Conference Committee.
- c. Serve as Chair of the Director's Nominating Committee.
- d. Arrange for Chair and members of all committees who he intends to have serve during his/her term as Chair and submit to the Board for approval at the Board meeting immediately following

Pennsylvania Section Bylaws

the adjournment of the Section's Annual Conference.

Vice-Chair

- a. In the absence of the Chair-Elect, temporarily fulfill the duties of Chair-Elect.
- b. Serve on the Annual Conference Committee
- c. Serve on the Director's Nominating Committee.

Past-Chair

- a. Provide guidance to the Section Officers and Board.
- b. Serve as Chair of the Section Officers Nominating Committee.

Director

- a. Represent the Section on the Board of the Association in accordance with the bylaws of the Association.
- b. Coordinate the actions of the Section and the Association.
- c. Serve on the Director's Nominating Committee.
- d. Serve as host for visiting AWWA officials and dignitaries.

Treasurer

- a. Secure appropriate banking arrangements to handle Section finances.
- b. Investigate opportunities for investing reserve funds of the Section and recommending same to the Section Board for approval.
- c. In conjunction with the Executive Director, prepare an annual budget and provide reports at all Board meetings and at the Section's Annual Business Meeting concerning funds received, expended, and on hand.
- d. Arrange for an annual audit of the financial records of the Section.
- e. Prepare the annual Federal and State income tax returns.
- f. In absence of the Executive Director, fulfill the secretarial duties at the Section Board and Annual Business Meetings.
- g. Monitor the financial records of the Districts.

District Trustee

- a. Represent the District at Section Board meetings.
- b. Coordinate Section and District activity.
- c. Assist other District Officers in maintaining an effective District program.
- d. Serve on the Nominating Committee for District Trustee.

Water Utility Council Chair

- a. Represent the interests of all utilities of the Section.
- b. Provide input to the Board as to the needs of utilities.
- c. Provide input to utilities as to the desires of the Board.

Manufacturers/Associates Council Chair

Pennsylvania Section Bylaws

- a. Represent the interests of the Consultant, Contractor, and Manufacturer's Agent and Technical Service Members of the Section.
- b. Serve on the Section's Annual Conference Committee.
- c. Serve as Chair of the Host Committee

Educational/Technical Council Chair

- a. In conjunction with the Executive Director, set general policy and guidelines for the Section's educational program.
- b. Coordinate educational programs between the Board, Districts and Regulatory Agencies.

5.10 Executive Director

There shall be an Executive Director who shall be appointed by the Section Board and shall serve under the general supervision of the Section Chair. The Executive Director shall have full power to conduct, manage, and direct the affairs of the Section within the policies established by the Board. The Executive Director shall serve as the chief administrator of the Section and perform the duties outlined hereafter:

- a. Attend all meetings of the Board and the Section.
- b. Act as Corporate Secretary and be responsible for the duties associated with this designation.
- c. Prepare and submit reports on Section activities to the Section Board at each Board meeting.
- d. Hire all Section employees and prescribe their duties.
- e. Execute contracts as designated by the Board and overseen by the Section Chair.
- f. Assist all Councils, Districts, and volunteer committees in the implementation of their programs.
- g. Coordinate with Section officers any correspondence necessary for the conduct of the Section's business.
- h. Have responsibility and custody for all records of the Section.
- i. Be responsible for managing the Section's financial affairs including payment of bills and other indebtedness.
- j. Prepare an annual budget in conjunction with the Treasurer for review and approval of the Section Board.
- k. Manage the Section's Annual Conference.
- l. Manage educational or training programs for Section members.
- m. Perform such other duties as may be assigned by the Board.

5.11 Interested Board Members; Quorum

No contract or transaction between the Section and one or more of its Board members, or between the Section and any other corporation, partnership, association, or other organization in which one or more of its Board members are directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the Board member is present at or participates in the meeting of the Board which authorizes the contract or transaction, or solely because his, her, or their votes are counted for such purpose, if:

(1) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative vote of a majority of the disinterested Board members, even though the disinterested Board members are less than a quorum; or

Pennsylvania Section Bylaws

(2) The contract or transaction is fair as to the Section as of the time it is authorized, approved, or ratified by the Board.

Common or interested Board members may be counted in determining the presence of a quorum at a meeting of the Board which authorizes a contract or transaction specified in this section.

ARTICLE VI – COMMITTEES AND COUNCILS

6.1 Establishment

There shall be certain standing committees and councils maintained by the Section at all times. In addition, the Chair, with the approval of the Board, or the Board may establish such permanent or ad hoc committees and councils as is deemed necessary for the orderly and efficient conduct of the affairs of the Section.

6.2 Chairs and Members

At the first Board meeting subsequent to his/her becoming chair, the Section Chair, with the approval of the Board, shall appoint the members and chairs of committees. Qualifications for members and chairs shall be as follows. The chairs and members of standing committees shall be members of the Pennsylvania Section in good standing. The term of committee chairs and members shall be one year. Chairs of committees may succeed themselves for a maximum of two times (serve as chair for three consecutive years. There shall be no limit to the number of years that a committee member may serve.

Council members and chairs shall be selected in accordance with the appendices to these bylaws containing the organization and operating guidelines for that council.

Committee and Council Chairs shall report as required by the Board.

6.3 Permanent Councils and Standing Committees

The permanent councils and standing committees of the Section shall be:

6.3.1 Councils

- The Water Utility Council (Appendix B)
- The Manufacturers/Associates Council (Appendix C)
- The Educational/Technical Council (Appendix D).

6.3.2 Standing Committees

It is recommended that the Chair and the Board consider appointing the following committees as a minimum to ensure the continuance of the Section's programs. Other standing or ad hoc committees should be appointed as needed.

Annual Conference Committee

Pennsylvania Section Bylaws

- Awards Committees
 - National
 - Section
- Distribution Committee
- Diversity Committee
- Maintenance Management Committee
- Management and Finance Committee
- Membership Committee
- Nominating Committees
 - Director
 - Section Officers
- Public Relations Committee
- Safety Committee
- Security Committee
- Small Water Systems Committee
- Strategic Planning Committee
- Water For People Committee
- Water Resources Committee
- Water Technology Committee
- Young Professionals Committee

ARTICLE VII – MEETINGS OF THE SECTION

7.1 Annual Business Meeting

The Annual Business Meeting of the Section shall be held during the Annual Conference at the time and place approved by the Board. All members of the Section in good standing are eligible to vote.

7.2 Special Meetings

Special meetings of the Section shall be called by either 1) the Board upon receipt of a written request by at least seven (7) members of the Board delivered to the Chair or Treasurer; or 2) upon written petition, delivered to the Chair or Treasurer of at least fifty (50) members in good standing of the Section, which request shall state the business which the petitioners desire the Section to consider. If a special meeting of the Section is called at the request of members of the Section as hereinbefore mentioned, the meeting must be held within six (6) weeks following receipt of such request. The Board shall establish the time and place of all special meetings.

The notice of any special meeting of the Section shall be mailed to each member of the Section by the Treasurer and shall state, in detail, the business to be considered. The Treasurer shall certify to such mailing.

7.3 Quorum

A quorum for the transaction of business at any meeting of the Section shall be fifteen (15) members in good standing.

Pennsylvania Section Bylaws

7.4 Annual Conference

The Section shall hold an Annual Conference unless the Board decides it is not in the best interest of the Section. The Annual Conference Committee, with approval of the Board shall determine the dates and location of the Conference, but shall strive to not hold the Section's Annual Conference within six (6) weeks of the Association's Annual Conference.

The Annual Conference Committee shall establish registration fees for members and guests attending the conference for approval by the Board. The amount of the registration fees shall be established to provide funds for conducting the affairs of the Section, including the Annual Conference, the Annual Business Meeting, and Board meetings.

Exhibits at the Annual Conference by firms providing products and services to the water works industry shall be allowed at the discretion of the Board. Guidelines for exhibits shall be in accordance with the Governing Documents of the Association.

ARTICLE VIII - EMPLOYEES AND AGENTS

8.1 Appointment

The Board may from time to time appoint such employees or other agents as the business of the Section may require. The Board may delegate to any officer or to the Executive Director the power to retain or appoint employees or other agents, and to prescribe the authority and duties of such employees or other agents.

8.2 Resignations

Any employee or agent may resign at any time by giving written notice to the Chair, or to the Executive Director of the Section. Any such resignation shall take effect at the date of the receipt of such notice or any time later specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

8.3 Termination and Removal

Any employee or agent of the Section may be removed, either with or without cause, by the Board whenever in the judgment of such authority the best interests of the Section will be served thereby.

ARTICLE IX – FINANCES

9.1 Financial Controls

All Section finances shall be managed in accord with these bylaws, the Section's policies and procedures, the Bylaws and Governing Documents of the Association, and all applicable financial rules and regulations of the United States of America and the Commonwealth of Pennsylvania. The Section shall conduct, on an annual basis, an independent audit of all Section finances. The audit shall be conducted by a qualified financial advisor who is neither an employee of the Section nor a member of

Pennsylvania Section Bylaws

the Section Board.

9.2 Dues and Assessments

Dues shall be assessed against members as required for membership in the Association. The Section, in accordance with the procedures defined in the Governing Documents and established guidelines of AWWA, may also apply for permission to levy a special dues assessment. The special assessment (if any) will be levied annually at the time of membership renewal, and the revenue collected shall be used to increase the funds available for Section uses consistent with the Association's objectives and policies. Once approved, changes in a special assessment can be authorized by a vote of the Section Board for submission to and approval by the AWWA Board of Directors. In order to be considered a "member in good standing," a member shall have paid all dues and assessments up to date.

9.3 Fees

The Section reserves the right to collect fees for Section activities and events, as appropriate (e.g., registration fees for annual meetings, teleconferences, and other educational programs). Such fees will be established in accordance with these bylaws, the policies and procedures of the Section, and the Governing Documents and Bylaws of the Association.

9.4 Budget

The Executive Director shall be responsible to develop an annual operating budget with the help of the Treasurer. This budget must be presented to the Section Board for approval at the meeting determined by the Board. Updates shall be presented to the Board at each scheduled meeting by the Treasurer. Changes in the budget shall require Board approval.

9.5 Fiscal Year

The fiscal year of the corporation shall be the calendar year.

ARTICLE X – AWARDS

At its Annual Conference or designated forum, the Section shall bestow awards, established by the Association and/or the Section, to those members who have distinguished themselves through service to the Association, the Section, and the water works profession. Whenever possible, the Section shall make the following awards annually, in accordance with the guidelines established by the Association or the Section.

- George Warren Fuller Award
- Samuel S. Baxter Award
- Honorary Membership
- Life Membership(s)
- Operators' Meritorious Service Award(s)
- Gold Water Drop Award
- Vic Appleyard Membership Recruiting Award
- Recognition for Special Service Awards

David A. Long Scholarship Award

ARTICLE XI NOTICE, WAIVERS AND MEETINGS

11.1 Notice

Whenever written notice is required to be given to any person under the provisions of the Articles, these Bylaws, or the Nonprofit Corporation Law of 1988, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, to the address supplied by him or her to the Section for the purpose of notice. If the notice is sent by mail, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by law 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.

11.2 Waivers of Notice

Whenever any written notice is required to be given under the provisions of the Articles, these Bylaws, or the Nonprofit Corporation Law of 1988, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except as otherwise required by these Bylaws, neither the business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting.

Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

11.3 Modification of Proposal Contained in Notice

Whenever the language of a proposed resolution is included in a written notice of a meeting, the meeting considering the resolution may, without further notice, adopt it with such clarifying or other amendments as do not enlarge its original purpose.

11.4 Parliamentary Authority

The rules contained in the current edition of Robert's Rules of Order shall govern all meetings of the Section, its Board, committees and councils, except to the extent inconsistent with these Bylaws and any special rules of order the Section may adopt.

11.5 Conference Telephone Meetings

One or more persons may participate in a meeting of the Board or any committee or council by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this paragraph shall constitute presence in person at such meeting.

ARTICLE XII - LIMITATION OF LIABILITY; INDEMNIFICATION

12.1 Limitation of Personal Liability of Board Members

A member of the Board shall not be personally liable for monetary damages as such for an action taken, or any failure to take any action, unless:

- (1) the Board member has breached or failed to perform duties of his or her office; and
- (2) the breach or failure to perform constitutes self dealing, willful misconduct or recklessness.

The provisions of this paragraph shall not apply to (a) the responsibility or liability of a Board member pursuant to any criminal statute; or (b) the liability of a Board member for the payment of taxes pursuant to local, state or federal law.

12.2 Standard of Care and Justifiable Reliance

12.2.1 Standard of Care

A Board member shall stand in a fiduciary relationship to the Section, and shall perform his or her duties as a Board member, in good faith, in a manner he or she reasonably believes to be in the best interests of the Section, 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 Board member 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 Section whom the Board member reasonably believes to be reliable and competent in the matters presented;
- (ii) Counsel, public accountants or other persons as to matters which the Board member reasonably believes to be within the professional or expert competence of such person;
- (iii) A committee of the Board upon which he or she does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Board member reasonably believes to merit confidence.

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

12.2.2 Reasonable Reliance

In discharging the duties of their respective positions, the Board, committees of the Board and individual Board members may, in considering the best interests of the Section, consider the effects of any action upon employees, upon persons with whom the Section has business and other relations and upon communities which the offices or other establishments of or related to the Section are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of the Board member's standard of care.

Pennsylvania Section Bylaws

12.2.3 Presumption

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Board member or any failure to take any action shall be presumed to be in the best interests of the Section.

12.3 Indemnification by Association

Indemnification is provided by the Association as described in the Association Bylaws..

12.4 Indemnification by the Section

12.4.1 General

Section and District officers and employees shall be indemnified by the Section, pursuant to the following paragraphs, for expenses for which they are not indemnified by the Association.

12.4.2 Expenses Subject to Indemnification

The Section shall indemnify any person who was or is a party or is threatened, to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including but not limited to actions by or in the right of the Section) by reason of the fact that he or she is or was a representative of the Section, or is or was serving at the request of the Section as a representative of another corporation, 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 such action, suit or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Section, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit or proceeding 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 Section and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

12.4.3 Determination of Entitlement to Indemnification

Unless ordered by a court, any indemnification under this Article XII shall be made by the Section only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such paragraph. Such determination shall be made:

- (a) by the Board by a majority vote of a quorum consisting of Board members who were not parties to such action, suit or proceeding; or
- (b) if such a quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested Board members so directs, relying on a written opinion of independent legal counsel.

Pennsylvania Section Bylaws

12.4.4 Advancing Expenses

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Section in advance of the final disposition of such action, suit or proceeding as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Section.

12.4.5 Indemnification of Former Representatives

Each such indemnity may continue as to a person who has ceased to be a representative of the Section and may inure to the benefit of the heirs, executors and administrators of such person.

12.5 Reliance on Provisions

Each person who shall act as an authorized representative of the Section shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

12.6 Insurance

The Section shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Section or is or was serving at the request of the Section as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's status as such, whether or not the Section would otherwise have the power to indemnify such person against such liability.

ARTICLE XIII – DISSOLUTION

13.1 Approval

Dissolution of the Section shall result from the dissolution of the Association or by an affirmative vote of two-thirds of those Section members in good standing voting at a Section Business Meeting, a Special Section Meeting, or via a mail ballot.

13.2 Disposition of Funds

In case of dissolution of the Section, such portions of the funds or property thereafter in the hands of the Treasurer as may have been derived from the general funds of the Association shall be returned to the Association.

The Board shall dispose of the balance of the Section funds or property by transfer and distribution to any one or more corporations, funds, or foundations organized and operated in the United States of America, with the following operating characteristics:

- (1) exclusively for scientific or educational purposes;
- (2) not part of the net earnings of which inures to the benefit of any private shareholders

Pennsylvania Section Bylaws

or individual;

(3) no substantial part of the activities of which is carrying on propaganda or otherwise attempting to influence legislation; and

(4) does not participate in, or intervene in (including the publishing of distribution statements) any political campaigning on behalf of any candidates for public office.

Any such receiving organization(s) shall be selected by vote of the majority of the members of the Section at a meeting called for this purpose. If for any reason such disposition cannot be effected, then such funds shall be so distributed pursuant to the order, judgment, or decree of a court having jurisdiction over the assets and property of the Section.

ARTICLE XIV – AMENDMENTS

14.1 Amendment Process

Amendments to these bylaws may be proposed by the Board or by a member in good standing of the Section. The amendments shall be submitted in writing to the Board which shall determine if the amendments proposed are lawful and in accordance with the Articles of Incorporation, Bylaws, Governing Documents, and Policies of the Association. Upon such approval, the amendments shall be submitted to the members of the Section in writing together with the notice of the Annual Conference or a Special Meeting called for the purpose of considering such amendments, or with a mail ballot as directed by the Board. If the amendments are considered by the Section at an Annual Business Meeting or in a Special Meeting, approval shall be upon the affirmative vote of two-thirds of the members in good standing attending. If the amendments are considered by mail ballot, approval shall be upon the affirmative vote of two-thirds of the members in good standing whose votes have been received and recorded by the Secretary.

Appendices to these bylaws must be in accordance with the Articles of Incorporation, Bylaws, Governing Documents and Policies of the Association, but are considered to be organization and operating guidelines. As such amendments to the Appendices to these bylaws may be made by an affirmative vote of two-thirds of the Board members present at the meeting at which the amendments are considered. A vote of the general membership or approval of the Association shall not be required.

14.2 Effective Date

Amendments approved pursuant to the process set forth in this Article XIV shall become effective upon approval of the Board of Directors of the Association as provided in the Bylaws and Governing Documents of the Association.

ARTICLE XV – MISCELLANEOUS

15.1 Corporate Seal

The Section shall have a corporate seal in the form of a circle containing the name of the Section, the year of incorporation and such other details as may be approved by the Board

Pennsylvania Section Bylaws

15.2 Checks

All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the Board may from time to time designate.

15.3 Contracts

Except as otherwise provided in these Bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or to execute or deliver any instrument on behalf of the Section, and such authority may be general or confined to specific instances.

15.4 Deposits

All funds of the Section shall be deposited from time to time to the credit of the Section in such banks, trust companies, or other depositories as the Board may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers or employees as the Board shall from time to time determine.

15.5 Annual Report of the Board

The Board shall direct the Chair and the Treasurer to present at the Annual Meeting of the Section a report showing in appropriate detail the following:

- (1) The assets and liabilities of the Section as of the end of the fiscal year immediately preceding the date of the report.
- (2) The principal changes in assets and liabilities, during the year immediately preceding the date of the report.
- (3) The revenue or receipts of the Section, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report.
- (4) The expenses or disbursements of the Section, for both general and restricted purposes, during the year immediately preceding the date of the report.

This Annual Report of the Board shall be filed with the minutes of the Annual Meeting of the Section.