

BYLAWS
of the
PENNSYLVANIA ASSOCIATION
of
SEWAGE ENFORCEMENT OFFICERS
(As amended through March 9, 2014)

ARTICLE I
PENNSYLVANIA ASSOCIATION

The Pennsylvania Association of Sewage Enforcement Officers is a statewide organization of individuals having an interest in the practice of providing local agencies or municipalities those services related to the administration of the Pennsylvania Sewage Facilities Act and incorporated on August 29, 1986 under the Nonprofit Corporation Law of the Commonwealth of Pennsylvania for the following purpose:

- Section 1 Promoting the interests of Sewage Enforcement officers in Pennsylvania and improving the professional status of Pennsylvania Sewage Enforcement Officers, by:
- 1.2 Encouraging maintenance of the highest standards of professional ethics and practices;
 - 1.2 Sponsoring or otherwise promoting educational programs concerning Sewage Enforcement Officers;
 - 1.3 Providing a forum for the exchange of information concerning Sewage Enforcement Officers:
 - 1.4 Acting on behalf of the members in connection with proposals of governmental and other bodies concerning Sewage Enforcement Officers: and;
 - 1.5. Doing other things and taking all other actions that may' be useful or appropriate to accomplish the corporation's purposes, providing that the corporation shall engage in no activity not permitted to be conducted by an organization exempt from the payment of Federal Income Taxes under Section 501(c) 6 of the Internal Revenue Code, as amended or similar subsequent legislation.
- Section 2 Hereafter, the Pennsylvania Association of Sewage Enforcement Officers is referred to as the "Association."

ARTICLE II MEMBERSHIP

Section 1 Qualification of Membership

The membership of the Association shall consist of individuals meeting the requirements in 1.1- 1.5 below.

1.1 Member

A member of the Association shall be an individual certified by the State Board for the Certification for Sewage Enforcement Officers to perform sewage enforcement services in the Commonwealth of Pennsylvania. Any such individuals shall have high professional repute and ethical standards and shall abide by the Association code of ethics. Members shall have full voting rights as to any matter concerning the Association, shall have the right to hold any office within the Association (subject to compliance with the qualifications for that office), and shall receive notices of and shall be entitled to attend all meetings of the Association.

1.2 Associate Member

An Associate Member shall be an individual of good character who has a direct interest in the practice of sewage enforcement and who is not a certified sewage enforcement officer in the Commonwealth of Pennsylvania, i.e., students, health officers, sanitarians, etc. It is the intent of this membership to introduce into the Association those individuals who may become certified at a later date. Associate Members will have no voting rights as to any matter concerning the Association but shall receive notices of and shall be entitled to attend all meetings of the Association.

1.3 Life Member

Life members shall be Members whose active participation in the sewage enforcement officer profession has been substantially reduced or wholly terminated by reason of illness, injury or normal retirement. Lifetime Members shall have full voting rights as to any matter concerning the Association and shall receive notices of and shall be entitled to attend all meetings of the Association. Except for the Life Membership bestowed on the yearly recipient of awards that include Life Membership, all other Life Memberships shall be approved by a majority vote of the State Board of Directors.

1.4 Honorary Life Member

An individual who by reason of outstanding devotion and contribution to

the sewage enforcement officer profession is found deserving by the Board of Directors of the Association. The Honorary Life Member will have no voting rights as to any matter concerning the Association, but shall receive notices of and shall be entitled to attend all meetings of the Association.

1.5 Sustaining Member

A Sustaining Member shall be an individual or company having a financial or proprietary interest in the profession of sewage enforcement and who supports the activities of the Association. Sustaining Members will have no voting rights as to any matter concerning the Association, but shall receive notices of and shall be entitled to attend all meetings of the Association.

Section 2 Application for Membership

2.1 An individual making application for membership in any of the several classes shall furnish such evidence as is required by the State Board of Directors to aid the Board in determining their qualifications for membership. Upon application, the individual will signify which Chapter affiliation is desired. All applications shall be accompanied by a signed code of ethics, the designated fees and sent to the Pennsylvania Association of Sewage Enforcement Officers' headquarters.

2.2 Procedure. The Member is immediately notified of acceptance, placed on the rolls and a copy of his application is forwarded to the appropriate Chapter. Upon request by the Board of Directors, the Association Administrator shall issue any such forms or information as may be required.

Section 3 Withdrawal, Reassignment, and Expulsion

3.1 Withdrawal by a Member

Any member may terminate his or her membership in the Association by giving thirty (30) days written notice to the Chapter or State Secretary. Any voluntary termination shall not relieve a member of his or her obligations to the Chapter and the Association existing at the date of termination. Any office or directorship held by a member shall be declared vacant upon termination.

3.2 Reassignment of Chapter Affiliations

Any Member may change his or her affiliation in whole or in part upon

thirty (30) days written notice to the State Secretary.

3.3 Expulsion

A member of any class may be expelled from membership in both the Chapter and Association on the grounds that his or her conduct or policies advocated are detrimental to the honor or interest of the Chapter or Association and its objectives and/or code of ethics, or because such Member has ceased to meet the qualifications for membership set forth in Paragraphs 1.1 through 1.5. Expulsion on these grounds shall be by unanimous vote of the State Board of Directors, with exception of the Director whose expulsion is under consideration, but only after the Member has had the opportunity to be heard by the State Board of Directors. The action of the State Board of Directors shall be final, and no appeal from such action shall be taken to any court of record or other hearing body, including the membership of the Chapter and Association. The member waives any claim against the Chapter or Association, its members, directors, officers, and employees for damages or otherwise arising out of any hearing or expulsion proceeding under this paragraph.

**ARTICLE III
CHAPTERS OF THE ASSOCIATION**

Section 1 Chapters

The State Board of Directors shall approve the organization of Chapters of the Association as may from time to time appear desirable. The Chapters shall organize and conduct local activities consistent with the objectives of the Association within the geographic limits specified in such approval.

Section 2 Bylaws

2.1 These Bylaws shall be binding upon the Chapters of the Association. A Chapter may develop their own Bylaws, provided said Chapter Bylaws are not in conflict with the Association Bylaws.

2.2 Approval of the proposed Chapter Bylaws shall require the affirmative vote of a majority of the Boards of Directors, both Chapter and State, then in office. The Boards of Directors shall approve only such Bylaws as, in their opinion, will uphold and advance the purposes for which the Association was formed. Uniform Chapter Bylaws shall be an ultimate goal.

Section 3 Membership

The Member of the Association shall select the Chapter with which affiliation is desired.

Section 4 Dues and Assessments

4.1 The Board of Directors of the Chapter shall, by November 1st of each year, determine budgetary requirements for the succeeding year and shall submit such budgetary requirements to the State Board of Directors for approval. The Board of Directors of the Chapters shall use sound financial principles in all their financial dealings and raise funds necessary to be financially self- supporting. The Board of Directors of the State Association shall have the primary responsibility of collecting all State Association dues and assessments from the Members by March 3 1st of each year. That portion of the dues and assessments allocated to the Chapters, as determined by the State Association Board of Directors, shall be sent to the Chapter Treasurers by April 30th of each year.

4.2 The State Board of Directors shall establish fiduciary controls which shall be implemented by each region.

Section 5 Officers

The officers of each Chapter shall consist of a President, a Vice President, a Secretary and a Treasurer, and the Immediate Past President, all of whom shall be Members. No Member shall hold more than one such Office, with the exception of a combined office of Secretary Treasurer, to be established at the option of the Chapter Board of Directors.

Section 6 Representatives to the State Board of Directors

Each Chapter shall elect two (2) representatives to the State Board of Directors of the Association. The term of each duly elected representative shall be two (2) years, except that the term of the office of one of the initial representatives of each Chapter shall be one (1) year. Each Chapter may elect an alternate representative to the State Board of Directors, but in no case shall more than two (2) votes be cast by the representatives and alternates from anyone Chapter on any issue before the Board. An alternate shall attend and represent the Chapter at the direction of the Director(s) from the same Chapter.

Section 7 Chapter Board of Directors

The number of Chapter Directors shall be sufficient to serve the needs of the Chapter and shall be determined by the Chapter.

Section 8 Geographic Limits

Geographic Limits of each area shall be defined by the State Board of Directors with recommendations from the Chapter. Such geographic limits may be changed from time to time and new Chapter areas added, as required, to serve the needs of the Association.

ARTICLE IV

FISCAL YEAR. ENTRANCE FEES. DUES AND ASSESSMENTS.

Section 1 Fiscal Year

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

Section 2 Entrance Fee

The entrance fee shall be determined by the State Board of Directors.

Section 3 Payment of Dues

3.1 Obligation to Pay Dues

Each Member shall pay all yearly dues or assessments to the State Office. The Board of Directors of the Association will determine the total amount of State and Chapter dues annually.

3.2 Notification and Time for Payment of Dues

The State Treasurer will notify the membership of the State and Chapter Dues to be paid by not later than December 1st of each year. All dues are to be paid by January 1st.

3.3 To be eligible for member rates and for voting privileges at the annual conference, dues must be current.

Section 4 Special Assessment

4.1 Definition of Special Assessment

Special Assessments shall consist of an assessment upon the membership for use by the Association or Chapter.

4.2 Levy

State and Chapter Assessments shall be authorized only by a vote of the Members and shall be approved only by an affirmative vote of 2/3 of votes cast.

4.3 Payment

Each Member shall pay State Assessments to the Association to which they are affiliated by the due date designated. At the discretion of the Board, the first year assessment may be waived for newly certified SEOs.

Section 5 Failure to Pay Dues or Special Assessments

The Membership of any Member that fails to pay State or Chapter dues or assessments within ninety (90) days following the due date shall, upon the expiration of such ninety (90) day period, be automatically suspended until all amounts owed plus a reinstatement fee often dollars (\$10) have been paid to the Chapter designated to collect such amounts. The reinstatement as a Member shall be subject to the approval of the State Board of Directors.

ARTICLE V MEETINGS OF THE ASSOCIATION

Section 1 Annual Meetings

The annual meeting of the Membership of the Association for the election of officers shall be held on such day in February or March of each year and at such place within the Commonwealth as may be determined by the State Board of Directors.

Section 2 Other Regular Meetings

Other Regular Meetings of the Membership of the Association may' be held on such a date and at such a place within the Commonwealth as maybe determined by the State Board of Directors.

Section 3 Special Meetings

Special meetings may be called by the President or by a majority of the Members of the State Board of Directors.

Section 4 Notice of Meetings

All Members, including Members, Associate, Sustaining, Life and Honorary Members, will be notified in writing, by mail, by the Secretary two (2) weeks prior to each Regular or Special Meeting. Such notice shall contain the place, day, and hour for the meeting and, insofar as possible, a statement of the business to be transacted.

Section 5 Parliamentary Procedure

All proceedings and meetings of the Association shall be conducted under and pursuant to Robert's Rules of Order, except as modified by these Bylaws.

Section 6 Voting at Meetings

Members and Life Members shall be entitled to one vote which shall be cast in person. Except as otherwise provided in these Bylaws or by applicable law, a majority of votes cast upon any matter shall constitute the action of the membership.

Section 7 Quorum

A quorum shall constitute ten percent (10%) of those Members and Life Members of the Association.

ARTICLE VI

STATE BOARD OF DIRECTORS OF THE ASSOCIATION

Section 1 Responsibility and Authority

The business of the Association shall be conducted by the State Board of Directors in the best interest of the Association.

Section 2 Board of Directors

2.1 Members

The State Board of Directors of the Association shall consist of the President, President- Elect, Vice President, Secretary, Treasurer, immediate Past President, and two (2) Representatives from each Chapter. Chapters may designate Alternate Representative(s) to attend any meeting which that Chapter's Representative(s) is/are unable to attend, but at no time will any Chapter have more than two (2) Representatives voting at a State Board Meeting. The appointment and use of these Alternate Representatives shall be at the discretion of the Chapter. Alternate Representatives shall meet the same eligibility requirements of the Chapter Representatives. The Association President, President Elect. Vice President and Secretary shall be the Chairman, Chairman-Elect, Vice-Chairman, and Secretary, respectively, of the Association State Board of Directors. No person shall simultaneously serve as a Chapter Representative and as an Officer of the Association.

2.2 Meetings

A meeting each year of the State Board of Directors shall immediately follow the Annual Meeting. All other meetings of the State Board of Directors shall be at the call of the Chairman, or, in his absence, the Vice-

Chairman, on five (5) days written notice. The Chairman shall call a meeting of the Board of Directors upon written request of one-third of the members of the Board of Directors of the Association. There shall not be less than two (2) meetings per year of the State Board of Directors. Meetings by teleconference are permissible provided that a quorum is present for the entire teleconference at which official action is taken. All votes taken by teleconference shall be by roll call vote and shall be recorded in the minutes of the meeting.

2.3 Quorum

The presence of ten (10) members of the Board of Directors of the Association, including a minimum of two (2) Officers shall constitute a quorum for the transaction of all business, and except as otherwise provided in these Bylaws, the acts of the majority of the Directors present at the meeting, at which a quorum is present, shall be the acts of the State Board of Directors.

2.4 Parliamentary

Procedure All proceedings and meetings of the State Board of Directors shall be conducted under and pursuant to Robert's Rules of Order except as otherwise provided by the Bylaws.

ARTICLE VII OFFICERS AND EMPLOYEES OF THE ASSOCIATION

Section 1 Officers

The officers of the Association shall consist of a President, a President-Elect, a Vice President, a Secretary, and a Treasurer, an Immediate Past President, and such other officers as the Board of Directors may from time to time determine. No person shall simultaneously hold office in the Association and in any Chapter thereof An Officer of a chapter may serve as a member of the Association Board of Directors but not simultaneously as an Officer of the Association.

1.1 Eligibility

No person who has had their certification suspended or revoked by the Sewage Enforcement Officer Certification Board and has exhausted all appeals to the suspension or revocation, shall be eligible for election as an officer of the Association or any of its Chapters, or to serve as an officer of the Association or any of its Chapters, until their certification has been

reinstated or renewed.

Section 2 Powers, Duties, and Responsibilities of Officers of the Association

2.1 President

The President shall be the chief executive officer of the Association and he/she shall have the responsibility of general management of its affairs. He/she shall preside over all meetings of the Association and of the State Board of Directors. He/she shall appoint all committees and be an ex-officio Member of all committees except the Nominating Committee, but he/she shall not be counted in determining the presence of quorum for the transaction of business by any committee.

2.2 President-Elect

The President-Elect shall act directly under the President as a president-in-training and shall assume the duties of President in the President's absence. The President-Elect shall immediately succeed to the office of President following his/her term.

2.3 Vice President

The Vice President shall be the Chairman of the Conference and Education Committee.

2.4 Secretary

The Secretary shall be responsible for all records of the Association, minutes of all official meetings of the Association and the State Board of Directors; have charge of the corporate seal; be responsible for maintaining the membership roster, for all publications and mailing of Association meeting notices, and for the preparation, under the President's direction, of the agenda for all meetings of the Association and the State Board of Directors. The duties of the Secretary may be performed by an employee of the Association, as approved by the State Board of Directors, within budgetary limits. The Secretary shall be the Chairman of the Membership Committee. In the absence of the Secretary, the presiding officer shall appoint an acting secretary to record the minutes of the meeting.

2.5 Treasurer

The Treasurer, or the Treasurer's designee as approved by the State Board of Directors, shall receive and deposit all incoming funds to the Association. The Treasurer shall disburse all funds of the Association.

He/she, or the Treasurer's designee, shall report cases of failure to pay Dues or Special Assessments to the President. The Treasurer or the Treasurer's designee shall submit an annual report to the Membership at the Annual Meeting and a financial report at such times as requested by the President, State Board of Directors, or the Membership. The Treasurer shall furnish bond in an amount as may be determined by the State Board of Directors from time to time. Premium for such bond or bonds shall be paid by the Association. The Treasurer shall be the Chairman of the Budget and Finance Committee. All expenditures not specifically itemized in the approved annual budget, must be authorized by the Executive Committee which consists of the current Officers of the Association.

2.6 Past President

The immediate Past President shall serve in an advisory capacity to the Board of Directors of the Association and will have full voting privileges. At the direction of the President, he/she may preside over any and all functions of the Association.

2.7 Executive Committee

The officers listed above shall constitute the Executive Committee of the State Board of Directors and will meet at the call of the President.

Section 3 Election and Term of Officers of the Association

3.1 Election

The Officers shall be elected at the Annual Meeting of the Membership of the Association to serve for a term of two (2) years or until their successors have been elected and qualified. An Officer of the Association may succeed himself/herself. If there are more than two (2) candidates for any Association office, the candidate receiving the greatest number of votes shall be elected.

3.2 Nominations

The Association Nominating Committee will present its nominations for offices of the Association for the ensuing year to the Secretary' no later than November 1st. In the event that the Nominating Committee does not have a complete slate of nominees for the upcoming election by the due date, the Board of Directors shall accept incomplete slate, as presented, and assume the duties of the Nominating Committee or the purpose of completing the slate. The Nominating Committee's report will be sent to the voting Members - of the Association with the notice of the

Association's Annual Meeting of the Membership no later than December 15th. Additional nomination for offices may be made to the Secretary' no later than twenty (20) days before the Annual Meeting, but no person so nominated will be put on the ballot for the election of officers unless his candidacy has been sponsored by at least ten (10) Members eligible to vote. If there is no contested election a ballot will not be sent out, the Secretary will cast one ballot at the annual Meeting to elect the slate of officers.

3.3 Vacancies

In the event of a vacancy in the office of the President-Elect, Vice President, the Secretary or the Treasurer, the office shall be filled, for the remainder of the term, by appointment by the President subject to the approval of the State Board of Directors. A vacancy in the office of President shall be filled by the President-Elect who shall then complete his/her full term following the term created by the vacancy.

Section 4 Purchased Services and Employees

The Association may, within budgetary limits, purchase professional, technical, and non-technical services or hire employees as approved by the State Board of Directors.

Section 5 Compensation

Directors, Officers, and Committee Members shall serve without compensation, except that certain expenses may be reimbursed, within budgetary limits, as approved by the State Board of Directors.

ARTICLE VIII COMMITTEES

Section 1 Standing Committees

The following committees shall be considered the Standing Committees: Budget and Finance Bylaws Legislative and Resolutions Conference and Education Membership Nominating. Tellers and Recruiting Ethics and Practice

1.1 Members

The Chairman of each Standing Committee shall be appointed by the President not later than March 31st, immediately following the election of state officers except where specifically designated in 1.2 below. The other Members of the Committees may be either appointed by the President or

selected by the Chairman with the President's approval. Each committee shall consist of at least two (2) Members in addition to the Chairman. Participation by each Regional Chapter is encouraged and desired, but is not mandatory for committee formation or function.

1.2 Duties

The specific duties of each committee shall be recommended by the President, approved by the State Board of Directors, and given to each Chairman when appointed. The general duties of the Standing Committees are as follows:

(a) Budget and Finance Committee

The Treasurer shall be the Chairman of this committee which shall prepare annual estimates of income and expenditures and prepare a detailed annual budget for approval by the State Board of Directors and the Membership entitled to vote.

(b) Bylaws Committee

This committee shall make a continuing study of the need for revision of the Articles of Incorporation and Bylaws, and, on its own initiative or upon a majority vote at any meeting of the Association, prepare amendments in proper form for consideration by the State Board of Directors and the Membership entitled to vote.

(c) Legislative and Resolutions Committee

(i) This committee shall obtain information, study pending legislative proposals and alert the President of the effects the legislative proposals will have on the practice of sewage enforcement. This committee shall also make recommendations for Association action with respect to pending legislation for action in initiating needed legislation and legislation amendments and draft proposed Association policy statements pertaining to legislative action for submission to the State Board of Directors.

(ii) This committee reviews resolutions proposed by the Executive Board or Members and votes to support, oppose or take no position on resolutions. The Committee then presents

said resolutions at the Annual Meeting for membership vote. Members of this committee consist of not more than two (2) members from each Chapter of the Association.

- (iii) Resolutions may be submitted by the Chapters in a manner established by each Chapter. Resolutions emanating from a Chapter shall be referred to the Legislative and Resolutions Committee, provided said resolutions are received in the office of the Chairman of the Committee at least sixty (60) days prior to the Annual Meeting.
- (iv) Resolutions by any member attending the Annual Meeting may be referred to the floor of the Annual Meeting for action after a majority vote of the Resolutions Committee. Any such resolutions referred to the floor of the meeting shall be presented in writing to the Meeting.
- (v) The Executive Board may offer resolutions for consideration at the Annual Meeting. Such resolutions shall be referred to the Annual Meeting for action.
- (vi) The Legislative and Resolutions Committee may combine or modify any resolution received from a Chapter prior to referring said resolution to the floor of the Annual Meeting.
- (vii) The Secretary of the Chapter submitting a resolution that has been combined or modified shall be advised of the basis for this action no less than fifteen (15) days prior to the Annual Meeting.
- (viii) Any Chapter whose resolution(s) has been combined or modified may request the Resolutions Committee, at its meeting preceding the day on which resolutions will be considered by the Annual Meeting, to consider its previous action. The Legislative and Resolutions Committee shall refer to the floor of the Annual Meeting any resolution as it was originally submitted, upon request of the sponsoring Chapter, regardless of the action taken by the Legislative and Resolutions Committee.

- (ix) Any resolution that duplicates or is of essentially the same nature as a resolution that is in effect as standing policy of the Association or is already provided for in present law shall not be referred to the floor of the Annual Meeting. The Secretary of the Chapter shall be notified of such action.
 - (x) The Chair/President shall declare out of order anyone proposing a resolution or amendment to a resolution from the floor of the Annual Meeting.
 - (xi) Each resolution should include for the benefit of the Legislative and Resolutions Committee, a brief description of the need for the resolution or an explanation of the problem it attempts to solve.
 - (xii) The Legislative and Resolutions Committee shall vote to support, oppose or take no position on proposed resolutions.
 - (xiii) The State Association will advise each Chapter Secretary, no later than 90 days after the Annual Meeting, of all resolutions adopted at said Annual Meeting.
 - (xiv) No Chapter may submit more than six (6) resolutions per year for consideration at the State annual Meeting.
- (d) Conference and Education Committee
The Vice President shall be the Chairman of this committee which shall make all the arrangements for the Annual Conference and the Annual Meeting of the Association, and shall develop and maintain programs to keep the Membership well advised on Association activities and the general public informed of the accomplishments of the Membership.
- (e) Membership Committee
The Secretary shall be the Chairman of this committee which shall endeavor to increase membership in the Association. The Chairman shall publish the names of the Applicants for the information of the State Board. This committee shall develop

forms for improved membership development.

(f) Nominating, Tellers and Recruiting Committee

No State Officer shall be a member of this committee which shall nominate a minimum of one (1) candidate for each State Office to be voted for in the Annual Election. This committee shall be composed of one (1) Member from each Regional District as established by the Pennsylvania Department of Environmental Resources.

(g) Ethics and Practices Committee

This Committee shall propose and make continuous studies of the standards of ethics and practices for consideration by the State Board of Directors. This committee shall hear and deliberate questions on ethical conduct and practices on the part of members of the Association when directed by the President. This Committee's objectives shall be to make recommendations to the State Board that will uphold and promote high standards of ethics and practice in accordance with the Association code of ethics and in the best interests of the Sewage Enforcement Officer, client., and public conduct and practices on the part of members of the Association when directed by the President. This committee's objectives shall be to make recommendations to the State Board of Directors that will uphold and promote high standards of ethics and practices in the best interest of the Sewage Enforcement Officer, client, and public.

1.3 Duties of Chairmen

It is the duty of each Committee Chairman to keep the President advised on his Committees' activities. Every Committee Chairperson shall submit a report of the Committee's activities for every meeting of the State Board of Directors and the Association's Annual Meeting.

Section 2 Special Committees

The President or the State Board of Directors may appoint other committees for special purposes.

Section 3 Acting as Agent

No relationship shall exist between Pennsylvania Association of Sewage Enforcement Officers and the Membership of any Pennsylvania Association of

Sewage Enforcement Officer Committee that would vest such committee or individual member, therefore, with the authority to act as agent or give the appearance of so acting on behalf of the Association in any matter unless such committee or individual has been given a written grant of expressed authority from the State Board of Directors of the Pennsylvania Association of Sewage Enforcement Officers.

ARTICLE IX
LIMITATION OF LIABILITY OF, INDEMNIFICATION OF, AND PURCHASE OF
INSURANCE COVERING ASSOCIATION AUTHORIZED REPRESENTATIVES

Section 1 Limitation of authorized representatives' liability for monetary damages.

An authorized representative shall not be personally liable for monetary damages for any action taken as an authorized representative, or any failure to take any action, unless:

- 1.1 The authorized representative has breached or failed to perform his duty to act with due diligence as a representative of the Association; and,
- 1.2 The authorized representative's breach or failure to perform constitutes self-dealing, willful misconduct or recklessness, violation of a criminal statute or violation of a local, state or federal law or regulations imposing taxes.

Section 2 Indemnification of authorized representatives

The Association shall indemnify to the fullest extent now or hereafter permitted by law any person who was or is an authorized representative of the Association and who was or is a party or is threatened to be made a party to any proceedings because such person was or is an authorized representative of the Association, against any expenses actually and reasonably incurred by such person in connection with such proceeding.

Section 3 Advancing Expenses

The Association shall pay any expenses incurred by an authorized representative in advance of the final disposition of any proceeding, upon agreement by the authorized representative to repay such amount if such person is ultimately not entitled to be indemnified by the Association.

Section 4 Scope of Article

The indemnification of authorized representatives or advancement of their expenses, as authorized by this Article, shall (1) not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled other than under this Article, both as to action in an official capacity and as to action in another capacity while holding that office, (2) continue as to a person who has ceased to be an authorized representative, and (3) inure to the benefit of the heirs and personal representatives of such a person.

Section 5 Insurance

The Association shall have authority to purchase and maintain insurance on behalf of any authorized representative against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability under the provisions of the Article.

Section 6 Definitions

As used in this Article.

- 1.1 “Authorized representative” shall mean a director, officer, employee or agent of the Association, or a person serving at the request of the Association as a director, officer, employee or agent of another affiliated association, corporation, partnership, joint venture, trust or other enterprise.
- 1.2 “Proceeding” or derivative shall mean any threatened, pending or completed third-party or derivative action, suit or proceeding, whether civil, criminal, administrative or investigative, or any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor.
- 1.3 “Liability” shall mean any judgment, amount paid in settlement, fine, penalty, or expense of any nature including attorney’s fees.
- 1.4 “Expenses” as used in Section 3 of this Article shall mean the costs of defending a civil or criminal action suit or proceeding.

ARTICLE X AMENDMENTS

Section 1 The Bylaws may be altered, amended or replaced by the State Board of Directors.

Section 2 The affirmative vote of three-fourths of the State Board of Directors at two (2) consecutive meetings shall be necessary to take any such action.

Section 3 All Directors shall have been advised of the action proposed to be taken in a notice of the meeting.

ATTEST

Robert Mohn
Secretary

Amendment History:

As amended through March 8, 2009.

Amended January 12, 2012: Article VII, Section 2.5 Treasurer.

Amended March 9, 2014: Article II, Section 1.3 Life Member & Article II, Section 2.2 Application for Membership