



**BYLAWS**  
**OF**  
**SOUTHERN CHESTER COUNTY**  
**EMERGENCY MEDICAL SERVICES, INC.**

As revised and adopted

3 December 2014

Date

**BYLAWS OF  
SOUTHERN CHESTER COUNTY  
EMERGENCY MEDICAL SERVICES, INC.**

**A NONPROFIT CORPORATION**

## **ARTICLE ONE**

### **INTRODUCTORY**

#### **Definition of Bylaws**

1.01 These Bylaws constitute the code of rules adopted by Southern Chester County Emergency Medical Services, Inc. (the "Corporation") for the regulation and management of its affairs.

#### **Purposes and Powers**

1.02 This Corporation will have the purpose or powers as may be stated in its Articles of Incorporation, and such powers as are now or may be granted hereafter by the Nonprofit Corporation Law of 1988 of the Commonwealth of Pennsylvania, or any successor legislation.

The primary purpose of this Corporation is:

A. To establish, maintain and operate an advanced life support ambulance service and to perform such other services and purposes as are not inconsistent with this specific purpose.

B. The corporation is organized exclusively for charitable, scientific, and educational purposes as defined in Section 501(c)(3) of the Internal Revenue Code, including, but not limited to any such activity which may be permitted by corporations formed under and pursuant to the Pennsylvania Nonprofit Corporation Law of 1988.

C. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers or other private persons, 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 Section 501(c)(3) purposes. The corporation shall be authorized and empowered to make payments and distributions to other Section 501(c)(3) organizations. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

D. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (or corresponding provisions of any future United States Internal Revenue Law) or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code (or corresponding provisions of any future United States Internal Revenue Law).

E. It is intended that the corporation shall have, and continue to have, the status of an organization which is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code. All terms and provisions of the Articles of Incorporation and the Bylaws of the corporation and all authority and operations of the corporation, shall be construed, applied and carried out in accordance with such intent.

F. Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such a manner, or to such organization(s) organized and operated exclusively for charitable, educational, religious, or scientific purposes as at the time shall qualify as (an) exempt organization(s) under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the County in which the principal office of the corporation is then located, exclusively for such organization(s), as said Court shall determine, which are organized and operated exclusively for such purposes.

G. Neither the net earnings of the corporation nor donations which it receives shall inure to the benefit of any individual, as the private inurement standard is interpreted under Section 501(c)(3) of the Internal Revenue Code of 1986 (or any corresponding provision of any later federal tax law). In the event of a sale or dissolution of the corporation, surplus funds shall not be used for private inurement to any person, and such use of surplus funds is expressly prohibited.

## **ARTICLE TWO**

### **OFFICES AND AGENCY**

#### **Principal and Branch Offices**

2.01 The principal place of business of this Corporation in Pennsylvania will be located at 1015 West Baltimore Pike, West Grove, PA 19390. In addition, the Corporation may maintain other offices either within or without the Commonwealth of Pennsylvania as its business requires.

#### **Location of Registered Office**

2.02 The location of the registered office of this Corporation is stated in the Articles of Incorporation. Such office will be continuously maintained in the Commonwealth of Pennsylvania for the duration of this Corporation. The Board of Directors may from time to time change the address of its registered office by duly adopted resolution and amend its Articles or file the appropriate statement with the Department of State.

## **ARTICLE THREE**

### **MEMBERSHIP**

#### **Definition of Membership**

3.01 There shall be no Members of the Corporation.

## **ARTICLE FOUR**

### **DIRECTORS**

#### **Powers of Board of Directors**

4.01 Except as otherwise provided by law, by the articles of incorporation, or by these bylaws, the Board of Directors shall have and exercise full power and authority in the governance of the business and affairs of the Corporation including without limitation directing and managing the property, services and activities of the Corporation and establishing policies to guide the operation of the Corporation. The Board of Directors shall have all those powers which may be exercised by the Board of Directors pursuant to the Nonprofit Corporation Law of 1988 of the Commonwealth of Pennsylvania, as amended.

#### **Number and Classes of Directors**

4.02 The number of directors of this Corporation shall consist of no less than seven (7) and not more than seventeen (17). All directors will be assigned to classes with designated, rotating three-year terms of service.

#### **Nomination and Election of Directors**

4.03 Members of the Board of Directors shall be nominated by the Board Development Committee and the slate of nominees shall be presented to the Board of Directors for election at its Annual Meeting.

## Qualifications of Directors

4.04 Each Voluntary EMS Organization that provides basic life support ambulance services within the Corporation's primary service area and has entered into an emergency services agreement with the Corporation shall be entitled to two (2) directors on the Board, one of which must be a member of the volunteer EMS organization. The balance of the directors will be chosen from the communities being served by SCCEMS. The Board Development Committee shall make its nominations for representatives from Voluntary EMS Organizations, based on recommendations from the individual EMS Organizations.

The qualifications for becoming and remaining a director of this Corporation are as follows:

A. General. All directors shall be persons of full age, of high civic ideals, supportive of the mission of the Corporation and selected for ability to participate effectively in fulfilling the responsibilities of a Director. Directors need not be residents of the Commonwealth of Pennsylvania. Employees of the Corporation are not eligible for Board membership.

C. Community Representatives shall not at any time during their term or for a period of one year prior to their term have been a director or officer of any member Voluntary EMS Company. To the extent possible, the class of Community Representatives shall reflect the service area of the Corporation.

## Voting

4.05 A. Vote. Each Director shall be entitled to one vote.

B. Board Major Issues. An affirmative vote of sixty-six percent (66%) of the Directors then in office shall be required to authorize the following actions:

1. To amend the Corporation's charter, Articles of Incorporation, or Bylaws;
2. To dissolve, divide, convert, liquidate or wind up the Corporation, or consolidate or merge the Corporation with another corporation or entity;
3. To elect or remove a director or the full Board of Directors.

C. Other Issues. For all matters submitted to the Board of Directors for a vote other than the Board Major Issues, the affirmative vote of a majority of the Directors present at a duly called meeting or at any adjourned meeting thereof shall be required to authorize the action.

### **Terms of Directors**

4.06 The Directors shall be classified with respect to the time for which they shall severally hold office by dividing them into three classes. The number of Directors of each class and the initial term of each class shall be as initially fixed by the Board such that the successors to the class of directors whose term shall expire in that year shall be appointed to hold office for the term of three years and until their respective successors shall be appointed and shall qualify, so that the term of office of one class of Directors shall expire in each year.

### **Vacancies on the Board**

4.07 Vacancies on the Board of Directors shall be filled by the remaining members of the Board who may make such appointment at the next annual meeting or any meeting of the Board of Directors. A director appointed to fill a vacancy shall serve the remaining unexpired term of the director whose position was vacated.

### **Place of Directors' Meetings**

4.08 The meetings of the Board of Directors may be held at such place within or without the Commonwealth of Pennsylvania as a majority of the Directors may from time to time by resolution appoint, or as may be designated in the notice or waiver of notice of a particular meeting; in the absence of specification, such meetings shall be held at the registered office of the Corporation.

### **Annual Directors' Meetings**

4.09 An annual meeting of the Board of Directors will be during a month stipulated by the Board.

### **Notice of Special Directors' Meetings**

4.10 Written or printed notice stating the place, day and hour of any special meeting of the Board of Directors will be delivered to each Director not less than two (2) nor more than ten (10) days before the date of the meeting either personally or by first class mail, by or at the direction of the President, or the Secretary, or the Directors calling the meeting. If mailed, such notice will be deemed to be delivered when deposited in the United States mail addressed to the director at his address as it appears on the records of this Corporation, with postage prepaid. Such notice need not state the business to be transacted at, nor the purpose of, such meeting.

### **Call of Special Board Meeting**

4.11 A special meeting of the Board of Directors may be called by the Chairperson, the President and CEO, or written request of a majority of Directors.

### **Waiver of Notice**

4.12 Attendance of a Director at any meeting of the Board of Directors will constitute a waiver of notice of such meeting except where such Director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

#### **Quorum of Directors**

4.13 A majority of the then sitting Board of Directors shall constitute a quorum. Except as otherwise provided in the Articles of the Corporation or Bylaws, or provided by statute, the acts of a majority of all directors then in office shall be the acts of the Board of Directors.

#### **Adjournment**

4.14 Adjournment or adjournments of any regular or special meeting may be taken, and it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat other than by announcement at the meeting at which such adjournment is taken. At any adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting originally called.

#### **Informal Action by Directors**

4.15 Notwithstanding anything to the contrary contained in these Bylaws, any action which may be taken at a meeting of the Directors or the members of the Executive Committee may be taken without a meeting, if consent in writing setting forth the action so taken shall be signed by all of the Directors or the members of the Executive Committee, as the case may be, and shall be filed with the Secretary of the Corporation.

#### **Removal of Directors**

4.16 The Board of Directors may declare vacant the office of a Director if he or she be declared of unsound mind by an order of court, or convicted of a felony, or fails to attend any three consecutive regular meetings of the Board of Directors, or for any other proper cause, or if, within sixty (60) days after notice of his or her election, he or she does not accept such office either in writing or by attending a meeting of the Board.



## Standards of Care

4.17 A member of the Board of Directors shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a Board member, including duties as a member of any committee of the Board upon which the Board member may serve, in good faith, in a manner the Board member reasonably believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Board member shall be entitled to rely in good faith on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

A. One or more officers or employees of the Corporation whom the Board member reasonably believes to be reliable and competent in the matters presented.

B. Counsel, public accountants or other persons as to matters which the Board member reasonably believes to be within the professional or expert competence of such person.

C. A committee of the Board upon which the Board member does not serve, duly designated in accordance with the Bylaws, as to matters within its designated authority, which committee the Board member reasonably believes to merit confidence. A Board member shall not be considered to be acting in good faith if the Board member has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

4.18. Consideration of Factors. In discharging the duties of their respective positions, the Board of directors, committees of the Board and individual members may, in considering the best interests of the Corporation, consider the effects of any action upon employees, upon suppliers and patients of the Corporation and upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of Section 4.16.

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

## Personal Liability

4.19 A Director of the Corporation shall not be personally liable for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under Section 5712 of Title 15 of the Pennsylvania Statutes (relating to standard of care and justifiable reliance), and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The provisions of this subsection shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or Federal laws.

**ARTICLE FIVE**

**OFFICERS**

**Roster of Officers**

5.01 The Officers of this Corporation will consist of the following personnel:

- (1) President and Chief Executive Officer
- (2) Chairperson of the Board
- (3) Vice Chairperson of the Board
- (4) Secretary/ Treasurer

Officers may, but need not be directors of the Corporation.

**Selection of Officers**

5.02 Except for the President of the Corporation each of the Officers of this Corporation will be elected and appointed annually by the Board of Directors. Each Officer will remain in office until a successor to such office has been selected and qualified.

**Multiple Officeholders**

5.03 In any election of Officers, the Board of Directors may elect and appoint a single person to any two or more offices simultaneously, (except that the offices of President and Secretary Treasurer must be held by separate individuals).

**President and Chief Executive Officer**

5.04 The President will be the Chief Executive Officer of this Corporation and will, subject to the control of the Board of Directors, supervise and control the affairs of the Corporation. The President will perform all duties incident to such office and such other duties as may be provided in these Bylaws or as may be prescribed from time to time by the Board of Directors.

**Chairperson of the Board**

5.05 The Chairperson of the Board of Directors shall determine the time and date of all meetings of the Board of Directors of the Corporation and preside over those meetings in accordance with Roberts Rules of Order as may be required by the law, by the Articles of Incorporation, or by these Bylaws. The Chairperson of the Board shall serve on all committees of the Board in an ex-officio status.

**Vice Chairperson of the Board**

5.06 The Vice Chairperson shall chair meetings of the Corporation in the absence of the Chairperson.

### **Secretary/ Treasurer**

5.07 The Secretary-Treasurer will have charge and custody of all funds of this Corporation, will deposit the funds as required by the Board of Directors, will keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, will render reports and accountings to the Directors and to the Members as required by the Board of Directors or Members or by law, and will perform in general all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors. The Secretary Treasurer will also be the custodian of the corporate records, will give all notices as are required by law or by these Bylaws, and, generally, will perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned from time to time by the Board of Directors

### **Removal of Officers**

5.08 Any Officer elected or appointed to office may be removed by the persons authorized under these Bylaws to elect or appoint such Officers whenever in their judgment the best interest of this Corporation will be served.

## **ARTICLE SIX**

### **INFORMAL ACTION**

#### **Waiver of Notice**

6.01 Whenever any notice whatever is required to be given under the provisions of the Nonprofit Corporation Law of 1988, the Articles of Incorporation of this Corporation, or these Bylaws, a waiver of such notice in writing signed by the person or by the entity entitled to notice, whether before or after the time stated in such waiver, will be deemed equivalent to the giving of such notice. Such waiver must, in the case of a special meeting of Members, specify the general nature of the business to be transacted.

#### **Action by Consent**

6.02. Any action required by law or under the Articles of Incorporation of this Corporation or these Bylaws, or any action which otherwise may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons entitled to vote with respect to the subject matter of such consent, or all Directors in office, and filed with the Secretary of the Corporation.

## **ARTICLE SEVEN**

### **COMMITTEES**

### **Definition of Committees**

7.01 This Corporation may have certain Committees, each of which will consist of three (3) or more Directors, which Committees will have and exercise some prescribed authority of the Board of Directors in the management of this Corporation. The standing committees of the Board shall be the Executive Committee, Board Development Committee, Finance Committee and such other standing committees that the Board may establish. However, no such committee will have the authority of the Board in reference to affecting any of the following:

- (1) Submission to members of any action requiring approval of Members under the Nonprofit Corporation Law of 1988.
- (2) Filling of vacancies in the Board.
- (3) Adoption, amendment, or repeal of Bylaws.
- (4) Amendment or repeal of any resolution of the Board.
- (5) Action on matters committed by Bylaws or resolution of the Board to another Committee of the Board.

### **Appointment of Committees**

7.02 The Board of Directors, by resolution duly adopted by a majority of the Directors in office, may designate and appoint one or more Committees and delegate to such Committees specific and prescribed authority of the Board of Directors to exercise in the management of this Corporation. However, the creation of such Committees will not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed on such personnel otherwise by law.

### **Executive Committee**

7.03 Except as limited by law, the bylaws or a resolution of the Board of Directors, the Executive Committee shall exercise the general authority of the Board of Directors and shall have the power to transact all regular business of the Corporation between meetings of the Board of Directors. The Executive Committee of the Board shall consist of the officers of the Board of Directors.

### **Board Development Committee**

7.04 The Board Development Committee shall present to the Board the names of nominees for selection as Directors, officers, committee chairs, and as members of all standing committees other than the Board Development Committee, and of such other committees as the Board may designate. The Board Development Committees list of nominees for selection as directors, officers, and committee members shall be mailed to all members of the Board no less than ten days prior to the Annual Meeting at which a selection of directors, officers, and committee members is to be held. The Board Development Committee shall maintain a roster of Board candidates and regularly review the qualifications and skills of current and potential directors. The Board Development Committee shall evaluate the performance of each Board member in considering further service. The Board Development Committee shall be appointed by the Board of Directors.

## **ARTICLE EIGHT**

### **OPERATIONS**

#### **Fiscal Year**

8.01 The fiscal year of this Corporation will commence on January 1 and end on December 31.

#### **Execution of Documents**

8.02 Except as otherwise provided by law, checks over the amount of \$10,000, drafts, promissory notes, and other evidences of indebtedness of this Corporation will be signed by the Treasurer and countersigned by the President or such other administrative agent as the Board of Directors shall from time to time designate. Contracts, leases, or other instruments executed in the name of and on behalf of the Corporation will be signed by the Chairperson, Vice- Chair person or Secretary-Treasurer and countersigned by the President.

#### **Books and Records**

8.03 This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of the Board of Directors and Committees. The Corporation will keep at its principal place of business a membership register giving the names, addresses, and showing classes and other details of the membership of each, and the original or a copy of its Bylaws, including amendments to date, certified by the Secretary Treasurer of the Corporation.

#### **Inspection of Books and Records**

8.04 All books and records of this Corporation may be inspected for any proper purpose at any reasonable time on written demand under oath stating such purpose.

### **Nonprofit Operations**

8.05 This Corporation will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Corporation will be distributed to the Members, Directors, or Officers. However, the Corporation may pay compensation in a reasonable amount to Officers or Directors for services rendered.

### **Loans to Management**

8.06 This Corporation will make no loans to any of its Directors or Officers or any of its personnel.

### **Audit**

8.07 An audit of the financial operations and conditions of the Corporation shall be performed annually by an independent auditor who shall be a Certified Public Accountant. The auditor shall present the audit report to the Board Finance Committee for review and then to the Board of Directors.

## **ARTICLE NINE**

### **INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER AUTHORIZED REPRESENTATIVES**

#### **Scope of Indemnification**

9.01 A. The Corporation shall indemnify an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise, by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except where such indemnification is expressly prohibited by applicable law; or, where the conduct of the indemnified representative has been finally determined:

1. To constitute willful misconduct or recklessness within the meaning of Section 5746(b) of Title 15 of the Pennsylvania Statutes or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from the conduct; or

2. To be based upon or attributable to the receipt by the indemnified representative from the Corporation of a personal benefit to which the indemnified representative is not legally entitled; or

3. To constitute liability pursuant to any criminal statute; or
4. To constitute liability for the payment of taxes pursuant to Federal, State or local law; or
5. To the extent such indemnification has been finally determined in a final adjudication pursuant to Section 9.06 to be otherwise unlawful.

B. If an indemnified representative is entitled to indemnification in respect of a portion, but not all, of any liabilities to which such person may be subject, the Corporation shall indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

C. The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the indemnified representative is not entitled to indemnification.

D. For purpose of this Article:

1. "Indemnified capacity" means any and all past, present and future service by an indemnified representative in one or more capacities as a director, officer, or agent of the Corporation, or, at the request of the Corporation, as a director, officer, employee, agent or fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise;

2. "Indemnified representative" means any and all directors, officers and committee persons and any other person expressly designated as an indemnified representative by the Board of Directors of the Corporation (which may, but need not, include any person serving at the request of the Corporation, a director, officer, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise);

3. "Liability" means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense of any nature (including, without limitation, attorneys' fees and disbursement); and

4. "Proceeding" means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation or otherwise.

#### **Proceedings Initiated by Indemnified Representatives**

9.02 Notwithstanding any other provision of this Article, the Corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counterclaims or affirmative defenses) or participated in as an intervenor or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement, by the affirmative vote of a majority of the Directors in office who were not parties to the action or proceeding. This Section 9.02 does not apply to reimbursement of expenses incurred in successfully prosecuting or defending an arbitration under Section 9.06 or otherwise successfully prosecuting or defending the rights of an indemnified representative granted by or pursuant to this Article.

#### **Advancing Expenses**

9.03 The Corporation shall pay the expenses (including attorneys fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of a proceeding described in Section 9.01 or 9.02 upon the receipt of an undertaking by or on behalf of the indemnified representative to repay such amount if it shall ultimately be determined pursuant to Section 9.06 that such person is not entitled to be indemnified by the Corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

#### **Securing of Indemnification Obligations**

9.04 To further effect, satisfy or secure the indemnification obligations provided herein or otherwise, the Corporation may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant as security interest in any assets or properties of the Corporation, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Board of Directors shall deem appropriate. Absent fraud, the determination of the Board of Directors with respect to such amounts, costs, terms and conditions shall be conclusive and shall not be subject to voidability.

#### **Payment of Indemnification**

9.05 An indemnified representative shall be entitled to indemnification within forty-five (45) days after a written request for indemnification has been delivered to the secretary of the Corporation.

#### **Arbitration**



9.06 Any dispute related to the right to indemnification or advancement of expenses as provided under this Article shall be decided only by arbitration in the metropolitan area in which the principal executive offices of the Corporation are located, in accordance with the commercial arbitration rules of the American Arbitration Association then in effect, before a panel of three (3) arbitrators, one of whom shall be selected by the Corporation, the second of whom shall be selected by the indemnified representative and the third of whom shall be selected by the other two (2) arbitrators. In the absence of the American Arbitration Association, or if for any reason arbitration under the arbitration rules of the American Arbitration Association cannot be initiated, or if one of the parties fails or refuses to select an arbitrator, or if the arbitrators selected by the Corporation and the indemnified representative cannot agree on the selection of the third arbitrator within thirty (30) days after such time as the Corporation and the indemnified representative have each been notified of the selection of the other's arbitrator, the necessary arbitrator or arbitrators shall be selected by the presiding judge of the court of general jurisdiction in such metropolitan area. The party or parties challenging the right of an indemnified representative to the benefits of this Article shall have the burden of proof. The Corporation shall reimburse an indemnified representative for expenses (including attorneys' fees and disbursements) incurred in successfully prosecuting or defending such arbitration. Any award entered by the arbitrator shall be final, binding and non-appealable and judgment may be entered thereon by any party in accordance with applicable law in any court of competent jurisdiction, except that the Corporation shall be entitled to interpose as a defense in any such judicial enforcement proceeding any prior final judicial determination adverse to the indemnified representative under Section 9.01 in a proceeding not directly involving indemnification under this Article. This arbitration provision shall be specifically enforceable.

#### **Contribution**

9.07 If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Corporation shall contribute to the liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

#### **Mandatory Indemnification of Directors, Officers, Employees and Agents**

9.08 To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 5741 or Section 5742 of Title 15 of the Pennsylvania Statutes or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by such person in connection therewith.

#### **Contract Rights; Amendment or Repeal**

9.09 All rights under this Article shall be deemed a contract between the Corporation and the indemnified representative pursuant to which the Corporation and each indemnified representative intend to be legally bound. Any repeal, amendment or modification hereof shall be prospective only and shall not affect any rights or obligations then existing.

**Scope of Article**

9.10 The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of members or disinterested directors or otherwise, both as to action in an official capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to a person who has ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

**Reliance on Provisions**

9.11 Each person who shall act as an indemnified representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided by this Article.

**Interpretation**

9.12 The provisions of this Article are intended to constitute Bylaws authorized by Sections 5741 through 5750 of Title 15 of the Pennsylvania Statutes.

**Adoption of Bylaws**

Adopted this 3rd day of December, 2014.

\_\_\_\_\_  
Secretary

Date: \_\_\_\_\_