

**BYLAWS**  
**of**  
**The United States Tennis Association Middle States Section**

**ARTICLE I**

**NAME**

**Section 1.1.** This corporation shall be known as the “United States Tennis Association Middle States Section” hereinafter referred to as “USTA MS” or “Corporation”, a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania.

**ARTICLE II**

**OFFICES**

**Section 2.1.** The registered office of the Corporation shall be at the place designated in the Articles of Incorporation, subject to transfer as may be permitted by law.

**Section 2.2.** The Corporation may also have offices at such other places as the Board of Directors may from time to time determine.

**ARTICLE III**

**PURPOSE**

**Section 3.1.** The mission of the USTA MS is to promote and develop the growth of tennis, focusing on the establishment of competitive, developmental, educational and recreational programs for everyone and to promote health, character, high standards of fair play, sportsmanship and social responsibility in the territory designated by the United States Tennis Association (hereinafter referred to as the “USTA”) as the Middle States section.

**ARTICLE IV**

**JURISDICTION**

**Section 4.1.** The USTA MS shall have jurisdiction over the territory as provided in the Bylaws of the USTA.

## ARTICLE V

### MEMBERSHIP

**Section 5.1.** The membership of the USTA MS shall consist of all individuals and organizations residing or located within the geographic area of USTA MS who are members in good standing of the USTA.

**Section 5.2.** The membership of the USTA MS shall be a non-voting membership.

**Section 5.3.** An organization or individual may only hold membership in the USTA MS through the USTA in accordance with the by-laws of the USTA relating to applications for membership. The Board of Directors of USTA MS may award honorary or special membership in USTA MS to individuals or organizations when deemed appropriate.

**Section 5.4.** Dues for individual and organizational members shall be as provided in the USTA Bylaws.

### LIABILITY OF MEMBERS

**Section 5.5.** No person who is or was a member of this Corporation shall be liable, solely by reason of being a member, under an order of a court or in any other manner for a debt, obligation or liability of the Corporation of any kind or for the acts of any member or representative of the Corporation.

## ARTICLE VI

### BOARD OF DIRECTORS

**Section 6.1.** The business and affairs of the Corporation shall be managed by its Board of Directors which may exercise all such powers of the Corporation and do all such lawful acts and things as are not proscribed by statute, by the Articles of Incorporation or by these Bylaws. The Board of Directors has full executive and administrative authority for USTA MS and its entire business and financial affairs. Without limiting the generality of the foregoing, the Board of Directors shall have the power and duty to see that the general provisions of the USTA and USTA MS Bylaws, policies, Standing Orders, and resolutions of the Board of Directors are complied with; to approve contracts or other writings and authorize execution of same; to formulate and enforce Bylaws and policies for USTA MS; and to hear and decide questions or issues arising from time to time which require action by the Board of Directors. In managing the business and affairs of the Corporation, the Board by resolution may authorize a Committee or another person or agent to act for the Board.

**Section 6.2.** The Board of Directors shall be composed of the officers of USTA MS, the Sectional Delegate, the immediate past President of USTA MS not otherwise serving on the Board, one Delegate from each District Association, five (5) Directors at Large, and up to two (2) other individuals appointed by the President. A Director shall be a member of the USTA, a

natural person of full age who, unless otherwise restricted by these Bylaws, need not be a resident of the Commonwealth of Pennsylvania.

(a) Board members may only serve three (3) consecutive or nonconsecutive two year terms for a total of six (6) years unless they have moved into an officer position. In the event that an individual exceeds the six (6) year term limit due to their serving as an Officer or the Sectional Delegate of USTA MS, upon the expiration of the individuals last term as such, the individual will not be eligible to serve as a Member of the Board until such time as of two (2) consecutive Board terms have expired from their last day as an Officer. These term limits apply to Presidential Appointees, Directors at Large, the Sectional Delegate and District Delegates serving on the Middle States Board or any combination of those positions.

(b) The Secretary may not serve more then two (2) consecutive or nonconsecutive two year terms.

(c) The Treasurer may not serve more then two (2) consecutive or nonconsecutive two year terms.

(d) The Sectional Delegate, Senior Vice President and President may not serve more then one (1) two (2) year term.

(e) Retiring Board members must sit out two (2) consecutive terms (four (4) years) before serving on the Board in any position.

**Section 6.3.** Directors may not be employees of the USTA MS. For the purpose of this Section 6.3, "employee" shall be defined as a person that receives a W-2 income statement from the USTA MS for services to the USTA MS.

**Section 6.4.** A meeting of the Board of Directors shall be held at such time and place as the Board of Directors may determine for the election of Directors and for the transaction of such other business as may properly come before the meeting. Each Director elected by the Board of Directors shall hold office until the expiration of the term for which he/she was selected and until his/her successor has been selected and qualified or until his/her earlier death, resignation or removal.

**Section 6.5.** The Annual Meeting of the Board of Directors shall be held prior to the USTA Annual Meeting. At least ten (10) days before the USTA MS Annual Meeting, a written notice announcing the USTA MS Annual Meeting shall be sent to the members of the Board of Directors.

**Section 6.6.** Vacancies in the Board of Directors other than District Delegates and Presidential appointees, including vacancies resulting from an increase in the number of Directors shall be filled by a majority vote of the remaining members of the Board of Directors though less than a quorum, and each person so elected shall be a Director to serve for the balance of the next unexpired term.

## **MEETINGS OF THE BOARD**

**Section 6.7.** The meetings of the Board of Directors may be held at such place within the Commonwealth of Pennsylvania or elsewhere as the Board of Directors may from time to time select, or as may be designated in the notice of the meeting.

**Section 6.8.** In addition to its Annual Meeting, the Board of Directors shall have a regular meeting within the geographical jurisdiction of USTA MS and at a time, place, and date as shall be determined from time to time by the Board of Directors, or as may be designated in the notice of the meeting. Notice of each regular meeting of the Board of Directors shall be given to each Director in accordance with the notice provisions of Sections 10.4 and 10.5. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board need be specified in the notice of the meeting.

**Section 6.9.** The Secretary or the Secretary's designee shall give each Director ten (10) days written notice of each regular meeting, such notice to be sent to the Director's address; provided, however, that in an emergency, the Board of Directors may meet on shorter written notice with full powers to act, provided that at least fifty (50) percent of the members of the Board of Directors execute written waivers of notice of meeting, which waivers shall be incorporated in the minutes of such meeting. Special Meetings may be called at any time by the President and must be called upon the written request of five (5) members of the Board of Directors. At least ten (10) days before such special meeting, a written notice shall be published or mailed to each Director of the USTA MS by the Secretary or the Secretary's designee, stating the object of the Special Meeting. Only those matters specified in the notice shall be considered at such Special Meeting.

**Section 6.10.** At all meetings of the Board of Directors the presence of at least fifty (50) percent of the Directors in office present as provided in Section 6.22 below shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these Bylaws. If a quorum shall not be present at any meeting of Directors, the Directors present thereat may adjourn the meeting. It shall not be necessary to give any notice of the adjourned meeting of the business to be transacted thereat other than by announcement at the meeting at which such adjournment it taken. Except as otherwise specifically provided in these Bylaws, all matters coming before the Board of Directors shall be determined by a majority of those Directors present and voting, and each Director shall be entitled to cast one (1) vote. Specifically, no Director shall be permitted to vote in more than one capacity.

## **PROCEDURE**

### **Section 6.11.**

(a) Except as otherwise specifically provided in these Bylaws, all matters coming before the Board of Directors shall be determined by a majority of those Directors present as provided in Section 6.22 below and voting, and each Director shall be entitled to cast one (1) vote. Specifically, no Director shall be permitted to vote in more than one capacity.

(b) Amendments to these Bylaws may be adopted only at a meeting of the Board of Directors at which a quorum is present as provided in Section 6.22 below and after giving ten (10) days prior written notice of the proposed amendment.

(c) If at least eighty (80) percent of the full Board of Directors consents, an issue, with the exception of Bylaw changes, may be decided by an e-mail vote.

(d) At all USTA MS Board meetings, a District Association may be represented by any eligible person who is a member of that District Association and is designated by that District Association as its representative.

**Section 6.12.** At all meetings of the Directors, the procedures outlined in the Modern Rules of Order shall be followed.

### **SUSPENSIONS AND EXPULSIONS**

**Section 6.13.** The Board of Directors shall have the power to suspend any USTA MS District, organizational Member or individual member for any of the following reasons:

(a) Neglecting and refusing to comply with the published Constitutions, Bylaws, policies, Rules and Regulations, and Standing Orders of the USTA MS or of the USTA, as the case may be;

(b) Engaging in conduct that brings reproach or disrepute upon the USTA MS or the USTA; or

(c) Failure to recognize or comply with sanctions imposed by the Section such as suspension or expulsion of individual or organizational members or districts.

**Section 6.14.** Suspension from duties as an elected member of the Board of Directors requires a two-thirds (2/3) vote of remaining Board members. Such suspension must be for cause.

### **COMMITTEES**

**Section 6.15.** The Board of Directors may, by resolution adopted by a majority of the whole Board, designate one or more standing committees, each such committee to consist of one or more of the Directors of the Corporation. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee to the extent provided by resolution or in these Bylaws shall have and exercise the authority of the Board of Directors in the management of the business and affairs of the Corporation. In addition to the committees provided for under these Bylaws, the Board of Directors or the President may appoint one or more ad hoc committees, and designate the functions and membership thereof, which may include non-Directors, which committees shall not exercise the authority of the Board of Directors unless, and only to the extent, specifically authorized by resolution of the Board of Directors. Unless otherwise provided in these Bylaws, members of standing committees shall be appointed for a two-year term or less,

if such term is sooner terminated by the Board of Directors; and members of ad hoc committees shall be appointed for a term determined by the President.

**Section 6.16.** Subject to the provisions of these Bylaws, the President may propose members to be nominated to standing and other committees as the Board of Directors may from time to time establish. The standing committees shall include, but not be limited to the Executive Committee of the Board of Directors, the Nominating Committee, the Personnel Committee, the Audit Committee and the Budget and Finance Committee. The President shall be a voting ex officio member of all committees except the Nominating Committee.

#### **AUDIT COMMITTEE**

**Section 6.17.** The Audit Committee shall oversee the establishment and implementation of appropriate accounting policies and internal controls, with focus on assuring that adequate procedures are in place to protect the assets and reputation of USTA MS. The Audit Committee shall interview and make recommendations for the selection of Auditors to the Board of Directors and shall have oversight of the external audit process.

#### **BUDGET AND FINANCE COMMITTEE**

**Section 6.18.** The Budget and Finance Committee shall have oversight of the Annual Budget and shall be chaired by the Treasurer of the Board of Directors. The Budget and Finance Committee shall be responsible for recommending the annual capital and operating budgets of the Corporation and procedures to oversee the management of the assets, liabilities, and equity of the corporation. It shall also have such further duties and responsibilities as determined from time to time by the Board.

#### **EXECUTIVE COMMITTEE**

**Section 6.19.** The Executive Committee of the Board of Directors shall consist of the President, Senior Vice-President, the Treasurer, Secretary and the immediate Past President. The Board of Directors may elect up to two (2) additional Members of the Board to serve on the Executive Committee. The Executive Committee, between meetings of the Board of Directors, shall exercise the powers of the Board as appropriate in any case where immediate action is required and the matter is such that a Special Meeting of the full Board is not deemed necessary or possible.

#### **NOMINATING COMMITTEE**

##### **Section 6.20.**

(a) The Nominating Committee shall consist of five members. The term of service will be for two years and will be concurrent with the term of the Board of Directors. The two immediate past-Presidents, if available, will serve on the committee without election. The other three members of the committee will be nominated by the outgoing Nominating Committee and will be elected using the voting process for electing officers to the Board of Directors.

(b) Additionally, no more than two members of the outgoing Nominating Committee may serve on the incoming Nominating Committee. The senior past President shall serve as the chair of this committee. Members of the Nominating Committee may not stand for elected office of the USTA MS Board of Directors, except for the position of Sectional Delegate to the USTA. The Nominating Committee shall evaluate the leadership needs of the USTA MS, develop a recruitment strategy, interview and evaluate candidates and propose nominees for election as officers of the USTA MS Board of Directors and for the incoming Nominating Committee for the forthcoming year. The Nominating Committee shall nominate the President, Senior Vice President, Treasurer, Secretary, the Sectional Delegate and up to five (5) individuals to serve as Directors at Large. Notice of the nominees proposed by the Nominating Committee shall be mailed utilizing the United States postal service or other nationally recognized postal carrier service to all members of the Board of Directors at least thirty (30) days prior to the meeting at which the election shall take place. The meeting to elect the incoming Board and the incoming nominating committee shall take place no later than October 31<sup>st</sup> of the year preceding the start of the new term.

(c) In addition to the nominations made by the Nominating Committee, nominations for officers may be made by petition executed by at least one third (1/3) of the members of the Board of Directors, notice of which shall be mailed to all Directors at least twenty (20) days prior to the meeting at which the election shall take place.

(d) If before election any person nominated dies, becomes incapacitated, declines nomination, or is otherwise disqualified, the vacancy in the nomination shall be filled as promptly as possible by the Nominating Committee. The name of the person selected shall be forwarded to each member of the Board of Directors as promptly as possible.

(e) If a vacancy occurs on the Nominating Committee during the term of office, the vacancy shall be filled by the Board of Directors and the appointee shall be a member of the Nominating Committee until the end of that Nominating Committee's term. Any member of the Board of Directors may nominate an individual to fill the vacancy.

## **PERSONNEL COMMITTEE**

**Section 6.21.** The Personnel Committee shall consist of the President, the Senior Vice-President, the immediate past President and two members appointed by the President, subject to the approval of the Board of Directors. The Executive Director shall be the staff liaison to the Committee. In the event that one of the members is unable to serve, subject to considering any proposal from the President, the Board of Directors shall appoint a replacement. The Personnel Committee shall develop and implement the staff policies and the Executive Director's compensation and benefits.

## **PARTICIPATION IN MEETING BY TELEPHONE**

**Section 6.22.** One or more Directors may participate in a meeting of the Board or of a committee 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, and all Directors so participating shall be deemed present at the meeting.

## **INFORMAL ACTION BY DIRECTORS OR COMMITTEES**

**Section 6.23.** Any action which may be taken at a meeting of the Directors or of a committee of the Board may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors or the members of the committee, as the case may be, and shall be filed with the Secretary of the Corporation.

## **ARTICLE VII**

### **LIABILITY OF DIRECTORS**

**Section 7.1.** A Director of the USTA MS shall not be personally liable for monetary damages as a result of any action taken, or failure to act, unless such action or inaction constitutes both: (a) a breach of or failure to perform duties of his or her office under the Non-Profit Corporation, and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness, or unless such liability is imposed pursuant to a criminal statute or for the payment of taxes pursuant to local, state or federal law.

**Section 7.2.** If Pennsylvania law hereafter is amended to authorize the further elimination or limitation of the liability of Directors, then the liability of a Director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended Pennsylvania law.

## **ARTICLE VIII**

### **OFFICERS**

**Section 8.1.** The officers of the Corporation shall be elected by the Directors and shall be a President, the Senior Vice President, a Treasurer and a Secretary although such positions may be combined with each other or other officer positions at the discretion of the Board of Directors. The President and Secretary shall be natural persons of full age. The Treasurer may be a corporation, but if a natural person shall be of full age.

**Section 8.2.** The Board of Directors may also elect such other officers and assistant officers as the needs of the Corporation may require who shall hold their offices for such terms and shall have such authority and shall perform such duties as from time to time shall be determined by resolution of the Board.

**Section 8.3.** The meeting to elect the incoming Board and the incoming Nominating Committee shall take place no later than October 31 of the year preceding the start of the new term. Each officer shall be elected for a term of two (2) years commencing on January 1<sup>st</sup> of the year in which the term begins and terminating on December 31<sup>st</sup> of the year in which the term ends, but shall continue to serve until a successor is selected and qualified or until their earlier death, resignation or removal. Any officer may resign at any time upon written notice to the Corporation. The resignation of an officer shall be effective upon receipt thereof by the Corporation or at such subsequent time as may be specified in the notice of resignation. Any

officer or agent of the Corporation may be removed by the 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, if any, of the person so removed. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors and the appointee shall hold office only until a successor has been elected at the next regular election of officers.

**Section 8.4.** All officers shall serve without compensation, although direct expenses incurred in the business of the Corporation may be paid by the Corporation.

### **DUTIES OF OFFICERS AND THE SECTIONAL DELEGATE**

**Section 8.5.** The duties of the officers shall be those customarily delegated to such officers and as specified, from time to time, by the Board of Directors or in these Bylaws or as assigned by the President.

**Section 8.6.** Each officer's duties shall be exercised with the aid of the Executive Director or by staff designated by the Executive Director.

(a) The President as the Chief Executive Officer shall be chairman of the Board of Directors of the Corporation and he/she shall preside at all meetings of the Board of Directors and the Executive Committee. The President shall have general supervisory authority over the affairs of USTA MS, subject to the authority of the Board, and shall see that all orders and resolutions of the Board are carried into effect. The President may propose members to be nominated for committees and chairs of such committees, including a member of the Board of Directors to serve on the MSATO Council and a sectional chair of officials. The President shall execute bonds, mortgage and other contracts requiring a seal, under the seal of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer or agent of the Corporation.

(b) The Senior Vice President shall assist the President in the performance of duties and shall exercise all the powers of the President in the event of the President's absence, resignation, incapacity, or death.

(c) The Sectional Delegate shall represent the USTA MS in appropriate matters before the USTA, voting as instructed by the USTA MS Board of Directors. Lacking such instruction, the Sectional Delegate shall act in accordance with the best interests of the USTA MS. The Sectional Delegate may be instructed on specific questions at the pleasure of the Board of Directors and, when instructed, is bound to follow such instructions. The Nominating Committee shall nominate the Sectional Delegate for confirmation by the Board.

(d) The Secretary shall be the responsible officer for recording all the votes of the Corporation and the minutes of all meetings of the Board of Directors and Executive Committee. The Secretary shall give, or cause to be given, notice of all meetings of the Board of Directors and the Executive Committee. The Secretary shall make certain a chronological listing of all resolutions adopted by the Board is provided for all Directors. The Secretary shall attest that the corporate seal of the Corporation is in safe custody, and, when authorized by the Board, affix the

same to any instrument requiring it, and, when so affixed, it shall be attested by his/her signature or by the signature of the Treasurer or an Assistant Secretary.

(e) The Treasurer shall be the responsible officer for the financial management and controls of the USTA MS, including providing financial oversight of the budget, internal audit and financial controls in conjunction with the Executive Director.

(f) The President may delegate responsibility to individual Board Members to oversee the areas of Adult Activities; Junior Development and Competition; Community Development; People Resources and Marketing /Sponsorship on behalf of the Section.

### **EXECUTIVE DIRECTOR, STAFF, AND CONSULTANTS**

The USTA MS shall have an Executive Director who shall be the Chief Operating Officer. The Executive Director shall manage the day-to-day operational programs, policies, and procedures of the USTA MS and the functioning of the office or offices of the USTA MS. The Executive Director shall be appointed by and shall serve at the pleasure of the Board. The Executive Director shall be subject to the direction of the Board and fully accountable to the Board. The Personnel Committee shall determine the compensation package for the Executive Director. The Executive Director shall be directly responsible for executing all Board decisions, employment and dismissal of USTA MS personnel, managing budgetary processes, and staff work and shall perform additional duties as may be requested by the President or the Board. The USTA MS shall have such executive managers, program, and staff support as may be authorized by the Board of Directors and appointed by the Executive Director. The USTA MS shall have the authority to employ the services of a recognized firm of independent certified public accountants and such other legal, accounting, financial, and other consultants as may from time to time be appointed by the Board, Audit Committee, the President or their designee. The Executive Director shall be an ex-officio, but non-voting Member of all Committees except for the Nominating Committee.

## **ARTICLE IX**

### **NATURE OF THE DISTRICT ASSOCIATIONS**

**Section 9.1.** The District Associations are administrative units of the USTA MS and are not separate legal entities. Subject to these Bylaws, standing orders, rules and regulations of the USTA MS, which shall prevail in the event of a conflict, they are governed by such constitutions, Bylaws or similar documents as they may adopt from time to time.

**Section 9.2.** The Board of Directors of the USTA MS shall determine the geographic areas for District Associations. Any change in their geographic areas must be approved by a two-thirds vote of the Board of Directors at an Annual Meeting or a special meeting called for that purpose. The geographic areas existing on the date of ratification of these Bylaws shall be effective unless and until changed pursuant to this paragraph.

**ARTICLE X**  
**GENERAL PROVISIONS**  
**CHECKS AND NOTES**

**Section 10.1.** All checks or demands for money and notes of the Corporation shall be signed by such officer or individual as the Board of Directors may from time to time designate.

**FISCAL YEAR**

**Section 10.2.** The fiscal year of the Corporation shall be the calendar year.

**SEAL**

**Section 10.3.** The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization and the words "Corporate Seal, Pennsylvania". Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced. Except as otherwise required by statute, the affixation of the corporate seal shall not be necessary to the valid execution, assignment or endorsement by the Corporation.

**NOTICES**

**Section 10.4.** Whenever written notice is required by be given to any person under the provisions of the statutes or of the articles of incorporation or of these Bylaws, it may be given to such person either personally or by sending a copy thereof by first class or express, postage prepaid, or by telegram (with messenger service specified), telex or TWX (with answer back received) or courier service, charges prepaid, by e-mail, or by facsimile transmission, to his/her address (or to hi/hers telex, TWX or facsimile number) appearing on the books of the Corporation or supplied by his/her to the Corporation for the purpose of notice. If the notice is sent by mail, e-mail, telegraph or courier service, 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 or courier service for transmission to such person or, in the case of telex or TWX, when dispatched. Such notice shall specify the place, day and hour of the meeting and any other information required by statute.

**Section 10.5.** Whenever any written notice is required to be given by statute or by the Articles of Incorporation or by these Bylaws, 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. Neither the business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meeting. Attendance of any person entitled to notice 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 XI**

### **EXHAUSTION OF ADMINISTRATIVE REMEDIES**

#### **Section 11.1.**

(a) The Section and all members agree to follow the Constitution, the Bylaws of the Corporation and the USTA Regulations. Members shall exhaust all administrative remedies in any controversy or grievance, including, but not limited to, membership, governance, management, or participation in activities or events.

(b) The Corporation, District Associations, or subdivisions agree to submit to final and binding arbitration any controversy or grievance involving their governance or management upon demand of the Board or a vote of no less than sixty (60) percent of the Sectional Association's Board of Directors. Final and binding arbitration shall be conducted in accordance with procedures approved by the Board of the United States Tennis Association.

### **INDEMNIFICATION**

#### **Section 11.2.**

(a) The Corporation 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 or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he/she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another domestic or foreign Corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise (such person being herein called an "Indemnified Person"), against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by his/her in connection with such action or proceeding (herein called collectively the "Indemnified Liabilities"), if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement or conviction or upon a plea of nolo contendere or did not act in good faith and in a manner that he/she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) In addition, the Corporation shall indemnify any person who was or is a party, or is threatened to be made party, to any threatened, pending or completed action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that the person is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by his/her or her in connection with the defense or settlement of the action if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Corporation. Indemnification shall not be made in respect

of any claim, issue or matter as to which the person has been adjudged to be liable to the Corporation unless and only to the extent that the Court of Common Pleas of the judicial district embracing the county in which the registered office of the Corporation is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses that the Court of Common Pleas or other court deems proper.

**Section 11.3.** Expenses incurred by an Indemnified Person in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized in the manner provided in Section 11.3 of this Article, upon receipt of an undertaking by or on behalf of such Person to repay such amount if it shall ultimately be determined that he/she is not entitled to be indemnified by the Corporation as authorized in this Article.

**Section 11.4.** Any indemnification under Section 11.1 of this Article (unless ordered by a court) shall be made by the Corporation unless a determination is reasonably and promptly made that indemnification of the Indemnified Person is not proper in the circumstances because he/she has not satisfied the terms set forth in Section 11.1.

(a) Expenses shall be advanced by the Corporation to an Indemnified Person upon a determination that he/she or she is an Indemnified Person as defined in Section 11.1 of this Article and has satisfied the terms set forth in Section 11.2 of this Article.

(b) All determinations under this Section 11.3 shall be made:

(i) 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

(ii) If such a quorum is not obtainable, or, even if obtainable, if a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

**Section 11.5.** The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of shareholders or disinterested Directors or otherwise, both as to action in this 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, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

**Section 11.6.** The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, partner, Director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against his/her and incurred by his/her in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify his/her against such liability under the provisions of this Article.

## **ARTICLE XII**

### **NONPROFIT PURPOSE**

**Section 12.1.** No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, nor shall it provide athletic facilities or equipment to any member of the Board of Directors, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (but this shall not prohibit general education programs and/or providing assistance as requested by legislative bodies), and the Corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. In the event of the liquidation or dissolution of the Corporation, whether voluntary or involuntary, all assets of the Corporation remaining, after payment or the provision for the satisfaction of all liabilities or obligations of the Corporation shall be distributed, except as may be provided by law and subject to the direction and control of a court of competent jurisdiction, to one or more organizations selected by the Board of Directors of the Corporation which are the type described in Section 170(b)(1)(A) (other than in clauses (vii) and (viii) thereof) of the Internal Revenue Code of 1986 or the corresponding provision of any subsequent Federal Tax laws. The Corporation may engage in the public solicitation of funds.

**Section 12.2.** Notwithstanding any other provision of these Bylaws or the Certificate of Incorporation of the Corporation, the Corporation shall not carry on any activity not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c)(4) of the Code; nor, except to an insubstantial degree engage in any activity or exercise any powers that are not in furtherance of the corporate purposes as established in the Articles of Incorporation.

## **ARTICLE XIII**

### **AMENDMENTS**

**Section 13.1.** Amendments to these Bylaws may be made at any meeting of the Board of Directors, at which a quorum is present, after ten (10) days written notice has been given to the members of the Board of Directors upon a vote of at least two-thirds of the members of the Board of Directors, who are present and voting.

**Approved by the Middle States Board of Directors 12-5-2009**