

**BYLAWS**  
**Of**  
**NORTH PENN LEGAL SERVICES, INC.**  
**A Pennsylvania Nonprofit Corporation**

**Article 1. DEFINITIONS**

**Section 1.1 Definitions**

The following terms used in these Bylaws shall have the meanings set forth below:

“Act” means the Pennsylvania Nonprofit Corporation Law of 1988, as amended.

“Board” means the Board of Directors of the Corporation.

“Corporation” means North Penn Legal Services, Inc.

“Director” means an individual serving on the Board.

**Article 2. PURPOSES**

**Section 2.1 Purposes**

The purposes of the Corporation are set forth in its Articles of Incorporation.

**Section 2.2 Activities**

Without limiting the foregoing Section 2.1, the additional purposes of the Corporation are:

- (a) To provide equal access to the civil system of justice in the Corporation’s service area for individual’s, households, and community groups who qualify for legal assistance.
- (b) To provide high-quality civil legal assistance to individuals, households and community groups who cannot afford legal counsel.
- (c) To provide legal assistance to those persons, households, and qualified community groups who face economic barriers to equal opportunities and protection under the law.

- (d) To provide community legal education and legal assistance support to formulate and implement law related services in civil matters to eligible persons or others qualified to receive charitable support.
- (e) To cooperate with, and to apply for and receive support from, any governmental unit, for-profit and not-for-profit organization, to individuals, by grant, contract, donation or other means, for resources to implement the foregoing activities.
- (f) To do any lawful act necessary, suitable or proper, convenient or incidental to aforesaid purposes or which may be done by a not-for-profit corporation organized under the laws of the Commonwealth of Pennsylvania and consistent with Section 501(c)(3) of the Internal Revenue Code and with the laws, regulations and contract or grant terms of funders, donors or others who provide resources to the Corporation.

### **Article 3. OFFICES**

#### **Section 3.1**

The registered office of the Corporation shall be located in Pennsylvania. The Corporation may have any number of other offices at such places as the Board may determine.

### **Article 4. SEAL**

#### **Section 4.1**

The Corporation may use a Corporate Seal. The Corporate Seal shall bear the name of the Corporation the year of its incorporation and the words "Corporate Seal, Pennsylvania."

### **Article 5. MEMBERS**

#### **Section 5.1**

The Corporation shall have no members entitled to vote on any matter or for any other reason.

### **Article 6. BOARD OF DIRECTORS**

#### **Section 6.1 Board of Directors**

The business and affairs of the Corporation shall be managed under the direction of the Board. The powers of the Corporation shall be exercised by, or under the authority of, the Board except as otherwise provided by statute, the Articles of Incorporation, these Bylaws, or a resolution adopted by the Board.

The Board, pursuant to its administrative powers, shall supervise the performance of the Executive Director. Said supervision shall include the authority to hire or release the Executive Director. The Executive Director shall manage the day-to-day affairs of the Corporation and shall have the authority, unless countermanded by the Board, to sign contracts on behalf of the Corporation (but only contracts involving expenditures, if the expenditure does not exceed \$50,000), issue public relations statements, sign checks (within any authorized limits contained on the account documents), prepare and release an annual report, and any other acts necessary to achieve the effective and efficient management of the agency's resources consistent with its mission.

## **Section 6.2 Qualifications of Directors**

Each Director shall be a natural person at least 18 years of age who need not be a resident of Pennsylvania.

## **Section 6.3 Number, Classification and Composition of Board of Directors**

**6.3.1 Number and classification:** The Board shall consist of sixteen (16) persons, divided into three classes, two (2) classes consisting of five (5) individuals and one (1) class consisting of six (6) individuals. The term of office of one class shall expire in each year.

**6.3.2 Composition:** The composition of the Board shall be consistent with the Legal Services Corporation Act, 42 U.S.C. sec.2996 *et seq.* (the "LSC Act"), and its implementing regulations, 45 C.F.R. sec. 1600 *et seq.*, as amended from time to time (the "regulations").

**6.3.3 Geographic Representation:** Board membership shall fairly represent the service area.

No county shall have at any time more than three (3) attorney seats on the Board. At least ten (10) of the counties within the Corporation's twenty (20) county service area shall be represented by appointments to the Board at all times.

**6.3.4 Client Eligible Members:** Client members shall be income eligible for services by the Corporation at the time they are appointed to the Board, and at the beginning of each subsequent term of appointment.

The Corporation will make efforts to have client members appointed by organizations that represent client community interests in the service area. When such organizations are not available, or active, the Corporation shall endeavor to obtain appointments from agencies or other organizations that represent different segments of the client community.

## **Section 6.4 Term of Office; Limits**

**6.4.1 Term:** Each class shall serve a term of three (3) years, except in the case of a vacancy in any class, in which case the vacancy shall be filled for the balance of the term of such class. Each Director shall hold office until (a) the expiration of the term for which he or she was appointed and until his or her successor has been appointed and qualified, or (b) his or her earlier death, resignation, or removal.

**6.4.2 Limitation on Terms:** No Director shall serve more than three (3) consecutive full three (3) year terms. A former Director who has not served on the Board during the preceding twelve (12) months may be appointed to the Board for an additional term or terms, subject to the preceding sentence.

**Section 6.4.3 Expiration of Terms:** The expiration date of a Board member's term occurs on the last day of the month in which the member was appointed, or in which a resignation occurs.

## **Section 6.5 Procedure for Appointment of Directors**

**6.5.1** The Board shall periodically fix by resolution those bar associations, client organizations and other entities eligible to appoint Directors, in conformity with the LSC Act and the Regulations, and, to the extent consistent with the LSC Act and Regulations, with the requirements of other funding sources.

**6.5.2** The Board may from time to time fix by resolution the distribution of appointments among counties in order to insure appropriate representation of eligible bar associations, client organizations and other entities not represented, or underrepresented.

## **Section 6.6 Vacancies**

If a vacancy occurs on the Board because of resignation, removal or other reason, the entity that appointed the departing Director shall be so notified. The appointing entity has forty-five (45) days from the date of notification to appoint another individual to fulfill the remainder of the term, so long as the individual's qualifications are consistent with the LSC Act and Regulations, and other funding sources. In the event the appointing entity does not appoint another individual, then the Board may move forward to fill the term with a qualified individual.

## **Section 6.7 Removal of Directors**

Any Director may be removed from office with or without cause by a vote of two-thirds (2/3) of the Directors then in office. If any Director is removed, the resulting vacancy will be filled in accordance with Section 6.6 of these Bylaws.

## **Section 6.8 Resignations**

**6.8.1** Any Director may resign at any time by giving written notice to the Corporation. The resignation shall be effective upon receipt by the Corporation or at such subsequent time as may be specified in the notice of resignation.

**6.8.2** Should any Director miss two (2) consecutive meetings without excuse, written notice shall be given to such Director that a third consecutive unexcused absence will be deemed a resignation from the Board. Except in the case of emergency, notice of a requested excused absence shall be submitted to the President (or President's designee) no less than forty-eight (48) hours before such meeting with reasonable detail regarding the circumstance necessitating such absence. If after such notice the Director misses a third consecutive meeting without excuse, his or her position will be declared vacant and a replacement appointed in accordance with Section 6.6 of these Bylaws. Whether an absence is deemed "excused" and/or lack of notice was necessitated by "emergency" shall be determined in the sole discretion of the President and/or the President's designee.

## **Section 6.9 Compensation of Directors**

Directors shall receive no compensation for their services as Directors or as committee members. Directors who are appointed to represent client organizations may be reimbursed for reasonable expenses incurred on behalf of the Corporation, in accordance with the policies of the Corporation.

## **Section 6.10 Voting Rights**

Each Director shall be entitled to one vote.

# **Article 7. COMMITTEES**

## **Section 7.1 Establishment and Powers of Committees**

The Board may, by resolution adopted by a majority of the Directors, establish one or more committees to consist of one or more Directors of the Corporation. The Board may designate one or more Directors as alternate members of a committee. No committee of the Board other than the Executive Committee shall, pursuant to resolution of the Board or otherwise, exercise any of the powers or authority vested by these bylaws or the Act in the Board as such, but a committee may make recommendations to the Board or the Executive Committee concerning the exercise of such powers and authority. Except as otherwise provided by resolution of the Board, the Executive Committee shall have and may exercise all of the powers and authority of the Board, except that the Executive Committee shall have no power or authority as to the following:

- a) The filling of vacancies on the Board;
- b) The adoption , amendment or repeal of the Bylaws;
- c) The amendment of any budget approved by the Board;
- d) The termination of the Executive Director;
- e) The amendment or repeal of any resolution of the Board;

### **Section 7.2 Term of Committee Members**

Each committee of the Board shall serve at the pleasure of the Board.

### **Section 7.3 Committee Organization**

Except as otherwise provided by resolution of the Board, each committee shall be chaired by a Director and shall establish its own operating procedures. Each committee shall keep regular minutes of its proceedings and report the same to the Board at each regular meeting. Each committee shall determine its times and places of meetings.

### **Section 7.4 Executive Committee**

Immediately following each annual election of Directors, the President will appoint, with the approval of the Board, an Executive Committee composed of six (6) members including the four (4) officers of the Corporation and two (2) additional members. The President shall serve as Chair of the Executive Committee. Subject to Section 7.1, the Executive Committee shall be authorized to act for the Board between its regular meetings, and shall meet at the call of the President or a majority of the members of the Committee.

Regular minutes of each meeting shall be recorded and reported to the Board at the next meeting of the Board.

### **Section 7.5 Standing Committees**

There shall be the following Standing Committees of the Board:

- a) Audit/Finance Committee
- b) Client Grievance Committee
- c) Personnel Committee
- d) Board Development Committee

Any Board Member shall be eligible to serve on any Committee. The President, with the approval of the Board, shall appoint the members of each Standing Committee for terms designated by the Board, and shall designate its Chair.

## **Section 7.6 Other**

7.6.1 The establishment of any committee of the Board and the delegation thereto of power and authority shall not alone relieve any director of his or her fiduciary duty to the Corporation.

7.6.2 A majority of the directors in office designated to a committee, or directors designated to replace them as provided in this Article, shall be present at each meeting to constitute a quorum for the transaction of business and the acts of a majority of the directors in office designated to a committee or their replacements shall be the acts of the committee.

7.6.3 Each committee shall keep regular minutes of its proceedings and report such proceedings periodically to the Board.

7.6.4 The charge of all committees is to endeavor, through membership and their work, to maintain the perspective of the entire 20-county service area.

## **Article 8. MEETINGS OF DIRECTORS**

### **Section 8.1 Place of Meetings**

The Board will hold its meetings at such places as the Board may appoint or as may be designated in the notice of the meeting. In making such designations, the Board will attempt to convene in the more centrally located areas of the agency's service area.

### **Section 8.2 Annual Meeting**

Unless the Board provides otherwise by resolution, the annual meeting of the Board shall be held in September or October, the date to be determined by the Board. The Board shall meet at any place and time designated in a notice given as provided in Section 10.2, for the election of Directors and the transaction of any other business which may be brought before the meeting.

Immediately after each annual election of Directors, the newly constituted Board shall meet without prior notices at the place where the election of Directors was held, or at any other place and time designated in a notice given as provided in Section 10.2, for the purposes of organization, election of officers, and the transaction of other business.

### **Section 8.4 Special Meetings**

The President or any five (5) Directors may call special meetings of the Board which shall be held at such time and place as shall be designated in the call for the meeting. Five days' notice of any special meeting shall be given to each Director pursuant to Section 10.2 or by telephone. Such notice shall state the time and place of such special meeting and shall state in general terms the purpose of the special meeting.

### **Section 8.5 Quorum**

Nine (9) Directors, or 51% of sitting members, whichever is less, shall constitute a quorum for the transaction of business. The acts of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board.

### **Section 8.6 Participation in Telephonic Meetings**

One or more Directors may participate in a meeting of the Board or a committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

### **Section 8.7 Organization**

Every meeting of the Board shall be presided over by the President, or in the absence of the President, the Vice President, or in the absence of the President and the Vice President, a Chair chosen by a majority of the Directors present. The Secretary, or in his or her absence, a person appointed by the Chair, shall act as Secretary.

### **Section 8.8 Consent of Directors in Lieu of Meeting**

Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by a majority of Directors who would represent a quorum at a meeting and filed with the Secretary of the Corporation.

### **Section 8.9 Attendance Requirements**

Directors are expected to attend all meetings of the Board and of Committees on which they serve. Any Director who fails to attend three (3) consecutive meetings of the Board without excuse will be deemed to have resigned, pursuant to Section 6.8.2 of these Bylaws.

### **Section 8.10 Procedural Rules**

Except as otherwise provided in these Bylaws, meetings of the Board will be conducted in accordance with Roberts Rules of Order.

### **Section 8.11 Executive Session**



Meetings of the Board shall be open to the public, unless the President determines that any matter before the Board, including without limitation personnel matters, should be considered in executive session because of their confidential nature.

## **Article 9. OFFICERS**

### **Section 9.1 Number**

The officers of the Corporation shall include a President, a Vice President, a Secretary, and a Treasurer. No two offices may be held by the same person.

### **Section 9.2 Qualifications of Officers**

The officers shall be natural persons at least 18 years of age who are Directors.

### **Section 9.3 Election and Term of Office**

Except as otherwise provided by resolution of the Board, the officers of the Corporation shall be elected by the Board at the annual meeting of the Board. Each officer shall serve for a term of two (2) years and until his or her successor has been elected and qualified, or until his or her earlier death, resignation, or removal.

### **Section 9.4 Removal of Officers**

Any officer or agent may be removed with or without cause by vote of a majority of the entire Board whenever in its judgment the best interests of the Corporation will be served.

### **Section 9.5 Resignations**

Any officer may resign at any time by giving written notice to the Corporation. The resignation shall be effective upon receipt by the Corporation or at such subsequent time as may be specified in the notice of resignation.

### **Section 9.6 The President**

The President shall chair all meetings of the Board and the Executive Committee. The President shall execute in the name of the Corporation, deeds, mortgages, bonds, contracts, and other instruments authorized by the Board, except in cases where the execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation. In general, the President shall perform all duties incident to the office of President and such other duties as may be assigned by the Board.

### **Section 9.7 The Vice President**

In the absence or disability of the President or when so directed by the President, the Vice President will perform all the duties of the President, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall perform such other duties as may be assigned by the Board or the President.

### **Section 9.8 The Secretary**

The Secretary shall attend all meetings of the Board. The Secretary shall record all votes of the Board and the minutes of the meetings of the Board in a book or books to be kept for that purpose. The Secretary shall see that required notices of meetings of the Board are given and that all records and reports are properly kept and filed by the Corporation. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Board or the President.

### **Section 9.10 The Treasurer**

The Treasurer shall perform all duties incident to the office, and such other duties as may be assigned by the Board or the President.

### **Section 9.11 Compensation of Officers**

Officers shall receive no compensation for their services as officers. Officers who are appointed to represent client organizations may be reimbursed for reasonable expenses incurred on behalf of the Corporation, in accordance with the policies of the Corporation.

## **Article 10. NOTICE**

### **Section 10.1 Written Notice**

Whenever written notice is required to be given to any person, it may be given to the person, either personally or by sending a copy by first class or express mail, postage prepaid, or by telegram (with messenger service specified), email, telex or TWX (with answer back received) or courier service (charges prepaid), or by facsimile transmission, to his or her address (or to his or her telex, TWX or facsimile number) appearing on the books of the Corporation or, in the case of the Directors, supplied by him or her to the Corporation for the purpose of notice. If the notice is sent by mail, telegraph or courier service, it shall be deemed to have been given when deposited in the United States mail or with a telegraph office or courier service for delivery to that person or, in the case of email, telex or TWX, when dispatched or, in the case of facsimile, when receipt has been confirmed. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by the Act. Except as otherwise provided by

the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

### **Section 10.2 Waiver by Writing**

Whenever any written notice is required to be given, a waiver in writing, signed by the person or persons entitled to the notice, whether before or after the time stated, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting.

### **Section 10.3 Waiver by Attendance**

Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

## **Article 11. CONFLICTS OF INTEREST**

### **Section 11.1 Interested Directors and Officers**

No contract or transaction between the Corporation and one or more of its Directors or officers or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the Director of officer is present at or participates in the meeting of the Board which authorizes the contract or transaction, or solely because his, her, or their votes are counted for that purpose, if:

- a) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors even though the disinterested Directors are less than a quorum; or
- b) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved, or ratified by the Board. Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes the contract or transaction.

## **Article 12. LIMITATION OF LIABILITY; INSURANCE**

### **Section 12.1 Limitation of Liability of Directors**

A Director shall not be personally liable, as such, for monetary damages for any action taken or any failure to take any action as a Director unless:

- a) The Director has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 55 of the Act; and
- b) The breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

This Section shall not apply to (1) the responsibility or liability of a Director pursuant to any criminal statute, or (2) the liability of a Director for the payment of taxes pursuant to federal, state, or local law. Any repeal or amendment of this Section shall be prospective only and shall not increase, but may decrease, a Director's liability with respect to actions or failures to act occurring prior to such change.

### **Section 12.2 Insurance**

The Corporation shall purchase and maintain insurance on behalf of any person who is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a Director or Officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against that liability under the Act. The Corporation's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Corporation. To the extent that such insurance coverage provides a benefit to the insured person, the Corporation's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

## **Article 13. INDEMNIFICATION**

### **Section 13.1 Representative Defined**

For purposes of this Article, "representative" means any Director or officer of the Corporation.

### **Section 13.2 Third-Party Actions**

The Corporation shall indemnify any representative who was or is a party or is threatened to be made a party to any threatened, pending or completed action or proceeding, whether civil,

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

### **Section 13.3 Derivative and Corporate Actions**

The Corporation shall indemnify any representative who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of the action if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the interests of the Corporation. Indemnification shall not be made under this Section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the Corporation unless and only to the extent that the court of common pleas of the judicial district embracing the county in which the registered office of the Corporation is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the court of common pleas or other court shall deem proper.

### **Section 13.4 Employee Benefit Plans**

For purposes of this Article, "other enterprises" shall include employee benefit plans; "serving at the request of the Corporation" shall include any service as a representative of the Corporation that imposes duties on, or involves services by, the representative with respect to an employee benefit plan, its participants or beneficiaries; excise taxes assessed on a person

with respect to any employee benefit plan shall be deemed “fines”; and action with respect to an employee benefit plan taken or omitted in good faith by a representative in a manner he or she reasonably believed to be in the interest of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the Corporation.

### **Section 13.5 Procedure for Effecting Indemnification**

Unless ordered by a court, any indemnification under Section 13.2 or Section 13.3 shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in those Sections. The determination shall be made:

- a) By the Board by a majority vote of a quorum consisting of Directors who were not parties to the action or proceeding; or
- b) If such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.

### **Section 13.6 Advancing Expenses**

The Corporation shall pay reasonable expenses (including reasonable attorneys’ fees) incurred in defending any action or proceeding referred to in Section 13.2 in advance of the final disposition of the action or proceeding upon receipt of any undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article or otherwise.

### **Section 13.7 Supplementary Coverage**

The indemnification and advancement of expenses provided by or granted pursuant to this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the Act, or any bylaw, agreement, vote of disinterested Directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding that office. Article 11 (relating to conflicts of interest) shall be applicable to any bylaw, contract, or transaction authorized by the Directors under this Section. However, no indemnification may be made by the Corporation under this Article or otherwise to or on behalf of any person to the extent that:

- a) The act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct, or recklessness; or

- b) The Board determines that under the circumstances indemnification would constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

### **Section 13.8 Duration and Extent of Coverage**

The indemnification and advancement of expenses provided by or granted pursuant to this Article shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of that person.

### **Section 13.9 Reliance and Modification**

Each person who shall act as a representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided by this Article. The duties of the Corporation to indemnify and to advance expenses to a representative provided in this Article shall be in the nature of a contract between the Corporation and the representative. No amendment or repeal of any provision of this Article shall alter, to the detriment of the representative, his or her right to the advance of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment or repeal

## **Article 14. AUDIT & ANNUAL REPORT**

### **Section 14.1 Presentation of Audit**

The President and Treasurer shall present to the Board, prior to October 31, a report, verified by the President and Treasurer or by a majority of the Board, showing in appropriate detail the following:

- a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report;
- b) The principal changes in assets and liabilities, including the trust funds, during the year immediately preceding the date of the report;
- c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

- d) The expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

### **Section 14.2 Annual Report**

The Board shall issue to clients, communities, and funders, by November 30th of each year, an annual report containing audited fiscal information and program performance.

## **Article 15. TRANSACTION OF BUSINESS**

### **Section 15.1 Real Property**

The Corporation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by the vote of two-thirds (2/3) of the Board, except that if there are twenty-one (21) or more Directors, the vote of a majority of the Board shall be sufficient. If the real property is subject to a trust, the conveyance away shall be free of trust and the trust shall be impinged upon the proceeds of such conveyance.

### **Section 15.2 Negotiable Instruments**

All checks or demands for money and notes of the Corporation shall be signed by such officers or employees as the Board may designate.

## **Article 16. CORPORATE RECORDS**

### **Section 16.1 Corporate Records**

The Corporation shall keep

- a) an original or duplicate record of the proceedings of the Board;
- b) the original or a copy of its Bylaws, including all amendments thereto to date, certified by the Secretary of the Corporation;
- c) appropriate, complete, and accurate books or records of account, at its registered office or at its principal place of business.

## **Article 17. FISCAL YEAR**

### **Section 17.1 Fiscal Year**

The fiscal year of the Corporation shall begin in July 1 and end on June 30 of the following calendar year.



## **Article 17. AMENDMENTS**

### **Section 17.1 Amendments**

The Bylaws of the Corporation may be amended by the vote of a majority of the entire Board at any meeting after at least ten (10) days written notice of such purpose has been given.