

**BYLAWS OF THE  
PENNSYLVANIA AMBULATORY SURGERY ASSOCIATION**

**ARTICLE I  
NAME**

**Section 1. Name**

The name of this Association shall be the Pennsylvania Ambulatory Surgery Association (PASA), (hereinafter, “the Association”).

**ARTICLE II  
OBJECTIVES AND PURPOSES**

**Section 1. Objectives**

The objectives of the Association shall be to:

- (1) Foster the public good through the provision of quality ambulatory surgical health care.
- (2) Present the views of the ambulatory surgical care industry in appropriate forums.
- (3) Disseminate research, statistics, and other information relating to the ambulatory surgical field.
- (4) Develop and encourage the practice of high standards of professional conduct among individuals providing ambulatory surgical care.
- (5) Provide opportunities for members to increase their knowledge of ambulatory surgical care practices and methods, and to increase their individual capabilities.
- (6) Support the efforts of its members in expanding their ever-increasing roles and responsibilities in meeting community health needs through professional development, exchange of ideas and leadership.

**Section 2. Purposes**

The purposes of the Association are to:

- (1) Provide a vehicle for the dissemination of information and communication regarding the ambulatory surgery community among its members.
- (2) Monitor state and federal legislation and apply strategic influence towards that which has a potential impact on freestanding ambulatory surgery centers.
- (3) Provide educational opportunities for members.
- (4) Solicit, accept, hold and administer contributions received by deed, gift, will, ordinance, statute or otherwise, either in trust or otherwise.
- (5) Accomplish the purposes herein stated and permitted by law to like non-profit entities.

## **ARTICLE III** **MEMBERSHIP**

### **Section 1. Membership**

Association membership shall consist of two categories of Members known as “Active Members” and “Associate Members.” Active Members shall consist of duly licensed ambulatory surgical centers located in the Commonwealth of Pennsylvania. Associate Members shall consist of individuals or organizations with an interest in ambulatory surgery who meet the criteria for status of Associate Membership adopted from time to time by the Association’s Board of Directors. For purposes of this Article, an “ambulatory surgical center” is defined as a facility licensed by the Commonwealth as an ambulatory surgical facility.

### **Section 2. Active Members**

An ambulatory surgical facility (“ASF” or “facility”) that is an Active Member will have one (1) vote and may designate a representative to conduct Association business on its behalf. In addition, only one individual from a facility may vote and be counted for quorum purposes at Association Membership meetings. At any given time, no more than one representative from any single facility may be elected to be a member of the Board of Directors with full voting privileges or serve as an Association officer.

### **Section 3. Associate Members**

There will be two classes of Associate Members: Associate Member-Individual and Associate Member-Organization/Vendor. An Associate Member-Individual is a person who works in or is interested in the ambulatory surgery arena and is not eligible for Active Membership. Individuals or entities that sell or potentially could provide goods or services to ambulatory surgical centers are eligible for Associate Member-Organization/Vendor. Associate Member-Individual and Associate Member-Organization/Vendor do not have the right to vote at any annual or other meeting of the Members.

### **Section 4. Applications**

All applicants for membership shall complete and sign a form provided by the Association and shall submit the application to the principal office of the Association. Payment of initial dues shall accompany the application form.

### **Section 5. Acceptance and termination of Membership**

The Board of Directors, by majority vote and for cause, shall have the right to deny an application for membership and may censure, suspend, or expel any member. Any such member suspended or expelled may be reinstated by an affirmative vote of 67% of the full Board of Directors. Membership shall also be terminated without the need for a vote of the Board of Directors for non-payment of dues as described in Section 6 of this Article III.

**Section 6. Dues**

Any member of the Association who is delinquent in the payment of dues for a period of thirty (30) days from the date of “Final Dues Notice” will be terminated from membership in the Association. Coincident with such termination, the member will be dropped from the rolls of the Association, and forfeit all rights and privileges of membership in the Association.

**Section 7. Resignation**

Any member may resign by filing a written resignation with the President or with the Secretary of the Association, but such resignation shall not relieve the member of the obligation for payment of dues through and including the fiscal year in which the resignation is received and payment of any other charges theretofore accrued and unpaid. Any member who has resigned may be reinstated at the discretion of the Board of Directors upon vote of 67% of the Board of Directors as described in Section 5 of this Article III on showing proof of qualification, payment of any unpaid charges, and payment of current year’s dues.

**ARTICLE IV**  
**DUES AND ASSESSMENTS**

**Section 1. Assessments**

The Board of Directors shall establish dues for all classes of membership.

**Section 2. Termination**

Upon resignation, suspension, or expulsion of a member, or termination for any reason, any dues paid shall not be refunded and such member shall not be relieved from liability for accrued and unpaid dues.

**Section 3. Payment**

Dues are payable upon submission of the initial application for membership in the Association and thereafter are due thirty (30) days after the mailing date of each annual dues statement.

**Section 4. Assessments**

The Board of Directors may make periodic assessments above and beyond annual dues as are needed by the Association and in such cases, assessment shall be subject to all of the requirements and conditions applicable to dues set forth in these Bylaws, including, without limitation, time periods for payment and effect on membership in the case of non-payment.

**Section 5. Contributions**

The Board of Directors shall be empowered to accept non-dues contributions from members or other interested parties. These contributions are to be used solely for the expenses of conducting the affairs on the Association and shall be disbursed at the discretion of the Board of Directors.

**ARTICLE V**  
**MEETINGS OF MEMBERS AND VOTING**

**Section 1. Annual Meetings**

An annual meeting shall be held at such place within the Commonwealth of Pennsylvania and such date as may be determined by the Board of Directors.

**Section 2. Regular Meetings**

Regular meetings of the Association Members may be held as determined by the Board of Directors, and shall be for the purpose of forwarding the objectives and purposes of the Association as set forth in Article II of these Bylaws or for such other purpose(s) as may be determined by the Board of Directors.

**Section 3. Special Meetings**

Special meetings of the Association may be called by the Board of Directors at any time, or shall be called by the President within thirty (30) days after the filing with the President of a written request for such a meeting by seven (7) separate voting Active Members. The business to be transacted at any special meeting shall be stated in the notice thereof, and no other business may be considered at that time. Any or all of the voting members of any committee of the Board of Directors may participate in a meeting of the committee by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

**Section 4. Notice of Meetings**

Written notice of every meeting shall be given by, or at the direction of, the Secretary or other person as may be designated from time to time by the Board of Directors, to each Member of record entitled to vote at the meeting at least **thirty (30) days** prior to the day named for the meeting. Such notice shall be given either by sending a copy thereof by: (i) first class mail, postage prepaid, to the Member's postal address appearing on the books of the Association; or (ii) by facsimile transmission to the Member's facsimile number supplied to the Association. If the notice is sent by mail or courier, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with the courier service for delivery to that person or, in the case of facsimile, when sent. Such notice shall specify the place, day and hour of the meeting. If the Secretary or other person as may be designated from time to time by the Board of Directors neglects or refuses to give notice of a meeting, the person or persons calling the meeting may do so.

**Section 5. Voting**

At all meetings of the Association, each Active Member shall have one (1) vote and may take part and vote in person. Unless otherwise provided by these Bylaws, a majority vote of those Active Members present and voting shall govern.

### **Section 6. Quorum**

At an annual, regular or special Association meeting, a quorum will be necessary for the transaction of business. A quorum is defined as 33% of those Active Members entitled to vote at a meeting. If a quorum is not present, then a resolution will be recommended with a written vote after the meeting of those not represented. Resolution will then be passed by a majority. However, in the case of a meeting called for the purpose of voting on a proposed merger, consolidation, reorganization or voluntary dissolution, a quorum shall be constituted by those members otherwise entitled to vote in respect thereof and who are present at the meeting at which the vote is conducted.

### **Section 7. Action By Consent or Action without Meeting**

Any action required to be taken at a meeting of the members of the Association, or any other action which may be taken at a meeting of members, may be taken without a meeting, if consent in writing setting forth the action so taken shall be signed or approved by electronic communication received from the relevant percent of all of the members entitled to vote with respect to the subject matter hereof.

### **Section 8. Conduct**

The meetings and proceedings of this Association shall be regulated and controlled according to "Roberts's Rules of Order" (revised) for parliamentary procedure, except as may be otherwise provided by these Bylaws.

## **ARTICLE VI** **BOARD OF DIRECTORS**

### **Section 1. General Power**

The governing body of this Association shall be the Board of Directors ("Directors" or "the Board"). The Board of Directors shall supervise, control, and direct the affairs of the Association and its committees and publications, shall supervise the collection and disbursement of its funds, and shall actively pursue its objectives and purposes. The Board of Directors may adopt such rules and regulations for the conduct of its business as shall be deemed advisable.

### **Section 2. Number, Tenure and Qualifications**

The Board of Directors shall consist of: (a) the following Directors who shall serve from time to time by virtue of their status as officers of the Association: President, the Vice President, the President Elect, the Secretary, the Treasurer; and (b) two Board Members who shall be elected as described in Section 4 of this Article VI. The immediate past President may serve as an ad hoc member of the Board at the Board's sole and exclusive request and discretion. Candidates for any and all board positions, at-large or committee designations, be the positions elected, appointed, or volunteer, must be a member of PASA for a minimum of two years.

### **Section 3. Board Participation**

Board members are expected to be active participants to ensure effective and efficient operations of the Association. Therefore, each member of the Board is required to attend/participate in at least 75% of scheduled Board meetings/conference calls unless absence is excused by the President or Vice President of the Board. Failure to meet this requirement will result in removal of the individual from the Board for inactivity. A replacement will be designated in accordance with Article VI Section 6 below.

### **Section 4. Election**

Directors shall be elected by an affirmative vote of a majority of the Active Members. Each director shall be elected to serve for a term of two (2) years or until his/her successor shall have been elected and qualified. All Directors shall be eligible for re-election. Individuals who represent an Active Member or an Associate Member-Organization/Vendor, or an Associate Member-Individual may serve as at-large members of the Board of Directors.

### **Section 5. Quorum**

At any meeting of the Board of Directors a quorum necessary for the transaction of business shall consist of a majority of the members of the Board. Any such business thus transacted shall be valid providing it is affirmatively acted upon by a majority of those present and voting, unless otherwise provided by these Bylaws. Each member of the Board shall have one vote. Action taken by a mail ballot of the members of the Board of Directors shall constitute a valid action of the Board if reported at the next meeting of the Board and the action so taken is signed by all of the directors in office and filed with the Secretary of the Corporation. No member of the Board may vote by proxy.

### **Section 6. Meetings**

A regular meeting of the Board of Directors shall be held as needed, but not less than four (4) times during each fiscal year at such time and at such place as the Board may prescribe. Any or all of the voting members of the Board of Directors may participate in a meeting by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting. Written notice of all such meetings shall be given to the members of the Board not less than ten (10) days before the meeting is to be held. Such Notice shall be given either by sending a copy thereof by: (i) first class mail, postage prepaid to the Board Member's postal address appearing on the books of the Association; or (ii) by facsimile transmission to the facsimile number supplied to the Association. 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 for delivery to that person, or in the case of facsimile, when sent. Special meetings of the Board may be called by the President or at the request of any two (2) members of the Board, by notice mailed and delivered, telephoned, or emailed to each member of the Board of Directors not less than seventy-two (72) hours before the meeting is held.

**Section 7. Vacancies**

Any vacancy occurring on the Board caused by death, resignation, loss of eligibility, removal or non-participation shall be filled until the next annual meeting of the Active Members through a vote of a majority of the remaining Directors.

**Section 8. Directors' Conflict of Interest**

No contract or other transaction between the Association and one or more of its Directors or any other corporation, firm, association or entity in which one or more of its Directors is a director or officer or is financially interested, shall be either void or voidable because of this relationship or interest or because the Director or Directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his/her or their votes are counted for such purposes, if:

- A. The fact of this relationship or interest is disclosed or known to the Board of Directors or committee that authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested Directors; or
- B. The fact of such relationship or interest is disclosed or known to the members entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent; and
- C. The contract or transaction is fair and reasonable to the Association.

**Section 9. Compensation**

Directors shall not receive compensation for any services rendered in their capacities as Directors unless such compensation is approved by the Active Membership. However, nothing herein contained shall be construed to preclude any Director from receiving compensation from the Association for other services actually rendered or for expenses incurred for serving the Association as a Director or in any other capacity, as approved by the Board of Directors.

**ARTICLE VII**  
**OFFICERS**

**Section 1. Officers**

The elected Officers of this Association shall be a President, Vice President, President Elect, Secretary and Treasurer. The officers shall be elected by the membership at the annual meeting of the Association. No officer may hold more than one office and no more than one (1) member from any one facility shall be entitled to hold any office at any one time.

## **Section 2. Nominations**

The President shall mail or email to the membership at least sixty (60) days before the annual meeting, a request for nominations for the elected officer positions. Any person so nominated shall be asked to give consent to nomination and election as an officer. Unless otherwise determined by a special election held to fill an Officer position vacated prior to the end of a term, only individuals representing Active Members shall be eligible for nomination and election as an Officer of the Association.

## **Section 3. Term of Office**

Each elected Officer shall serve for a term of two (2) years. All Officers shall be eligible for re-election. Each Officer shall serve concurrently as a member of the Board of Directors, and as such, nominations of candidates for elected offices are subject to the representation requirement of Article VI, Section 3. Each Officer shall hold office until his/her successor shall have been duly elected and shall have qualified, except that an interim officer shall serve until such time as the Board of Directors shall appoint and the individual shall take office. The terms will be staggered for renewals; President, President Elect, Secretary, and one Board Member shall be elected during one year and Vice President, Treasurer, and the other Board Member shall be elected during the second year.

## **Section 4. Vacancies and Removal**

Vacancies in any elected office may be filled for the balance of the term thereof by the Board of Directors. The Board of Directors may, in its discretion, by an affirmative vote of a two-thirds majority of the full Board, acting in its judgment in the best interests of the Association, remove any Officer from the office for cause.

## **Section 5. President**

The President shall be the chief executive officer of this Association and shall serve as chair of the Board of Directors. The President shall preside at the annual meeting and at all meetings of the Board of Directors, shall perform such other duties as are necessary incident to the office of President or as may be prescribed by the Board of Directors.

## **Section 6. Vice President**

The Vice President shall perform duties of the President in the event the President is absent, is unable to serve or otherwise declines to act. The Vice President shall have such powers and perform such other duties as the Board of Directors may prescribe or the President may direct subject to the approval of the Board of Directors.

## **Section 7. President Elect**

The President Elect shall assist the President and the Vice President in the conduct of their duties. The President Elect shall focus on the learning of the President's duties and responsibilities in preparation for assumption of this role. The President Elect shall perform such other duties as the Board of Directors may prescribe or the President may direct subject to the approval of the Board of Directors.

### **Section 8. Secretary**

The Secretary shall maintain and keep, or cause to be maintained and kept, the records and seal of this Association and minutes of all meetings in proper form. The Secretary shall deliver such records and minutes to his or her successor at the annual meeting and at any other time he or she may be so directed by the President. The Secretary shall be responsible for the proper and legal mailing of all notices and for the proper keeping of a register of all members provided for in these Bylaws. The Secretary shall perform such other duties as may be prescribed by the Board of Directors.

### **Section 9. Treasurer**

The Treasurer shall maintain and keep, or cause to be maintained and kept, the financial records of the Association including, but not limited to, a record of all monies received and expended by the Association. The Treasurer shall deliver such records to his or her successor at the annual meeting and at any other time he or she may be so directed by the President. The Treasurer shall be responsible for the collection of all member dues and/or assessments, shall have established proper accounting procedures for the handling of the Association funds, shall be responsible for the keeping of such funds in a manner approved by the Board of Directors and shall be responsible for working with the selected accounting firm to ensure preparation and timely submission of Association tax returns and related documents. The Treasurer shall submit or cause to be submitted to the Board of Directors an annual budget for the Association and shall submit or cause to be submitted a written report of the finances of the Association at the annual meeting and at other times when called upon by the President or the Board of Directors.

### **Section 10. Execution of Contracts**

All deeds, mortgages, leases and other written contracts of the Association, except promissory notes and checks, shall be signed by the President or Vice President and attested to by any other officer of the Association. All promissory notes and checks shall be executed on behalf of the Association or endorsed for collection or discount in the name of the Association by the President or Treasurer or by such other officer or persons as the Board of Directors may from time-to-time by resolution designate.

## **Article VIII** **COMMITTEES OF THE BOARD**

### **Section 1. Committees of the Board**

The President, unless otherwise stated in these Bylaws, with the approval of the Board of Directors, shall appoint members and the chairman of such standing and ad hoc or special committees of the Board as are provided for in these Bylaws. Unless otherwise specified, committee members may include, in addition to Directors, members and other persons. Certain committee appointments shall be not later than the first meeting of the Board after its annual meeting at which the President is elected. The Board shall have the right at any time to remove any committee member previously approved by it and to increase the number of persons serving upon a committee. In addition, the President, with the approval of the Board of Directors, shall also appoint the members and chairman of such

special committees as he or she, or as the Board shall create. The President and Executive Director (if any) shall be members of all committees, ex officio, unless specifically named as a member of a particular committee in these Bylaws or specifically appointed as a member of a particular committee.

## **Section 2. Standing Committees**

Standing committees shall be those so identified in subsequent sections of this Article VIII and shall have and may exercise all of the powers provided by these Bylaws or as assigned to them from time-to-time by the President or the Board of Directors.

## **Section 3. Special Committees**

From time-to-time, the President or the Board may create additional committees and define the duties and purposes thereof as he or she or the Board may determine to be necessary or desirable for facilitating or carrying out any of the purposes or functions of the Corporation. Member terms on Special Committees shall be at the discretion of the Board as described in this Article VIII Section 9.

## **Section 4. Executive Committee**

A. Establishment. The Board of Directors will establish an Executive Committee. This shall be a standing committee.

B. Composition. The Executive Committee shall consist of such Directors as the Board may determine.

C. Duties. The Executive Committee shall have the power to exercise all of the authority of the Board of Directors in the management of the Corporation during the interim between the regular meetings of the Board of Directors, provided that any action taken shall not conflict with the policies and expressed wishes of the Board of Directors.

D. Meetings, Reports and Recommendations. The Executive Committee shall meet as necessary or desirable, shall maintain a permanent record of its proceedings and actions, and shall make a report thereof to the Board.

## **Section 5. Finance Committee**

A. Establishment. The Board of Directors will establish a Finance Committee. This shall be a standing committee.

B. Composition. The Finance Committee shall consist of the Treasurer of the Association, who shall serve as Chairman, the President, at least one (1) other member of the Association and such other persons, if any, as may be appointed by the President and approved by the Board.

C. Duties. In addition to its general responsibility for overseeing the financial condition of the Association, the Finance Committee shall make

recommendations to the Board of Directors concerning the Association's budget, dues and other financial matters, and shall develop a proposed budget for presentation to the Board of Directors prior to the close of each fiscal year. Unless the Board directs to the contrary, the Finance Committee shall cause an annual financial audit, compilation or review (whichever the Board from time-to-time determines to be appropriate) of the Association's books to be performed by a certified public accountant in accordance with generally accepted accounting principles and shall present the results thereof to the Board of Directors.

D. Meetings, Reports and Recommendations. The Finance Committee shall meet as necessary, shall maintain a permanent record of its proceedings and actions, and shall make a report thereof and of its recommendations to the Board.

## **Section 6. Membership Committee**

A. Composition. The Membership Committee shall consist of at least one (1) Director, at least one (1) other Member of the Association, and such other persons, if any, as may be appointed by the President and approved by the Board. This shall be a standing committee.

B. Duties. The Membership Committee shall review and make recommendations to the Board of Directors concerning eligibility and approval of applicants for membership and shall encourage membership in the Association.

C. Meetings, Reports and Recommendations. The Membership Committee shall meet as necessary, shall maintain a permanent record of its proceedings and actions and shall make a report thereof and of its recommendations to the Board.

## **Section 7. Legislative Committee**

A. Composition. The Legislative Committee shall be composed of at least one (1) Director, at least one (1) other Member of the Association and such other persons, if any, as may be appointed by the President and approved by the Board of Directors. This shall be a standing committee.

B. Duties. The Legislative Committee shall coordinate dissemination of information regarding proposed, pending and enacted regulations and third party payer practices to Members of the Association.

C. Meetings, Reports and Recommendations. The Legislative Committee shall meet as necessary, shall maintain a permanent record of

its proceedings and actions and shall make a report thereof and of its recommendations to the Board.

### **Section 8. Program Committee**

A. Composition. The Program Committee shall be composed of at least one (1) Director, at least one (1) other Member of the Association and such other persons, if any, as may be appointed by the President and approved by the Board of Directors. This shall be a special committee.

B. Duties. The Program Committee shall plan educational programs and meetings to be sponsored by the Association.

C. Meetings, Reports and Recommendations. The Program Committee shall meeting as necessary, shall maintain a permanent record of its proceedings and actions and shall make a report thereof and of its recommendations to the Board.

### **Section 9. Term**

A. Standing Committee. The Members of each Standing Committee shall be appointed at either the annual meeting of the Board of Directors at which the President is elected, or at the next regularly scheduled meeting of the Board following that annual meeting. Each member of a committee who is a Board member shall serve on that committee for a term that is co-terminus with their term as a Board member. Other members of committees shall serve for a term not to exceed two (2) years or until their successors are appointed and qualified.

B. Special Committees. The Members of each Special Committee shall be appointed for such a term as the President, with the approval of the Board, may determine.

### **Section 10. Resignation or Removal of Committee Members**

A Member of any committee of the Board may resign at any time by tendering his or her resignation in writing to the President, the Secretary, or the Executive Director (if any). Resignation as a Director shall also constitute resignation as a Member of any committee of the Board if the person was appointed as a Director—Member of the committee. A Member of any committee of the Board may be removed at any time by the Board of Directors whenever the Board in its judgment believes such removal is in the best interest of the Association; removal as a Director under Article VII, Section 4, of these Bylaws shall automatically constitute removal as a Member of any committee of the Board.

### **Section 11. Vacancies**

The President with the approval of the Board shall fill vacancies occurring on any committee of the Board during the year.

### **Section 12. Committee Meetings**

Meetings of any committee of the Board may be called by the Chairman of such committee or by the President by giving or causing to be given notice of such meeting, setting forth its time and place and delivered personally or by email, mail or telephone to the residence or place of business of the committee member as listed in the records maintained at the principal office of the Association at least three (3) calendar days prior to such meeting. Unless otherwise provided in these Bylaws, a majority of the voting members of any committee shall constitute a quorum for the transaction of business. The act of a majority of the voting members of a committee at a meeting at which a quorum is present shall be the act of the committee. Each committee shall keep minutes of its meetings and report to the Board as necessary with recommendations.

### **Section 13. Committee Action Without a Meeting**

Any action which may be taken at a meeting of a committee of the Board of Directors may be taken without a meeting if, prior to such action, consent in writing or by electronic consent setting forth such action is signed by all of the voting members of the committee and is filed in the minutes of the proceedings of the committee.

### **Section 14. Participation by Telephone**

Any or all of the voting members of any committee of the Board of Directors may participate in a meeting of the committee by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitutes presence in person at the meeting.

## **ARTICLE IX** **INDEMNIFICATION AND INSURANCE**

### **Section 1. Indemnification**

A. The Association shall indemnify each member of the Board of Directors and each Officer of the Association now or hereafter serving as such, who was or is a party, or is threatened to be made a party, to any threatened, pending or completed claim, action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a Director or Officer or is or was serving at the request of the Association as a Director or Officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses, (including attorney's fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such claim, action, suit or proceeding, including any appeal thereof, 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 Association, and with respect to any criminal action or proceeding when he or she had no reasonable cause to believe his or her act was unlawful.

B. To the extent that a Director or Officer has been successful on the merits or otherwise in defense of any claim, action, suit or proceeding referred to in Subsection (A) of this Section, or in defense of any claim, issue or matter therein, he or she shall be indemnified against the expenses (including attorney's fees) actually and reasonably incurred by him or her in connection therewith.

C. To the extent that a Director or Officer has not been successful on the merits in defense of any action, suit or proceedings referred to in Subsection (A) of this Section, or the defense of any claim issue or matter therein, Indemnification (unless ordered by the court) shall be made at the discretion of the Association and only upon a determination that Indemnification of the Director or Officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in said Subsection (A). Such determination shall be made: (1) by the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or (2) if such a quorum is not obtainable, or even if obtainable, or a quorum of disinterested Directors so directs, by independent legal counsel (who may be regular counsel of the Association) in a written opinion.

D. As authorized by the Board of Directors, expenses incurred by any person who may have a right of indemnification under this Section in defending a civil or criminal claim, action, suit or proceeding may be paid by the Association in advance of the final disposition of such claim, action, suit or proceeding, or where appropriate the Association may, itself, undertake the defense of such claim, action, suit or proceeding, upon receipt of an undertaking by or on behalf of such person to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Association pursuant to this Section.

E. The indemnification provided by this Section for Directors and Officers shall not be deemed exclusive of any other rights to which any of them be entitled, under Bylaw, agreement, vote of the disinterested Directors, as a matter of law or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a Director or Officer and shall inure to the benefit of the heirs, executors and administrators of any such person.

F. In addition to the indemnification that shall be provided by the Association to its Directors and Officers as provided in this Section, the Association may, if authorized by action of the Board of Directors, indemnify any agent or employee of the Association to the same extent

and under the same circumstances as such indemnification is assured to the Directors and Officers of the Association under this Section.

**Section 2. Insurance**

The Association may purchase and maintain insurance on behalf of any person who is or was a Director, Officer, employee or agent of the Association, or is or was serving at the request of the Association as a Director, Officer, employee or agent of another corporation, 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 Association would have the power to indemnify him or her against such liability under the provisions of Section or otherwise under the laws of the Commonwealth of Pennsylvania.

**ARTICLE X**  
**AMENDMENTS**

**Section 1. Amendments**

These Bylaws may be amended, repealed or altered in whole or in part by a majority vote of the Active Members entitled to vote at any regular or special meeting of the members or by a majority vote of said members by email/mail; provided, however, the text of the proposed amendment, repeal or alteration must be forwarded to members entitled to vote at least ten (10) calendar days prior to the meeting or the date by which the ballots must be returned.

Amended October 5, 2009 and June 6, 2011