



BYLAWS

ARTICLE I. NAME

- 1.1 Name.** The name of this association is the PENNSYLVANIA NEWSMEDIA ASSOCIATION (the "Association"). The Association is a 501(c)(6) non-profit trade association organized as a Pennsylvania corporation.
- 1.2 Fiscal Year.** The fiscal year of the Association shall be January 1 through December 31.

ARTICLE II. MISSION

- 2.1 Mission.** The Association's mission is to advocate on behalf of its members, to serve their needs through a variety of programs, to foster a spirit of collegiality among them, and to promote their welfare.

ARTICLE III. OFFICES

- 3.1 Registered Office.** The registered offices of the Association are located at 4000 Crums Mill Rd., Suite 101, Harrisburg, Pennsylvania, or such other locations in Pennsylvania as the Directors may from time to time determine.

ARTICLE IV. MEMBERS

4.1 Voting Members.

- 4.1.1 Newspapers.** Any publication that meets the following definition is eligible to apply for membership in the Association and if approved by the Members, its representative is entitled to vote and eligible to become a Director and an Officer of the Association:
- Printed publication;
 - Four or more pages in length;
 - Issued at least every other month;
 - Principally devoted to the dissemination of local or general news and other editorial content (not less than 25 percent of overall content);
 - Must not primarily serve as a platform for dissemination promoting the interests and/or opinions of a special interest group, individual or cause.
- 4.1.2 Online Publications.** A digital publication is eligible to apply for membership in the Association if it conforms to the following criteria, and if approved by the Members, its representative is entitled to vote and eligible to become a Director and an Officer of the Association:
- Available to the general public online or digitally;
 - Content must be updated on a regular basis, not less than twice per week;
 - Must follow the ethics and standards of print journalism;
 - Links to other web content may be included, but the publication's core content must reside on a server and/or website;
 - Principally devoted to the dissemination of local or general news and other editorial content (not less than 25% percent of overall content);
 - Must not primarily serve as a platform promoting the interests and/or opinions of a special interest group, individual or cause.
- 4.1.3 Magazines/Alternative Publications.** Any publication that meets the guidelines listed below is eligible to apply for membership. If approved by the Members, its

representative is entitled to vote and eligible to become a Director and an Officer of the Association.

- a. Printed publication;
- b. Four or more pages in length;
- c. Issued at least every other month;
- d. Has been published for more than six months;
- e. Principally devoted to the dissemination of local or general news and other editorial content (not less than 25% of overall content);
- f. Must not primarily serve as a platform for dissemination promoting the interests and/or opinions of a special interest group, individual or cause;
- g. Publish, verify and submit accurate circulation figures to the Association.

4.2 Nonvoting Members. The following individuals, organizations and publications are eligible to apply for nonvoting membership in the Association. Upon approval, Nonvoting Members are not eligible to vote or to serve as Directors or Officers of the Association.

4.2.1 Individual Members. Individual Members are individuals who contribute to local journalism or news-related education in Pennsylvania but are not employed by a Member or Affiliate Member organization. Eligibility determinations for individual Membership shall be made by the Board or its designee, consistent with the Association's mission and policies.

Eligible Individual Members may include:

1. Freelance journalists, writers, photojournalists, podcasters, and multimedia journalists producing local news or public affairs content;
2. Undergraduate or graduate students in journalism, communications, English, or related fields, and high school students involved in academic or extracurricular news content production;
3. High school or college professors and instructors in journalism, communications, or media-related disciplines;
4. Retired editors, reporters, publishers, executives, managers, and advertising professionals formerly employed by a Member or Affiliate Members;
5. Individuals employed by or affiliated with organizations that support or work closely with the news media industry.

Individual Members must demonstrate a commitment to the standards generally applicable to professional journalism and acknowledge that membership does not imply editorial endorsement by the Association.

Individual Members may be eligible to participate in certain professional development, training, recognition, communications, and networking opportunities offered by the Association and its affiliated organizations, as determined by the Board or its designee. Individual Members are not eligible to utilize the Association's Legal Hotline services.

4.2.1 Affiliate Members. Any company or organization that furnishes machinery, equipment, supplies or services to the news media industry.

4.2.2 College and University Newspaper Members. Student publications that:

- a. Are printed in an accepted newspaper format (standard or tabloid size) or are published online;
- b. Are published on an announced, regular schedule or regularly update content no less than twice per month;
- c. Maintain an office or primary operations in Pennsylvania;
- d. Adhere to ethical standards generally applicable to professional journalism;
- e. Publish, verify and submit accurate circulation or audience figures to the Association; and
- f. Are produced primarily by students, with faculty advisers permitted to provide guidance but not editorial control.

4.2.3 College and University Journalism Department Members. Colleges or universities offering degree programs in journalism, communications, or closely related fields.

4.3 Other. Publications that do not otherwise qualify for membership under this Article 4 may apply for membership if they meet any other qualification for membership that may in the future be adopted by the Board and approved by the Members.

4.4 Minimum Requirements. To be eligible for voting membership, a publication or digital news organization must have been published continuously for a period of at least six months or as the successor of such a publication issued during an immediate prior period of at least six months. In addition, all voting Members must annually publish, verify and submit to Association accurate circulation figures based on a recognized auditing agency, a sworn Post Office statement, or a duly notarized statement. Members shall be subject to periodic review by the Board of Directors to ensure ongoing compliance with all relevant membership requirements.

4.5 Approval Procedure. All applications for all classes of membership shall be subject to review and approval first by the Board of Directors and subsequently by the Voting Members, which approval may be withheld for any reason. Any Member approved by the Board of Directors but not yet approved by the Members will be deemed a provisional Member responsible for all fees and dues and eligible for any and all Association membership benefits but without voting rights (if applicable) until such time as it is approved by the Members.

4.6 Voting and Participation. Each Voting Member, as defined in Section 4.1 above is entitled to one (1) vote. The Member may delegate the voting privilege to its publisher, general manager, editor or other manager.

- 4.7 Membership Privileges.** Membership privileges in the Association may be withdrawn as follows:
- a. For any reason upon recommendation of the Board and subsequent approval by two-thirds (2/3s) of the Voting Members present at a duly called regular or special meeting of the Members. The Board may recommend withdrawal of membership privileges under this subsection only after making a thorough investigation of complaints. The Association shall provide at least one (1) written notice to the Member in question of its intent to withdraw membership privileges, allowing the Member a reasonable opportunity to answer and to be heard by the Board.
 - b. A Member that fails to pay its dues or otherwise comply with the Association's membership requirements for a period of ninety (90) days is subject to expulsion at the sole discretion of the Board. The Board's failure to expel a Member for nonpayment does not waive its right to expel such Member at a later date. The Association will provide at least one (1) written notice of its intent to expel, allowing the Member a reasonable opportunity to answer and to be heard by the Board. In addition, the Association reserves the right to take any and all action allowed at law and in equity to compel payment from a Member, including withholding monies owed to the Member through one or more of the Association's or any of its related companies' or affiliates' programs. In the case of expulsion for nonpayment, the decision to reinstate an expelled Member is at the discretion of the Board.

ARTICLE V. MEMBERSHIP DUES, MEETINGS

- 5.1 Dues, Other Means of Support, Newspaper Subscriptions.** The Association is supported by annual dues, duly authorized assessments, and such other income as may be derived from approved services and projects as determined by the Board of Directors within its sole discretion except as otherwise set forth in these Bylaws. The Board shall from time to time establish a formula for determining annual dues for all categories of Members. In addition, each newspaper Member must supply free subscriptions, both print and digital, to the Association or the Association's designee. These subscriptions must be forwarded according to procedures outlined by the Board and are deemed part of the annual dues obligation of each Member.
- 5.2 Special Assessments.** The Association may levy special assessments upon recommendation of the Board and subsequent approval of two thirds (2/3s) of the Voting Members present at a regular or special membership meeting. The proposed assessment must be circulated to all Members in writing at least fourteen (14) days prior to the meeting.
- 5.3 Membership Meetings.** At least one (1) general membership meeting must be held annually, the purpose of which is to elect Directors and Officers, review Association budget and finances, and conduct such other business as may be necessary to oversee the affairs of the Association. The Chairman of the Board of Directors, the President or of at least ten (10) or more Voting Members may petition to hold a special membership meeting, if such a meeting serves the interests of the Association. At least fourteen (14)

days' written notice must be given of all special membership meetings, and such notice must include the subject of such special meeting.

- 5.4 Member Action by Partial Written Consent.** Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting upon the written consent of Members who would have been entitled to cast the minimum number of votes that would be necessary to authorize the action at a meeting at which all Members entitled to vote thereon were present and voting. The consents must be filed with the Secretary of the Association. The action will not become effective until after at least ten (10) days' written notice of the action has been given to each Member entitled to vote thereon who has not consented thereto.
- 5.5 Place of Meetings.** Meetings may be held at such place as the Board of Directors may from time to time determine.
- 5.6 Proxies.** Every Member entitled to vote at a meeting of the Members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such member by proxy. The presence of, or vote or other action at a meeting of Members, or the expression of consent or dissent to corporate action by writing, by a proxy of a Member constitutes the presence of, or vote or action by, or written consent or dissent of the Member.
- 5.7 Notice.** Whenever notice is required to be given to any Member, it may be given to such person either personally, by telephone or by sending a copy thereof by e-mail, first class or express mail, postage prepaid, or by courier service, charges prepaid, or by facsimile transmission, to that Member's contact information contained in the Association's database. If the notice is sent by mail or courier service, it will be deemed to have been given to the person entitled thereto when deposited in the mail or with the courier service for delivery, or in the case of facsimile, when dispatched. Such notice must specify the place, date and time of the meeting and any other information, which may be required by law or these Bylaws.
- 5.8 Waiver of Notice.** Any required notice may be waived by written consent of the person entitled to such notice either before or after the time for giving of notice; and attendance of a person at a meeting shall constitute a waiver of notice, except where a person attends only to object to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE VI. DIRECTORS

- 6.1 Board of Directors.** All powers vested by law in the Association are exercised by or under the authority of, and the business and affairs of the Association are managed under the direction of the Board of Directors. The Board delegates certain of this authority to the Executive Committee as more fully set forth in Section 7.3.
- 6.2 Compensation.** Except as otherwise provided below, the Directors of the Association serve without compensation.
- 6.3 Number of Directors.** The Association has a Board of Directors consisting of not less than fifteen (15) nor more than thirty-one (31) Directors, the exact number to be set from time to time by resolution of the Board of Directors. Each Director except the

President and as set forth in this section must be an owner, employee or representative of a voting Member. Should a director no longer represent a member company in any capacity, that director will be permitted to complete his or her current term, barring objection from the member company. The Nominating Committee will use its best efforts to nominate Directors from Members (a) located throughout the Commonwealth to ensure as much geographic diversity as possible and (b) such that daily and weekly newspaper Members are represented fairly. The President of the Association also serves as a Director. The immediate past Chairman serves as a voting member of the Board of Directors for the year following the completion of his or her term as Chairman. The Nominating Committee will use its best efforts to nominate a representative from among each of the Affiliate Members and the College Journalism Department Members to serve as voting Directors.

- 6.4 Director Terms.** Directors serve a three (3) year term and a Director, if reelected, may serve for two (2) consecutive terms. Former Directors are eligible for reelection after being off the Board for one (1) year. Each Director shall hold office until: (i) the expiration of the term for which he or she was elected and until a successor has been selected and qualified; (ii) the earlier death, resignation or removal of such Director; or (iii) at the discretion of the Board or upon the request of the applicable Member, termination of such Director's employment with such Member. Directors nominated to fill a mid-term vacancy are eligible for two (2) regular terms upon completing their interim appointment. The term limitations shall not apply to an Officer, as long as he or she continues to serve as an Officer.
- 6.5 Elections.** The Voting Members shall elect Directors for open directorships at the annual meeting of the Association. Newly elected Directors take office upon conclusion of the annual meeting.
- 6.6 Removal by Directors.** A Director may be removed from office without the assignment of any cause by a vote of the majority of the Directors in office at any duly convened meeting of the Board, provided that written notice of the intention to consider removal of such Director has been included in the notice of the meeting. A Director will not be removed without having the opportunity to be heard at such meeting, but a formal hearing procedure need not be followed. A Director removed from office is eligible for reelection to the Board after a period of not less than one (1) year after removal.
- 6.7 Removal by Members.** All or any of the Directors may be removed from office without the assignment of cause by a vote of two-thirds (2/3s) of the Voting Members at a special or annual meeting of the Members, provided that written notice of the intention to consider removal of such Director(s) has been included in the notice of the meeting. A Director cannot be removed without having the opportunity to be heard at such meeting, but a formal hearing procedure need not be followed.
- 6.8 Board Meetings.** The Board of Directors must meet at least three (3) times a year. Additional meetings may be scheduled upon petition by the Chairman, the President or of three (3) or more Directors with at least five (5) day's written notice to all Directors stating the time, place and purpose of any special meeting.
- 6.9 Board Action by Unanimous Written Consent.** Any action that may be taken at a meeting of the Board may be taken without a meeting if consents in writing setting

forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary.

- 6.10 Participation at Meetings.** Directors may participate in a meeting of the Board or any committee thereof by means of a conference telephone or similar method of communications by which all persons participating in the meeting can hear each other.
- 6.11 Notice.** Whenever notice is required to be given to any Director, it may be given personally, by electronic mail transmission, by sending a copy thereof by first class or express mail, postage prepaid, or by courier service, charges prepaid, or by facsimile transmission, to that Director's address or facsimile number appearing in the Association's database. If the notice is sent by mail or courier service, it will be deemed to have been given when deposited in the mail or with the courier service for delivery, or in the case of e-mail or facsimile, when dispatched. Such notice must specify the place, date and time of the meeting and any other information, which may be required by law or these Bylaws.
- 6.12 Waiver of Notice.** Any required notice may be waived by written consent of the person entitled to such notice either before or after the time for giving of notice; and attendance of a person at a meeting shall constitute a waiver of notice, except where a person attends only to object to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE VII. OFFICERS / EXECUTIVE COMMITTEE

- 7.1 Compensation.** Except as otherwise set forth herein, the Officers of the Association, known as the Executive Committee, serve without compensation.
- 7.2 Executive Committee.** The Executive Committee consists of the following Officers: a Chairman, a Chairman-Elect; a Vice-Chairman; a Secretary/Treasurer; an Immediate Past Chair; and the President of the Association. Other offices may be instituted at the discretion of the Board or Voting Members. Each Officer is elected for a term of one year unless extended by the Board for an additional one-year term. Unless otherwise removed by the Directors or where a resignation occurs, at the end of each term, the Chairman becomes the Immediate Past Chair, the Chairman-Elect becomes the Chairman, the Vice Chair becomes the Chairman-Elect and the Secretary/Treasurer assumes the position of Vice Chair. The Nominating Committee is responsible for recommending a candidate of Secretary/Treasurer. Except for the election of the Secretary/Treasurer, no further action by the Directors or Voting Members is otherwise necessary to re-elect the Executive Committee. The Officers will take office at the conclusion of the annual membership meeting.
- 7.3 Duties of Executive Committee.** The Executive Committee, as the Officers of the Association, will exercise all powers vested by law in the Association between meetings of the Board of Directors, oversee the management by the Association's professional staff of the business and affairs of the Association and undertake such other matters as otherwise determined by or pursuant to resolutions or orders of the Board of Directors.
- 7.4 Chairman.** The Chairman serves as chairman of the Board of Directors and of the Executive Committee, presides at the meetings of the Board, the Executive Committee

and of the Members at which he or she is present and has such authority and performs such other duties as set forth in these Bylaws and as the Board of Directors may from time to time designate.

- 7.5 Chairman-Elect and Vice-Chairman.** The Chairman-Elect and the Vice-Chairman assist with budget planning, financial oversight, staff supervision, program direction, and committee involvement. The Chairman-Elect, in the absence of the Chairman, presides at meetings of the Executive Committee, the Board of Directors or the Members. In the absence of the Chairman and the Chairman-Elect, the Vice-Chairman presides. They serve as liaisons to the Members and assist in formulating board policy. In addition, they will assist the Chairman as requested.
- 7.6 Secretary/Treasurer.** The Secretary/Treasurer is responsible for minutes at all regular and special Board meetings, meetings of the Executive Committee and of the Members. He or she will also give or cause to be given notice of all meetings to the Directors and Members. The Secretary/Treasurer is also responsible for oversight of the books and records of the Association and the reporting thereon to the Board of Directors and to the Members. The Secretary/Treasurer is a member of the Audit Committee (but cannot serve as its chairman as more fully set forth in Section 9.3.3 below).
- 7.7 President.** The President, in the absence of the Chairman, Chairman-Elect and the Vice Chairman, presides at all meetings of the Executive Committee, Board of Directors and Members at which he or she is present, and shall be the chief executive officer of the Association. Subject to the control of the Board of Directors, the President has responsibility for the general and active management of all of the business, property and affairs of the Association, sees that all orders and resolutions from the Board of Directors are carried into effect, appoints and removes subordinate officers and agents, other than those appointed or elected by the Members or the Board of Directors as the business of the Association may require, acts as a duly authorized representative of the Board in all matters, except where the Board has formally designated some other person or group to act, and in general performs all the usual duties incident to the office of president and chief executive officer and such other duties as may be assigned to such person from time to time by the Board of Directors. The Executive Committee sets the compensation of the President. The President will devote him or herself exclusively to the interests of the Association, and shall not take any outside job or endeavor which would present a conflict of interest or prevent him or her from devoting adequate time and energy to his or her primary responsibilities.
- 7.8 Removal of Officers.** The Board of Directors may remove any Officer with or without cause whenever in its sole judgment the best interests of the Association may be served thereby.
- 7.9 Vacancies.** If a Chairman is unable to fulfill his or her term, the Nominating Committee will recommend and the Executive Committee will appoint an Officer, Director or Voting Member of the Association to hold the office of Chairman until the Voting Members elect a new Chairman at the next annual membership meeting. Should a vacancy occur in other offices, or on the Board, the Chairman has the authority to fill that vacancy, pending ratification by the Board of Directors at its next meeting.

ARTICLE VIII. QUORUM

8.1 Quorum. At any duly authorized regular or special meeting of the Members, at least ten (10) Voting Members (Directors that are present count as Voting Members) must be present to constitute a quorum for the transaction of business. At any duly authorized regular or special meeting of the Board, a simple majority of the voting Directors, which includes the Officers, must be present to constitute a quorum for the transaction of business. The Directors or Members present at a duly organized meeting can continue to do business until adjournment notwithstanding the withdrawal of enough Directors or Members to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those present may adjourn the meeting to such time and place as they may determine. In the case of any meeting called for the election of Directors, those who attend the second of such meeting, although less than a quorum nevertheless constitutes a quorum for the purpose of election of Directors. In the case of any meeting called for any other purpose, those who attend the second of such adjourned meetings, although less than a quorum nevertheless constitutes a quorum for the purpose of acting upon any resolution or other matter set forth in the notice of the meeting, if written notice of such second adjourned meeting stating that those Members who attend constitutes a quorum for the purpose of acting upon such resolution or other matter is given to each Member of record entitled to vote as such second adjourned meeting at least ten (10) days prior to the day named for the second adjourned meeting.

ARTICLE IX. COMMITTEES, TASK FORCES

- 9.1 Establishment.** In addition to the standing committees set forth in Section 9.3 below, the Board of Directors from time to time may establish one (1) or more committees (duration undefined) or task forces (duration defined). Any such committee or task force, to the extent provided in the resolution of the Board, shall have and may exercise all the powers and authority of the Board, except that a committee shall not have any power or authority to:
- a. Fill vacancies on the Board of Directors;
 - b. Adopt, amend or repeal these Bylaws;
 - c. Amend or repeal any resolution of the Board or the Members;
 - d. Act on matters committed by the Bylaws or by resolution of the Board or Members to another committee of the Board; or
 - e. Remove Officers.
- 9.2 Appointment of Committee and Task Force Members.** Unless otherwise determined by the Board, the Chairman appoints members of all committees and task forces and all such members serve at the Chairman's discretion. In addition to those members appointed by the Chairman or other appointing authority, with the exception of the Audit Committee and Nominating Committee, the Officers of the Association and the President shall serve as voting members ex-officio of all committees and task forces. The President will name one or more Association Vice Presidents, Directors or other staff member to provide assistance to each committee and task force.
- 9.3 Standing Committees of the Board.** There are four (4) standing committees of the Association:

- 9.3.1 Nominating Committee.** The Nominating Committee consists of the three (3) immediate past Chairmen and is chaired by the immediate past Chairman. The Committee shall be responsible for nominating candidates for Officer positions and all Director vacancies from among the Voting Members of the Association. Nominations may also be made from the floor at the annual meeting.
- 9.3.2 Government Affairs Committee.** The Government Affairs Committee is responsible for advising the Board of Directors and the President on public policy and legislative issues. The Chairman of the Board of Directors appoints the Chairman of the Government Affairs Committee and will appoint other Member newspaper personnel to the Committee as required.
- 9.3.3 Audit Committee.** The Audit Committee is responsible for the periodic review of the financial records of the Association in consultation with the Secretary/Treasurer, to assure that the Association maintains books and records which are reasonable under the circumstances and that all necessary tax and legal filing requirements are satisfied. The Audit Committee, which must include as a member but not as the chairman the Secretary/Treasurer, will work with Association staff to recommend the selection and engagement of a firm of certified public accountants to audit the Association's finances and records in such form as the Committee desires. In addition, the Committee is responsible for the following: (i) overseeing auditing firm; (ii) meeting with auditors to review preliminary and final audit; (iii) receiving, reviewing and preparing responses to management letter for board adoption; and (iv) providing compliance in oversight of the following types of matters: (a) assuring procedures for receipt, retention and treatment of complaints regarding questionable accounting or auditing matters; (b) assuring that the Association is able to receive and respond to anonymous complaints from within or without the organization; (c) assuring that a conflicts of interest policy is in place and performing reviews of conflicts; (d) receiving and reviewing all reported improprieties; (e) protecting whistleblowers and (f) approving in advance any non-audit work performed by the auditing firm. The Chairman of the Board of Directors will appoint the Audit Committee Chairman from among the members of the Board of Directors and will appoint other Member newspaper personnel and non-Member representatives to the Committee as it deems necessary, including, if possible and when necessary, one financial expert as such term is commonly understood in the context of compliance with the Sarbanes-Oxley provision of the United States Code ("Financial Expert Committee Member"). The Chairman may authorize reasonable compensation for such Financial Expert Committee Member, when necessary. All members of the Audit Committee must disclose to the Board any business and personal relationships that they or the company that they are employed by may have with the Association or any of its affiliated entities.
- 9.3.4 Diversity Committee.** The Diversity Committee is responsible for advising the Board of Directors and the President on how the newspapers can address the changing demographics of the workforce and of their readership to advance the success of the industry. The Chairman of the Board of Directors will appoint the

Chairman of the Diversity Committee and will appoint other Member newspaper personnel to the Committee as required.

ARTICLE X. INDEMNIFICATION

- 10.1 Personal Liability of Directors.** To the fullest extent that the laws of the Commonwealth of Pennsylvania, as now in effect or as hereinafter amended, to permit elimination or limitation of the liability of Directors, no Director shall be personally liable for monetary damages for any action taken or any failure to take any action unless as set forth in 15 Pa. C.S.A. Section 5713(a), such Director has breached or failed to perform the duties of his or her office and such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the foregoing provision shall not eliminate or limit (i) the responsibility or liability of such Director pursuant to any criminal statute, or (ii) the liability of a Director for the payment of taxes pursuant to local, state or Federal law. Any repeal, modification or adoption of any provision inconsistent with this section shall be prospective only, and neither the repeal or modification of this provision nor the adoption of any provision inconsistent with this provision shall adversely affect any limitation on the personal liability of a Director of the Association existing at the time such repeal or modification or the adoption of such inconsistent provision.
- 10.2 Mandatory Indemnification of Directors and Certain Other Persons.** The Association shall indemnify and hold harmless to the full extent not prohibited by law, as the same exists or may hereinafter be amended, interpreted or implemented (but, in the case of any amendment, only to the extent that such amendment permits the Association to provide broader indemnification rights than are permitted the Association to provide prior to such amendment), each person who was or is made a party or is threatened to be made a party to or is otherwise involved in (as a witness or otherwise) any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether or not by or in the right of the Association or otherwise (hereinafter, a "proceeding"), by reason of the fact that he or she, or a person of whom he or she is the heir, executor or administrator, is or was a Director, Officer of the Association or was serving at the request of the Association as a Director, Officer or trustee of another corporation or partnership, joint venture, trust or other enterprise (including without limitation service with respect to employee benefit plans), or where the basis of such proceeding is any alleged action or failure to take any action by such person while acting in an official capacity as a Director or Officer of the Association, or in any other capacity on behalf of the Association while such person is or was serving as a Director or Officer of the Association, against all expenses, liability and loss, including indemnification, the right to indemnification conferred by this Section 10.2 shall be a contract right and shall include the right to be paid by the Association the expenses incurred in defending any such proceeding (or part thereof) or in enforcing his or her rights under this Section 10.2 in advance of the final disposition thereof promptly after receipt by the Association but not limited to attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement (whether with or without court approval), actually and reasonably incurred or paid by such person in connection therewith. The foregoing right of indemnification shall not be exclusive of

other rights to which one may be entitled as a matter of law and does not limit or waive any limitation of liability existing under any applicable law.

10.2.1 Notwithstanding the foregoing, except as provided in 10.2.2, the Association shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors.

10.2.2 Subject to the limitation set forth above concerning proceedings initiated by the person seeking of a request therefore stating in reasonable detail the expenses incurred; provided, however, that to the extent required by law, the payment of such expenses incurred by a director or officer of the Association in advance of the final disposition of a proceeding shall be made only upon receipt of an undertaking, by or on behalf of such person, to repay all amounts so advanced if and to the extent is shall ultimately be determined by a court that he or she is not entitled to be indemnified by the Association under this Section 10.2 or otherwise.

10.2.3 The right to indemnification and advancement of expenses provided herein shall continue as to a person who has ceased to be a Director or Officer of the Association or to serve in any of the other capacities described herein, and shall inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE XI. AMENDMENTS

11.1 Amendment of Bylaws. These Bylaws may be amended only upon recommendation of the Board of Directors and upon subsequent approval by two-thirds (2/3s) of the Voting Members present at a duly called regular or special meeting of the Members. The proposed changes must be circulated in writing at least fourteen (14) days prior to final action.

ARTICLE XII. ROBERT'S RULES OF ORDER

12.1 Robert's Rules of Order. Robert's Rules of Order shall be the parliamentary authority in all meetings of the Association.