

**BY-LAWS OF  
AMERICAN SOCIETY OF HIGHWAY ENGINEERS**

**ARTICLE I - OFFICES**

1. The registered office of ASHE (the “Corporation” or the “Society”) shall be at 113 Heritage Hills Road, Uniontown, PA 15401.
2. The corporation may also have offices at such other place as the Board of Directors may from time to time appoint or the activities of the corporation may require.

**ARTICLE II - SEAL**

1. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words “Corporate Seal, Pennsylvania”.

**ARTICLE III - MEMBERS**

1. The election to membership of all classes shall be entrusted to the National Board of Directors upon the recommendation of a Section, and the decision of the National Board of Directors as to eligibility shall be final.
2. Any person desiring to become a member shall make written application to a Section Secretary. Such application shall be in such form and contain such data as prescribed by the National Board of Directors. The applicant shall give the names of at least three members to whom he is known personally, one of who shall be the sponsoring member. The Section Secretary shall request action on each application by the Membership Committee and the Board of Directors. On receipt of recommendation for acceptance, the application shall be forwarded to the National Secretary for final acceptance of membership.

3. Each applicant shall be notified by the Section Secretary of his election or rejection. The Section Secretary shall bill each applicant for Section dues and National Assessment or Initiation Fees.

4. Honorary members shall not exceed 1% of the Senior Members of the Society. They shall be proposed to the National Board of Directors by petition of not fewer than 10% of the Society members. Election to the grade of Honorary Member shall be provided under Article II and Article III of the Constitution.

5. The membership of Members and Associate Members shall cease after four years of membership in their respective grades unless they shall have been transferred to a higher grade of membership for which they have fulfilled the requirements for the next higher grade. Applications for transfer to a higher grade of membership in the Section must be recommended to the National Secretary for approval.

6. Membership dues shall be collected annually according to the rates established in the By-Laws. Dues are payable the first day of June each year. A member whose dues become four months in arrears shall lose the right to vote, and to receive publications normally furnished without special charge to members in good standing. If said member pays his dues after said four months, but less than twelve months after being due, the member may be reinstated without penalty. Any member whose dues become twelve months in arrears shall forfeit membership in the Society.

7. The National Board of Directors, by affirmative vote of two-thirds of all the Directors of the National Board, may suspend or expel a member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting of the National Board of Directors, terminate the membership of any member who becomes ineligible

for membership, or suspend or expel any member who shall be in default of payment of any dues or assessments.

8. Upon written request, signed by a former member, and filed with the Secretary, the National Board of Directors may, by the affirmative vote of two-thirds of the members of the Board, reinstate such former member to membership upon such terms as the National Board of Directors may deem appropriate.

9. Membership in this corporation is neither transferable nor assignable.

10. An initiation fee and first year's assessment, the amount of which shall be subject to annual review by the Board of Directors, shall accompany each application for membership. The full initiation fee and first year's assessment shall be submitted with the application when it is transmitted to the National Board of Directors for approval. Such fees shall be retained by the Society on approval of the application, who will forward the approved member's application with membership pin and certificate of membership, to the Section Secretary. In case of rejection of the application, the full initiation fee and first year's assessment shall be returned to the Section for refund to the applicant.

- (a) Each Section shall be advised of the annual assessment rate for the next fiscal year per member classification by March 1st of the current fiscal year.
- (b) The amount of the annual assessment per paid membership classification as of March 1st will be furnished each Section on March 1st of the year in which the assessment is payable.
- (c) All annual assessments will be paid on or before October 1st of the new fiscal year. *A 10% late fee will be added to the assessments, by the*

*National Secretary, for Sections not paying their annual assessment by the October 1<sup>st</sup> due date.*

11. Any member who becomes exempt from the payment of dues under Article IV, Section 2 of the Constitution shall be known as a Life Member, but this term shall not be used as a separate grade of membership.

Those members who attained Life Membership status prior to 1991 are exempt from National Assessment. The National Assessment for those who attained Life Membership status subsequent to 1991 will be billed to said Life Member's Section.

12. Any member who resigned in good standing may return to his former membership grade by a written request to the Secretary, and payment of the full current year's dues and National assessment.

#### **ARTICLE IV - MANAGEMENT**

1. The Society shall be governed by the National Board of Directors or the Executive Committee elected and authorized by the National Board to manage the membership.

2. The five officers shall be a President, First Vice-President, Second Vice-President, Treasurer and Secretary.

3. The National Board of Directors shall constitute a minimum of nine *Regional* Directors, the elected officers, and the immediate past president. The *Regional* Directors to be elected by the Society shall desirably represent all elements of the highway industry. Each year one-third of the *Regional* Directors shall be elected for three years except as provided in Section 1 of Article VI.

4. The Executive Committee shall consist of the President, the Secretary, the Immediate Past President, and not less than three additional members chosen by the National

Board of Directors from its membership, preferably representing all segments of the industry, if possible.

## **ARTICLE V - MEETINGS OF MEMBERS**

1. Meetings of the members shall be held at such places and times, either within or without the Commonwealth of Pennsylvania, as may from time to time be designated by the National Board of Directors.

2. The annual meeting of the members shall be held in the month of April in each year when they shall elect the National Board of Directors and transact such other business as may properly be brought before the meeting. If the annual meeting shall not be called and held within two months after the designated time, any member may call such meeting.

3. Special meetings of the members may be called at any time by the President, or the National Board of Directors, or members entitled to cast at least 30% of the votes, which all members are entitled to cast at the particular meeting. At any time, upon written request of any person who has called a special meeting with evidence of satisfying the foregoing, it shall be the duty of the Secretary to fix the time of the meeting which shall be held not more than (60) days after the receipt of the request. If the Secretary shall neglect or refuse to fix the time of the meeting, the person or persons calling the meeting may do so. Business transacted at all special meetings shall be confined to the objects stated in the call and matters germane thereto.

4. Written notice of every meeting of the members, stating the time, place, and object thereof, shall be given by, or at the direction of, the Secretary, to each member of record entitled to vote at the meeting at least ten days prior to the day named for the meeting unless a greater period of notice is required by statute in a particular case. If the Secretary shall neglect or refuse to give notice of the meeting, the person or persons calling the meeting may do so. In

the case of a special meeting, the notice shall specify the general nature of the business to be transacted.

5. Persons authorized or required to give notice of a meeting of members may, in lieu of any written notice of such a meeting of members required to be given, give notice of such meeting by causing notice of such meeting to be officially published in any publication of the Society.

6. A meeting of members duly called shall not require specific attendance requirement for the transaction of business.

7. Every member of the corporation shall be entitled to one vote. No member shall sell his vote for money or anything of value. Upon request of a member, the books or records of membership shall be produced at any regular or special meeting of the corporation. If at any meeting the right of any person to vote is challenged, the presiding officer shall require such books or records to be produced as evidence of the right of the person challenged to vote, and all persons who appear by such books or records to be members entitled to may vote. The right of a member to vote, and his right, title, and interest in or to the corporation or its property, shall cease on the termination of his membership.

8. Voting may be by ballot, mail or any other reasonable means determined by the Board of Directors. Elections for Directors need not be by ballot except upon demand made by a member at the election and before voting begins.

9. In advance of any meeting of members, the Board of Directors may appoint judges of election, who need not be members, to act at such meeting or any adjournment thereof. If judges of election are not so appointed, the presiding officer of any such meeting may, and on the request of any member shall, make such appointment at the meeting. The number of judges shall be one or three. No person who is a candidate for office shall act as judge.

## ARTICLE VI – *REGIONAL* DIRECTORS

1. The National Board of Directors shall be the judge of the qualification of the *Regional* Directors and shall have authority to fill vacancies arising in its own number. The Region affected by the vacancy will have the option of nominating candidates as provided for in the Constitution and these By-Laws. The Region nominations for Directors may be accepted by the National Board of Directors, unless more than one nomination is received, in which case the National Board of Directors shall select one of the candidates after consideration of their qualifications.

2. The National Board of Directors shall have charge of the technical and social interests and activities of the Society. It shall act in all matters concerning the business and financial interests of the Society, and in the discharge of its duties, shall have power, within the limitations of the Constitution and these By-Laws, to execute any measure whatsoever which shall seem necessary to further the interest of the Society.

3. The Board of Directors shall meet and conduct business no less than twice in the fiscal year. No business shall be transacted unless a majority of the Directors are present. Special meetings of the National Board of Directors may be called by the President or any three *Regional* Directors of the National Board of Directors.

4. At its first meeting, within (30) days after the annual meeting of the Society, the National Board of Directors shall elect the required number of members of the Executive Committee. Standing and/or special committees may be announced or formed on this occasion.

5. Each Director shall be a natural person of full age and who need not be residents of the Commonwealth of Pennsylvania, but who shall be members of this corporation. Each *Regional* Director shall serve on the National Board for a maximum of two consecutive three-year terms until he resigns or is suspended or expelled as provided in Article III, Section 7.

6. The meetings of the Board of Directors may be held at such times and at such place or places within this Commonwealth or elsewhere, as a majority of the directors may from time to time appoint, or as may be designated in the notice calling the meeting.

7. Written or personal notice of every meeting of the Board of Directors shall be given to each director at least ten days prior to the day named for the meeting.

8. 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 National Board of Directors. Any action which may be taken at a meeting of the directors may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by a majority of the Directors in office and shall be filed with the National Secretary or the National Secretary certifies a majority of Directors have approved said action by telecommunications poll.

9. The entire Board of Directors, or a class of the Board, where the Board is classified with respect to power to select directors, or any individual Director, may be removed from office without assigning cause by the vote of members entitled to cast at least a majority of the votes of the total Society membership cast at any annual or other regular election of the directors or of such class of directors. In case the National Board of Directors or any one or more directors are so removed, new Directors may be elected at the same meeting.

10. A Director of the corporation shall stand in a fiduciary relation to the corporation and shall perform his duties as a Director, including his duties as a member of any committee of the National Board upon which he may serve, in good faith, in a manner he 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 duties, a Director shall be entitled to reply in good faith on information, opinions,



reports or statements, including financial statements and other financial data, in each case prepared by any of the following:

- (a) One or more officers of the corporation whom the director reasonably believes to be reliable and competent in the matter presented.
- (b) Counsel, public accountants or other persons as to matters, which the Director reasonably believes to be within the professional or expert competence of such persons.
- (c) A committee of the National Board of Directors upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which the director reasonably believes to merit confidence.

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

In discharging the duties of their respective positions, the National Board of Directors, committees of the Board and individual Directors may, in considering the best interest of the corporation, consider the effects of any action upon suppliers and customers of the corporation in which offices or other establishments of the corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of this section.

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

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

- (a) The Director has breached or failed to perform the duties of his office under this section.
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The provisions of this section shall not apply to:

- (a) The responsibility or liability of a director pursuant to any criminal statute,  
or
- (b) The liability of a director for the payment of taxes pursuant to Local, State or Federal Law.

11. Directors as such, shall not receive any stated salary for their services, but by resolution of the Board, either the actual expense of attendance, or a fixed sum, if any, may be allowed for the attendance at each regular or special meeting of the National Board of Directors.

12. The order of business for meetings of the Board of Directors and the Executive Committee shall be:

- (a) Call to Order
- (b) Reading of Minutes of the Previous Meeting
- (c) Treasurer's Report
- (d) Reading of Communications and the Presentation of Bills
- (e) Report of Officers
- (f) Report of Committees
- (g) Unfinished Business
- (h) New Business
- (i) Adjournment

## **ARTICLE VII - OFFICERS**

1. The officers shall hold their offices for a term of one year and shall have such authority and shall perform such duties as are provided by the By-Laws. It shall not be necessary for the officers to be directors and an officer may hold only one office. The National Board of Directors may secure the fidelity of any or all such officers by bond or otherwise.

2. Any officer or agent may be removed by the National Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights of any person so removed.

3. The President, subject to the Board of Directors, shall have supervision of the affairs of the Society. He shall preside at meetings of the Society and of the National Board of Directors at which he may be present and shall be ex-officio member of all committees. He/she shall be chairman of the National Board of Directors and in that capacity, shall have power to call a meeting of the National Board of Directors, in his/her discretion, whenever it will further the interests of the Society. The President shall have general and active management of the affairs of the corporation; shall see that all orders and resolutions of the National Board are carried into effect, subject, however, to the right of the directors to delegate any specific powers, except such as may be by statute of the Commonwealth of Pennsylvania (should this be changed?) exclusively conferred on the President, to any other officer(s) of the corporation. The President shall execute bonds, mortgages and other documents requiring a seal, under the seal of the corporation. The President shall within thirty days after the annual meeting of the Society, appoint the following standing committees from the active membership:

- (a) Public Relations Committee
- (b) Constitution and By-Laws Committee
- (c) Ethics and Practices Committee
- (d) New Section Committee

- (e) Auditing Committee
- (f) Nominating Committee
- (g) Technical Committee
- (h) Special committees may be appointed at the discretion of the President.
- (i) *Conference Committee (Should this be made a standing committee?)*

All grades of active membership shall be eligible for committee appointments. Any such committee to the extent provided in the resolution of the Board of Directors or in the By-Laws, shall have and may exercise all of the powers of authority of the Board of Directors, except that no such committees shall have the power or authority as to the following:

- (a) The submission to members of any action required by statute to be submitted to the members for their approval.
- (b) The filling of vacancies in the Board of Directors.
- (c) The adoption, amendment or repeal of the By-Laws.
- (d) The amendment or repeal of any resolution of the Board.
- (e) Action on matters committed by the By-Laws or resolution of the Board of Directors to another Committee of the Board.

4. The First Vice-President shall preside at all meetings in the absence of the President. He/*she* shall also act in the capacity of liaison representative with other societies.

5. The Second Vice-President shall preside at all meetings in the absence of the President and First Vice-President.

6. The Secretary shall, under the direction of the President and the National Board of Directors, act as Executive Officer of that Society. He/*she* shall attend all meetings of the National Board of Directors and any and all meetings of committees appointed by the National Board of Directors, and record the proceedings thereof. He/*she* shall have custody of all official

papers and records. He/she shall conduct the correspondence of the Society and keep full records of the same. At the annual meeting, he shall submit a report in writing concerning the duties and activities of this office including a statement of the status of the membership of the Society. He/she shall see that all monies due the Society are collected and transferred to the custody of the Treasurer. In cases of his/her absence or disability, a substitute may be appointed by the President. At the expiration of his/her term of office he/she shall transfer to his qualified successor all relevant documents, material and equipment for which he/she shall receive a receipt of compliance. He/she shall give, or cause to be given, notice of National meetings of the members and of the National Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he/she shall be. He/she shall keep in safe custody the corporate seal of the corporation, and when authorized by the Board, affix the same to any instrument requiring it.

7. The Treasurer shall receive all monies and deposit the same in the name of the Society in depositories approved by the National Board of Directors. He/she shall keep full records of accounts of the Society. He/she shall pay all bills when certified and audited as provided by these By-Laws and as prescribed by the National Board of Directors. He/she shall make an annual report to the Society. At the expiration of his term of office, he/she shall turn over to his successor all books, papers, and monies belonging to the Society and take a receipt thereof. The Treasurer shall make an annual report, to be presented at the annual meeting.

8. One hundred twenty (120) days before the annual meeting, the Nominating Committee shall nominate candidates for the elective offices. The nominees so named shall be the official nominee of the respective office. After acceptance of the nomination by official designated nominees, thereupon the National Secretary shall publish a list of the nominees to the

membership. Only Senior Members in good standing shall be eligible for election to the National Office of President and Vice-Presidents.

9. Nominations by petition as provided in Article VI of the Constitution shall contain the signatures of at least 10% of the eligible voting membership of the Society and shall be accompanied by a letter from the nominee in acceptance of the nomination. Nomination by petition shall be filed with the Secretary not less than (60) days prior to the published annual date set for concluding the balloting for the election of officers. The annual date shall coincide with that of the annual meeting. The submission of nominating petitions will require the preparation and distribution of ballots to the membership of the Society.

10. Senior Members, Members, and Associate Members (*what about Student Members*) shall be eligible to vote as long as they maintain their membership in good standing.

11. Immediately following the counting of the final ballots the National Secretary shall notify officers who have been elected.

12. A general announcement of the officers elected shall be published in the official publication.

#### **ARTICLE VIII - EXECUTIVE COMMITTEE**

1. The Executive Committee, in exercising the duties delegated by the Board of Directors, shall have control of the business, finances, publications and approvals of members of the Society; and in the discharge of its duties, it shall have the power, within the limitations of the Constitution and these By-Laws, to initiate and execute any measures which, in its judgment, seem necessary to further the interests of the Society.

#### **ARTICLE IX - VACANCIES**

1. If the office of any officer or agent, one or more, becomes vacant for any reason, the National Board of Directors may choose a successor or successors, who shall hold office for the unexpired term in respect of which such vacancy occurred.

2. Vacancies in the National Board of Directors, including vacancies resulting from an increase in the number of directors, shall be filled by a majority of the remaining members of the National Board, though less than a quorum, and each person so elected shall be a director until his successor is elected by the members, who may make such election at the next annual meeting of the members, or at any special meeting duly called for that purpose and held prior thereto.

#### **ARTICLE X - BOOKS AND RECORDS**

1. The corporation shall keep an original or duplicate record of the proceedings of the members and the directors, the original or a copy of its By-Laws, including all amendments thereto to date certified by the Secretary of the corporation, and an original, or a duplicate membership register, giving the names of the members, and showing their respective addresses and the class and other details of the members of each. The corporation shall also keep appropriate, complete and accurate books or records of account. The records provided for herein shall be kept at the registered office of the corporation in this Commonwealth or at the offices of the National Secretary and/or the National Treasurer.

2. Every member shall, upon written demand under oath 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, book and records of account, and records of the proceedings of the members and directors, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interests of such person as a member. In every instance where an attorney or other agent shall be the person who seeks the right to

inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorized the attorney or other agent to so act on behalf of the member. The demand under oath shall be directed to the corporation at its registered office in this Commonwealth or at its principal place of business wherever situated.

3. At any meeting of the Board of Directors, a majority being present, the Board of Directors by a two-third vote may amend the By-Laws in conformity with the Constitution, provided that a written notice of such proposed amendment shall have been given to each member of the Board of Directors at least (30) days in advance of the meeting at which action thereon is to be taken. *(This statement also appears under Article XIX, Amendments, Item 1. Which area do we want to leave it in?)*

#### **ARTICLE XI - MEMBERSHIP CERTIFICATES**

1. Membership in the corporation may, at the discretion of the National Board of Directors, be evidenced by Certificates of Membership, in which case they shall be in such form and style as the National Board of Directors may determine. The fact that the corporation is a nonprofit corporation shall be noted conspicuously on the face of each certificate. They shall be signed by the President or a Vice-President and by the Secretary or an Assistant Secretary, and shall bear the corporate seal.

#### **ARTICLE XII - TRANSACTION OF BUSINESS**

1. The corporation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by the vote of a two-thirds of the members in office of the National Board of Directors, except that whenever there are twenty-one or more directors, the vote of the majority of the members in office shall be sufficient. Unless otherwise restricted in these By-Laws, no vote or consent of the members shall be



required to make effective such action by the National Board. If the real property is subject to a trust, the conveyance away shall be free of trust and the trust shall be impinged upon the proceeds of such conveyance.

2. Whenever the lawful activities of the corporation involve among other things the charging of fees or prices for its service or products, it shall have the right to receive such income, and, in so doing, may make an incidental profit. All such incidental profits shall be applied to the maintenance and operation of the lawful activities of the corporation, and in no case shall be divided or distributed in any manner whatsoever among the members, directors or officers of the corporation.

4. All checks or demands for money and notes of the corporation shall be signed by such officer or officers as the National Board of Directors may from time to time designate.

### **ARTICLE XIII - ANNUAL REPORT**

1. The National Board of Directors shall present annually to the members a report, verified by the President and Treasurer, or by a majority of the Directors, showing in appropriate detail the following:

- (a) The assets and liabilities, including trust funds, of the corporation as of the end of the fiscal year immediately preceding the date of the report.
- (b) The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.

- (d) The expenses or disbursements, for both general and restricted purposes during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.
- (e) The number of members of the corporation as of the date of the report, together with a statement of income or decrease in such number during the year immediately preceding the date of the report, and a statement of the place where the names and addresses of the current members may be found.

This report shall be filed with the minutes of the annual meeting of members.

#### **ARTICLE XIV- NOTICES**

1. Whenever written notice is required to be given to any person, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage pre-paid, or by telegram, charges prepaid, to his address appearing in the books of the corporation, or, in the case of directors, supplied by him for the purpose of notice. If the notice is sent by mail or by telegraph, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office for transmission to such person. A notice of meeting shall specify the place, day, and hour of the meeting and any other information required by statute or these By-Laws. When a special 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.

2. Whenever any written notice is required to be given under the provisions of the Pennsylvania Nonprofit Corporation Law statute or the By-Laws of this corporation, 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 statute, neither the business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting. In the case of a special meeting of members such waiver of notice shall specify the general nature of the business to be transacted. 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.

#### **ARTICLE XV - SUBDIVISIONS**

1. Local Sections, as provided for in the Constitution, may be organized by a petition of (30) persons qualified for membership in the Society.

2. Local Sections may be dissolved by the National Board of Directors, either by petition from a Section, or for cause. In the event of dissolution of a Section, the issued Charter to such Section shall be revoked by said National Board of Directors.

3. Any remaining funds or other assets, together with official records and documents and Charter of a dissolved Section, after payment of all such Section's indebtedness, will be turned over to the National Board of Directors to be held in trust, for use in the event of reorganization of the Section, for a period of three years after which they will become the property of the Society. No responsibility for liabilities of a Section will accrue to the Society.

4. Members in good standing of a dissolved Section will be assigned, by the National Board of Directors to an active Section.

#### **ARTICLE XVI - BONDS**

1. The Secretary and Treasurer shall each provide a fidelity bond in an amount to be determined annually by the Board of Directors in accordance with the financial condition of the

Society, indemnifying the Society from loss, the premium of said bonds to be paid by the Society.

2. Fidelity Bonds for the respective financial officers of each Section shall not be required to be obtained by the National Board of Directors. However, it is strongly suggested that such a Fidelity Bond be obtained in order to protect each Section. The National Board of Directors and the Society shall not bear any responsibility or liability to the Sections whether or not a Fidelity Bond is obtained in any Section.

#### **ARTICLE XVII - MISCELLANEOUS PROVISIONS**

1. The fiscal year of the corporation shall begin on the first day of June.

2. One or more persons may participate in a meeting of the National Board or of the members by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participating in a meeting pursuant to this section shall constitute presence in person at such a meeting.

#### **ARTICLE XVIII - INDEMNIFICATION**

1. The corporation shall indemnify each of its directors, officers, and employees whether or not then in service as such (and his or her executor, administrator and heirs), against all reasonable expenses actually and necessarily incurred by him or her in connection with the defense of any litigation to which the individual may have been a party because he or she is or was a director, officer or employee of the corporation. The individual shall have no right to reimbursement, however, in relation to matters as to which he or she has been adjudged liable to the corporation for negligence or misconduct in the performance of his or her duties, or was derelict in the performance of his or her duty as Director, officer or employee by reason of willful misconduct, bad faith, gross negligence or reckless disregard for the duties of his or her office or employment. The right to indemnity for expenses shall also apply to the expenses of

suits, which are compromised or settled if the court having jurisdiction in the matter shall approve such settlement.

2. The Corporation may purchase and maintain insurance on behalf of the aforesaid persons to the extent authorized by law.

3. A Director shall not be personally liable for monetary damages for any action taken or for any failure to take action, as a director, unless (i) the Director has breached or failed to perform the duties of his or her office under Section 83863 of Title 42 (Judiciary and Judicial Procedure) of the Pennsylvania Consolidated Statutes, and (ii) the breach or failure to perform constitutes self-defeating, willful misconduct or recklessness. The By-Law shall not apply to the responsibility or liability of a director pursuant to any criminal statute or to the liability of a director for the payment of taxes pursuant to Local, State or Federal Law. No amendment to or repeal of this By-Law shall apply to or have any effect on the personal liability for monetary damage of any Director for, or with respect to, any act or omission of such director occurring prior to such amendment or repeal.

The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to that which such Director, officer or employee may be entitled.

#### **ARTICLE XIX - AMENDMENTS**

1. At any meeting of the Board of Directors, a majority being present, the Board of Directors by a two-thirds vote may amend the By-Laws in conformity with the Constitution, provided that a written notice of such proposed amendment shall have been given to each member of the Board of Directors at least (30) days in advance of the meeting at which action thereon is to be taken. *(This statement also appears under Article X, Books & Records, Item #3. Which area should it appear?)*

2. A proposed amendment to these By-Laws may be petitioned to the National Board of Directors by at least 10% of the membership to the Society, or by petition of a Section Board of Directors.

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