

**BYLAWS  
OF THE  
SOCIETY OF CABLE TELECOMMUNICATIONS ENGINEERS, INC.**

**ARTICLE I: NAME:** The name of this organization shall be “Society of Cable Telecommunications Engineers, Inc.”

**ARTICLE II: OFFICE:** The business office and headquarters of the Society of Cable Telecommunications Engineers, Inc., hereinafter referred to as “Society,” shall be at 140 Philips Road, Exton, Pennsylvania 19341-1318, until otherwise established by a vote of a majority of the entire Board of Directors, hereinafter referred to as the “Board,” and changed by an appropriate amendment to the Articles of Incorporation.

**ARTICLE III: FISCAL YEAR:** The fiscal year of the Society shall be July 1 to June 30.

**ARTICLE IV: PURPOSE:** The Society is organized to develop, increase and spread both theoretical and practical technical knowledge of cable telecommunications and broadband communications systems thereby providing opportunities for the professional and technical growth of its membership and the industry. The Society and its divisions may engage in any of the following activities or in any other activities that will fulfill its purposes:

**A. Establish** standards of professional and technical accomplishment by engineers and technicians working in cable telecommunications and related industries and to promote public or private recognition of those standards and their achievement.

**B. Establish** local and regional divisions of Society members, primarily to train members in cable telecommunications and broadband communications technologies and secondarily to promote any other purposes of the Society.

**C. Encourage**, sponsor, promote and hold local, regional and national meetings, seminars, trade shows and training meetings.

**D. Encourage**, sponsor, promote and award technical scholarships.

**E. Promote** communication on issues of technical and/or mutual concern between cable telecommunications and broadband communication industries and:

1. Users of cable telecommunications and broadband communications systems.
2. Various related agencies (both public and private).
3. Radio, television and similar broadcast industries.
4. The television viewing public.

**F. Develop** and publish recommended standards and practices for equipment, its installation, performance, maintenance and testing, and other activities that support these purposes.

## **ARTICLE V: MEMBERS:**

**A. Eligibility.** Any person, firm or corporation shall be eligible for membership in this Society who is:

1. Employed full or part time in the cable telecommunications or broadband communications industry, or
2. Employed full or part time in radio or television broadcasting, or
3. Employed full or part time in a field closely allied to one of the above, or
4. A member of a regulatory agency or legislative branch of federal, state, regional or local government concerned with the technical operation of cable telecommunications or broadband communication systems, or
5. Sincerely interested in the development and furtherance of cable telecommunications or broadband communications technologies.

Additional requirements for membership may be promulgated by the Board from time to time. These requirements shall be set forth in a writing known as the "Policies and Procedures of the Society of Cable Telecommunications Engineers" hereinafter referred to as the "Policies and Procedures." The Policies and Procedures shall be available to members and nonmembers upon written request to the Secretary in care of Society headquarters.

**B. Annual Meetings.** There shall be at least one (1) general membership meeting each calendar year (on a day designated by the Board) to receive the annual reports of officers, Directors and committees, and for the transaction of other business. Notice of the meeting shall be provided through regular membership communication channels at least six (6) months in advance of the meeting. Individual notice of the meeting shall be communicated to each member at least forty- five (45) days and not more than one hundred twenty (120) days before the time appointed for the meeting. All meeting notices shall clearly show the place, date, time and purpose of the meeting.

**C. Special Meetings.** Special meetings of the general membership may be called by the Board at its discretion. Upon the written request of two percent (2%) or greater of the active voting membership, the Board shall call a special meeting to consider a specific subject. Individual notice of the meeting shall be communicated to the last recorded address of each member at least fifteen (15) days before the time appointed for the meeting. No business other than that specified in the meeting notice shall be transacted at any Society special meeting of the general membership.

**D. Quorum.** The presence in person or by proxy of five percent (5%) of the members eligible to vote shall be required for the transaction of business. The number of members upon which this percentage is to be based will be the number of members as of the last business day of the month immediately preceding that month in which the meeting is being held. All votes of the Members shall be confidential (but verifiable) unless the Board otherwise expressly designates a vote as of record.

**E. Proxies.** Members entitled to vote at any general membership meeting may vote by proxy. A proxy shall be in writing and shall be revocable at the pleasure of the member executing it.

Unless the duration of the proxy is specified, it shall be invalid eleven (11) months following its execution date.

**F. Chapters and other Divisions.** Any group of members in the United States and Canada may organize a Chapter or other division of the Society, subject to the terms and conditions of these bylaws and of the Policies and Procedures as referenced in Subparagraph A of this Article V.

**G. Dues and Fees.** The Board shall determine the amount of initiation fee, if any, and annual dues payable to the Society by members of all grades and categories. A member's Society anniversary date is the date such member joined the Society. Dues shall be payable in advance on each member's Society annual renewal date (December 31<sup>st</sup>). The date after a member's Society renewal date (January 1<sup>st</sup>), if his or its dues remain unpaid, all benefits cease and he or it shall be automatically moved to the inactive member list. Twelve (12) months after the member's Society anniversary date, if his or its dues remain unpaid, he or it shall be automatically terminated for continuous membership purposes, and he or it must apply for membership as a new member.

There shall be no local membership or dues structure for chapters or meeting groups. Chapters and meeting groups shall have the option to charge a nominal fee for local events, maintain mailing lists and perform other routine tasks necessary to conduct chapter and meeting group business, as long as they are not billed as memberships.

**H. Termination.** Upon termination of membership, all rights and privileges of membership in this Society shall cease. No refund of dues will be made upon any termination of membership. Members may be terminated as follows:

1. **Voluntary.** Any member may voluntarily terminate membership by written notice to the Secretary in care of Society headquarters. Such termination will become effective on the date specified in the notice, or upon receipt if no date is specified therein.
2. **Automatic.** Any member shall be automatically terminated from the Society if dues remain unpaid for twelve months after such member's Society anniversary date, in accordance with section G above.
3. **Suspension/Expulsion.** Any member may be suspended temporarily, or permanently expelled from the Society, for violation of its bylaws, or for conduct prejudicial to the Society. Any such action shall require a two-thirds (2/3) vote of the entire Board. At least thirty (30) days before any vote may be taken; the member shall be notified in writing of the particulars of the charges and reasons for suspension or expulsion, and the time and place where the vote is to be taken. The member shall be entitled to present to the Board any defense prior to the Board's vote.

**I. Member-Elected Region Representatives:** The member-Elected Region Representatives shall be responsible for representing the needs of the general membership and chapters and to bring ideas for consideration to any of the Standing Committees. Regional Representatives will serve a two-year term beginning at the board meeting held during the annual Cable-Tec Expo. The thirteen (13) member-elected Regional Representatives of the Society are defined per the Policies and Procedures,

**ARTICLE VI: BOARD OF DIRECTORS:** The Board shall be responsible for establishing the Policies and Procedures of the Society and for the supervision of the Society.

**A. Number.** The Board shall consist of fifteen (15) members ("Directors"), including seven (7) Directors appointed by the Board ("Appointed Directors") and eight (8) Directors appointed by the member-Elected Region Representatives ("Regional Representative Directors"), as fully set forth below.

**B. Powers and Duties.** The Board shall have full power to conduct and manage the business and affairs of the Society. In carrying out its duties, the Board shall:

1. Meet a minimum of four times each calendar year.
2. Prescribe the procedure for admission of members, and approve all evidence and emblems of membership.
3. Develop and ensure the implementation of the strategic vision and direction of the Society.
4. Cause to be prepared, approve and monitor an annual budget for the Society.
5. Determine the selection and election procedure implementing Article VI, Subparagraph F, of these bylaws.
6. Designate the number and geographical area of the Society's Regions.
7. Maintain a set of written Policies and Procedures which further define the manner in which the Society shall conduct itself. Such Policies and Procedures may be established, repealed or amended by a two-thirds (2/3) vote of the entire Board.

**C. Additional Board Functions.** In addition to the powers and duties outlined in subparagraph B of this Article, the Board may:

1. Hold meetings at such times and places as it deems proper, subject to Subparagraph G of this article.
2. Suspend or expel members by written ballot in accordance with these bylaws.
3. Appoint committees on particular subjects from members of the Board, or from members of the Society at large.
4. Print and circulate documents and publish articles.
5. Correspond and communicate with Congress, the Executive Branch, any other governmental bodies, and other associations or entities interested in matters of concern to the Society.
6. Invest and deal properly with the funds and assets of the Society, including, but not limited to, the buying, selling, receiving and delivering of stocks, bonds, money market funds, commercial paper and similar types of investments.
7. Employ agents.
8. Set fees for any Society activities or publications at a level sufficient to recover the Society's actual costs and to provide adequate funding to perpetuate the Society's various activities and purposes.
9. Plan and carry out other measures or actions it deems proper and expedient to promote the

purposes of the Society and to best protect the interests and welfare of its members.

**D. Term.** All Appointed Directors shall serve a two (2) year term and all Regional Representative Directors shall serve a one (1) year term. Notwithstanding the foregoing, each Director shall serve until his or her successor is seated. Terms for Directors will be staggered, as nearly as possible, to cause selection of one-half (1/2) of the Board every calendar year. No person may serve more than three (3) consecutive terms on the Board. Directors appointed to fill vacancies and who serve at least one year will be considered to have served a full term.

**E. Qualification.** Each Director must be an Active Member; as such class of membership is defined in the Policies and Procedures. A nominee for a vacant Director seat must be an Active Member at the time when his or her name is submitted before the Board of Directors on the 'Slate of Candidates' by the Nominations Committee Chair. The Nominations Committee shall restrict candidates placed on the slate of candidates, as more fully set forth below, so that no more than five (5) employees from the same company (the company in question as well as the parent of such company, a subsidiary of such company, or any other subsidiary company of such company's parent company in which such parent holds more than a 50% ownership interest of the subsidiary shall be considered the same company) would be eligible to serve as Directors during the same year. There shall be a maximum of 3 people out of the 5 as Appointed Directors. There shall be a maximum of 2 people out of the 5 to serve on the Executive Committee. There shall be no implicit or explicit requirement that any company or organization must have a representative on the Board, whether an Appointed Director or Regional Representative Director, at any time.

**F. Election.** The Nominations Committee shall prepare a slate of candidates for the open Appointed Director positions and for those members that are to be placed on the membership ballots for the respective elections of "Regional Representative" (as defined in the Policies and Procedures). The slate of candidates must be provided to the Board by March 15 of the year of the selection. The slate of candidates must be either approved or rejected, in its entirety, by vote of the Board. The Board may provide comments and recommendations to the Nominations Committee when rejecting a slate of candidates. Any Appointed Directors or Regional Representative Directors who are listed as candidates on the slate presented to the Board must recuse themselves from such vote. If the slate of candidates is rejected, the Nominations Committee must prepare additional slates of candidates until a slate of candidates is approved by the Board. If the slate of candidates is approved by the Board, (i) those candidates seeking to be Appointed Directors shall be deemed appointed to the Board for the upcoming term, and the list of Appointed Directors shall be disclosed to the membership on the election ballots for the Regional Representatives, and (ii) those candidates seeking to be a Regional Representative shall be placed on the applicable region's ballot. The members of each region shall then review the qualifications of each candidate for Regional Representative and shall vote for one individual to serve as the Regional Representative. The Regional Representatives shall elect among its members eight (8) individuals to serve as Regional Representative Directors. Regional Representative Directors are required to fulfill their Regional Representative duties along with all Director duties. The election and appointment of the Directors shall be consistent and governed by all articles of these Bylaws and the SCTE Policies and Procedures.

**G. Meetings.** A regular meeting of the Board shall be held within seven (7) days prior to the annual general membership meeting. The Board shall meet at least three (3) other times during the calendar year in addition to the meeting prior to the annual general membership meeting. Notice of all regular Board meetings shall be communicated in writing to each Board member at least twenty-one (21) days before the time appointed for the meeting. The Immediate Past Chairman of the Board may attend all regular and special Board meetings, and shall be notified of same. He shall act in an advisory capacity only, unless otherwise elected to a regular voting position. The Chairman of the Board, when he deems necessary, may issue a call for a special meeting of the Board. Ten (10) days' notice shall be required

for such special meeting. Attendance at any meeting shall constitute a waiver of any required notice thereof. Meetings of the Board may be held at such place and in such manner designated in the notice of the meeting.

**H. Quorum.** A majority of the Directors in office shall constitute a quorum for the transaction of business. No proxy votes shall be permitted. Unless otherwise specified in the bylaws, business shall be transacted by the vote of a majority of those Directors present and voting at a meeting where a quorum is present. Notwithstanding the foregoing, in the case of the election of officers or where the Board otherwise determines it to be appropriate, a plurality vote of those Directors present and voting at a meeting where a quorum is present shall control. All votes of the Board shall be confidential (but verifiable) unless the Board otherwise expressly designates a vote as of record.

**I. Vacancy or Resignation.** Whenever any vacancy occurs in any Board position by death, resignation or by any other cause, it shall be filled without undue delay by the Board at a regular or special Board meeting which may be called for that purpose, or by mail, fax or electronic ballot. The election shall be held within sixty (60) days after the vacancy occurs. The person so chosen shall fill out the term of the vacated position in accordance with Subparagraph D of this Article VI.

**J. Recall/Removal of Directors.**

1. Recall by Ballot. Upon written request to the Secretary by twenty percent (20%) or greater of the active voting membership of the Society, in the case of an Appointed Director, or by twenty percent (20%) or greater of the active voting membership in the affected region, in the case of Regional Representative Director, a mail recall election shall be held for the named Director. The ballot shall allow a member to vote for or against recall. In the case of an Appointed Director, all Society members shall be permitted to vote in such recall election. In the case of a Regional Representative Director, the Society members of the affected region shall be permitted to vote in such recall election. The affirmative vote of at least seventy-five percent (75%) of the members voting in such recall election shall be required to recall an Appointed Director or Regional Representative Director, as applicable. Members shall be allowed sixty (60) days for the return of their ballots from the date the ballots are mailed. Should a Director be recalled, his position shall be filled in accordance with these bylaws.

2. Removal by Board. Any one Director may be removed, with or without cause, at any time, by a vote of seventy-five percent (75%) of the Board members who are present and voting at any regular meeting or special meeting called for that purpose where a quorum is present. The Board may immediately fill the vacancy in accordance with these bylaws.

**K. Action without Meeting.** Any action which could be taken by the Board at a meeting may be taken by written consent of the Board in accordance with these bylaws. For purposes of this Subparagraph K of this Article VI only, where these bylaws require the vote of a majority or higher percentage of the Board present and voting at a meeting where a quorum is present, such vote shall be of the entire Board.

**L. Compensation.** No Director shall be compensated for his or her services. However, Directors may receive reimbursements for pre-approved expenses as set forth in the Policies and Procedures.

**ARTICLE VII: OFFICERS:**

**A. Number.** The Society shall have the following officers: Chairman of the Board, Vice Chairman, President, Chief Executive Officer, Secretary and Treasurer. The officers may also include one or more vice presidents and such other staff officers and assistant officers as may be deemed necessary and be

designated by resolution of the Board; provided, however, that such vice presidents or staff officers shall not, unless otherwise expressly determined by the Board, be considered to be, or have the powers of, an "officer" as that term is defined under the New Jersey Nonprofit Corporation Act, as amended.

**B. Powers and Duties.**

1. The Chairman of the Board shall preside at all meetings of the Executive Committee, Board of Directors, and the general membership. The Chairman shall be a member ex-officio, with right to vote, of all committees except the Nominations Committee. At the Society's annual membership meeting, and at such other times as he deems proper, the Chairman shall communicate to the members and the Board such matters, and make such suggestions as he believes will promote the prosperity and welfare of the Society. He shall also perform such other duties as are necessarily incident to the office of the Chairman. During the absence or disability of the Chairman of the Board, unless another person is appointed by the Board as provided in Section VII (E) below, or upon his written direction, the Vice-Chairman, as indicated under Section VII (B) (3) below, shall assume all powers and perform all the duties of that office and he shall perform all other acts authorized by the Board.

2. The Board shall employ a salaried chief executive who shall have the title of President and Chief Executive Officer and who shall be responsible for daily operations of the Society. He shall supervise and manage all policy implementation and all financial and other aspects of the Society, in accordance with the Policies and Procedures set by the Board and these bylaws. He shall employ and may terminate employment of employees of the staff necessary to carry on the business of the Society. He may sign and execute all authorized bonds, contracts, checks or other obligations in the name of the Society in accordance with procedures contained in these Bylaws or established by the Board not inconsistent therewith. He shall also keep the Board and the Executive Committee fully informed and shall freely consult with them concerning the business of the Society from time to time and shall make such recommendations regarding the establishment and implementation of policies germane to the objectives and business of the Society as he may deem appropriate. In the absence or disability of the President, the Chairman shall either assume or appoint an appropriate person to assume all powers and perform all duties of the President and such other acts as may be authorized or directed by the Board until such time as the Board shall make other arrangements for the conduct of the day-to-day business of the Society. This section shall not be construed, however, to prevent the President of the Society during absences from the offices of the Society of limited duration from delegating the duties and responsibilities incident to the day-to-day conduct of the Society's business to assistants or other subordinate members of the Society's staff.

3. The Vice Chairman shall assist the Chairman of the Board as he may request.

4. The Secretary shall keep or cause to be kept an accurate record of the proceedings of all meetings of the members of the Society and the Board in records belonging to the Society, which records shall be kept at the office of the Society and shall be open at all reasonable times to the inspection of any member of the Society. He shall issue or cause to be issued all notices of the meetings of the Society and of the Board; he shall cause to be published all notices, the publication of which is required. In the event of his absence from any meeting, a Secretary pro tempore may be appointed in his place by the Chairman or the presiding officer.

5. The Treasurer shall keep or cause to be kept an account of all monies received and expended for the use of the Society. Management and transactions of Society funds shall be in accordance with the Policies and Procedures prescribed by the Board. The Treasurer shall deposit or cause to be deposited all sums received in a bank, credit union, or trust company approved by the Board, and shall make a report at the annual meeting or when called upon by the Chairman of the Board. The funds, books and

vouchers in the Treasurer's hands shall at all times be under the supervision of the Board and shall be subject to its inspection and control. At the expiration of his term of office, he shall deliver to his successor all books, monies, and other property. In the absence of a Treasurer-Elect, the Chairman shall act as Treasurer until one is duly elected.

**C. Qualification and Selection.** All officers, other than staff officers, shall be elected by the Board for a term of one year, or until their successors are elected. All officers other than staff officers shall be chosen in accordance with the Policies and Procedures prescribed by the Board. Election of officers shall be the first order of business at the Board meeting held immediately before the annual general membership meeting. The Board Chair and Board Vice-Chair may serve no more than two (2) consecutive one (1) year terms in the same office. The Board Secretary and Board Treasurer may serve no more than four (4) one-year terms in the same office. No person may serve more than six (6) consecutive one (1) year terms as an officer of the Society. Officers who are appointed to fill vacancies, and who serve for at least six (6) months, shall be considered to have served a full term or elected term.

**D. Term.** Officers' terms shall commence immediately at the conclusion of the Board meeting during which time said officers were elected.

**E. Vacancy, Resignation and Removal.** An office shall be filled by the Board within sixty (60) days of any vacancy. The officer appointed shall serve until a successor is elected. Any officer may be removed by a seventy-five (75%) of the Board members who are present and voting at any special or regular meeting called for that purpose where a quorum is present.

**F. Compensation.** The President and Chief Executive Officer's terms and conditions of initial employment and renewal shall be specified by the Board. The Executive Committee is delegated the authority to determine the ongoing goals, compensation and other financial arrangements of the President and Chief Executive Officer. No elected officer shall be compensated. However, elected officers may receive reimbursements for pre-approved expenses as set forth in the Policies and Procedures. Nothing in this subparagraph shall be construed to prevent the Society from employing paid staff members, who may or may not be members of the Society, and who shall be under the supervision of the President.

**G. Tie Break in the Election of Officers.** In the case of multiple candidates for an elected position for one of the officers of the board, ballots will be prepared listing the names of all candidates for that position.

Each eligible voter should cast a vote, in order of preference, for all candidates. For example, in the case of four candidates, each voter would identify their first choice for election by marking that candidate with a number 1. They would identify their second choice, in the event that their first choice failed to be elected, by marking their second choice candidate with a number 2. Similarly they would identify their third and fourth choices by marking the appropriate candidates as 3 and 4. In this way each ballot should show each of the candidates as receiving one entry as to whether the voter considers them the voter's 1st, 2nd, 3rd or 4th choice.

In the initial round of counting the resulting votes, only the 1st choice votes are counted. The candidate with the most 1st votes is declared the winner by plurality of votes. In the event of a tie for first place, a second round of vote counting will be used to select a winner.

In the second round of vote counting, only the ballots of the candidates eliminated in the first round



are considered. The second choice votes cast for the candidates tied in the first round are counted. The candidate receiving the most second choice votes in this round is declared the winner. In the event that there is no clear winner, counting continues in the same manner for third round and fourth round votes until a clear winner is determined.

In the unlikely event that after all votes are counted and no candidate has been declared a winner, the remaining tie will be resolved via a coin toss.

#### **ARTICLE VIII: COMMITTEES:**

**A.** The Board may establish one or more committees or subcommittees that shall have and may exercise the powers designated to such committees or subcommittees by the Board. Except as otherwise provided herein, the members of such committees or subcommittees shall serve at the pleasure of the Board and each of the committees of the Society may establish its own subcommittee(s).

**B. Executive Committee.** The Executive Committee shall consist of the Chairman of the Board, Vice Chairman, Immediate Past Chairman (In the event that the current Chairman is re-elected to serve a second term, the Immediate Past Chairman shall be the individual that served as Chairman prior to the current Chairman.), Secretary, and Treasurer. The Executive Committee may act on behalf of the Society in any matter when the Board is not in session. The Executive Committee may not take any action expressly prohibited by the Board. The Executive Committee shall report all its actions in writing to the Board within thirty (30) days of all meetings, or at the next full Board meeting, whichever comes first. The entire Board shall ratify or rescind all Executive Committee actions. Four (4) members of the Executive Committee shall constitute a quorum for the transaction of business. Meetings may be called by the Chairman of the Board or by four (4) members of the Executive Committee. The Executive Committee shall have the Treasurer's accounts audited by an accountant/auditor at least once each calendar year, and shall report the results of the audit to the Board.

**C. Standing Committees.** The Society shall have the following Standing Committees. The chairman of each standing committee will report on the activity of their committee and make recommendations to the Board at least once each quarter. Each Board of Directors member shall serve on at least one of the standing committees as directed by the Chairman of the Board. Committee membership shall be approved annually by the Board.

1. Engineering Committee: Shall be responsible for all standards and practices activity of the Society. Any subcommittees and their working groups or task forces necessary for engineering will report to this committee.

2. Governance Committee: Shall be responsible for planning the direction and focus of the Society with respect to its governance and strategic plan formulation. Any other subcommittees or working groups necessary for planning will report to this committee.

3. Finance Committee: Shall be responsible for the financial health of the Society. Any subcommittees or working groups necessary for financial planning will report to this committee.

4. Nominations Committee: Shall, in accordance with Article VI, Sections E and F above, (i) nominate candidates for open Appointed Director positions as described in Article VI, Section F above, and (ii) nominate candidates to be placed on the applicable ballots for the elections of Regional Representatives by the members.

5. Membership Committee: Empowered to provide input for all membership types and grades, membership benefits, and member awards programs of the Society for the benefit of the members. Any subcommittees or working groups necessary for membership programs will report to this committee.

6. Chapter Support Committee: Empowered to provide input for chapter and affiliate requirements and award programs of the Society for the benefit of its members. Any subcommittees or working groups necessary for chapter and affiliate programs will report to this committee.

7. Professional Development Committee: Empowered to provide input for all professional development programs of the Society for the benefit of its members, chapters and the industry as a whole. Any subcommittees or working groups necessary for professional development programs will report to this committee.

**D. Governance.** All standing committees and subcommittees are governed by these bylaws and any Policies and Procedures promulgated by the Board, as amended from time to time.

**E. Term Limits Summary**

APPOINTED DIRECTORS	REGIONAL REPRESENTATIVE DIRECTORS	REGIONAL REPRESENTATIVES
Shall serve a two-year term. No more than 3 consecutive terms (6 years)	Shall serve a one-year term. No more than 6 consecutive terms (6 years)	Shall serve a two-year term. No more than 3 consecutive terms (6 years)
BOARD OFFICERS	STANDING COMMITTEES	
Elected by Board for a term of one year.	Committee <b>Chairs</b> shall be limited to serve not more than six (6) consecutive years.	
Board <b>Chair</b> and <b>Vice Chair</b> may serve no more than two (2) consecutive one-year terms in the same office. Board <b>Secretary</b> and <b>Treasurer</b> may serve no more than four (4) consecutive one-year terms in the same office.	There shall be no term limits on participating Committee Members.	
No person may serve more than six (6) consecutive one-year terms as an officer of the Society.		

**ARTICLE IX: LIABILITY:**

**A. Limitation of Personal Liability.** A member of the Board shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

1. The Director has breached or failed to perform the duties of his office as defined in Subparagraph B below; and,
2. The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The provisions of this Article 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 law.

**B. Standard of Care and Justifiable Reliance.** A member of the Board stands in a fiduciary relationship to the Society, and shall perform his duties as a Director, including his duties as a member of any committee of the Board upon which he may serve, in good faith, in a manner he reasonably believes to be in the best interests of the Society, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his duties, a Director shall be entitled to rely in good faith upon information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

1. One or more officers or employees of the Society whom the Director reasonably believes to be reliable and competent in the matters presented.
2. Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person:
3. A committee of the Board upon which he does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the Director reasonably believes to merit confidence.

Absent breach of fiduciary duty, lack of good faith or self-dealings, action taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Society.

**C. Indemnification in Third Party Proceedings.** The Society shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Society) by reason of the fact that he is or was a representative of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Society, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or 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 person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Society, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

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**D. Indemnification in Derivative Actions.** The Society shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Society to procure a judgment in its favor by reason of the fact that he is or was a representative of the Society, or is or was serving at the request of the Society as a representative of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Society and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Society unless and only to the extent that the court which such action or suit was brought shall determine 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 which the court shall deem proper.

**E. Mandatory Indemnification.** Notwithstanding any contrary provision of the Articles of Incorporation or these Bylaws, to the extent that a representative of the Society has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in either Subparagraph C or D of this Article, he shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him in connection therewith.

**F. Determination of Entitlement to Indemnification.** Unless ordered by a court, any indemnification under Subparagraphs C or D of this Article shall be made by the Society only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he has met the applicable standard of conduct set forth in such subparagraph. Such determination shall be made:

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

**G. Advancing Expenses.** Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Society in advance of the final disposition of such action, suit or proceeding as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Society as authorized above.

**H. Indemnification of Former Representatives.** Each such indemnity may continue as to a person who has ceased to be a representative of the Society and may inure to the benefit of the heirs, executors and administrators of such person.

**I. Insurance.** The Society shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the Society or is or was serving at the request of the Society as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's status as such, whether or not the corporation would otherwise have the power to indemnify such person against such liability.

**J. Reliance on Provisions.** Each person who shall act as an authorized representative of the Society shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

## **ARTICLE X: MISCELLANEOUS:**

**A. Assets and Deposits.** All funds of the Society shall be deposited from time to time to the credit of the Society in such banks, trust companies, or other depositories as the Board may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers or employees in accordance with the Policies and Procedures prescribed by the Board. No officer, Director, member, Chapter, Meeting Group, Licensee or employee of the Society shall have any individual right, title or interest in any of the assets or funds of the Society. All assets and funds of the Society shall be held exclusively for the benefit of the Society as a whole. At its sole discretion, the Board shall have the right to review and audit at any time the books, assets and funds of any Chapter or any other division formed pursuant to these bylaws. Regular financial reporting as prescribed by the Board (quarterly, at minimum) and full cooperation with all audits as prescribed by the Board are required to maintain Chapter or other divisional status. Upon dissolution of the Society, or any division thereof, no funds or assets shall accrue to any individual member.

**B. Contracts.** Except as otherwise provided in these bylaws, the Board may authorize any officer or officers, agent or agents, to enter into any contract or to execute or deliver any instrument on behalf of the Society, and such authority may be general or confined to specific instances.

**C. Checks.** All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons in accordance with the Policies and Procedures prescribed by the Board.

**D. Amendments.** Amendments to the bylaws may be proposed by any member of the Board or by written request of two percent (2%) of the Society's eligible voting membership. Within thirty (30) days after receipt of any valid amendment request, the Secretary or his designee shall forward the proposed change to all Board members and schedule the vote on such proposed change as an agenda item for the next meeting of the Board; provided that the proposed amendment(s) is sent to the Board members via ordinary mail, certified mail, facsimile or electronic transmission at least ten (10) days prior to the date of the meeting where the proposed amendment(s) will be voted upon. If seventy-five percent (75%) of the Board members present and voting at any special or regular meeting of the Board where a quorum is present approve the proposed amendments(s), such amendment(s) shall become effective and the results of the vote shall be communicated promptly to the general membership. Notwithstanding the foregoing, the Board may also adopt "temporary amendments" when deemed necessary. The temporary amendments will have a stated expiration date and will expire on that date. Temporary amendments shall be approved in the same manner as regular amendments.

**E. Severability.** Should any part of these bylaws be found invalid for any reason all other parts shall remain in full force and effect.

**F. Bylaw Applicability.** These bylaws shall be binding upon all committees, meeting groups, chapters and other divisions of this Society.

### **G. Definitions.**

1. Board, Board of Directors or Directors shall refer to the Board of this Society, unless otherwise stated.

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2. All references herein to the masculine, neuter or singular shall be construed to include the masculine, feminine, neuter or plural, where applicable.
3. Unless expressly excluded, a Division shall refer to any and all groups of the Society, including international, national, regional, state and local meeting groups and chapters. Division shall not include national or international Licensees of the Society.
4. Residence of record shall be the member's address on the Society's membership roster. A member may designate his residence of record to be his home or business address at his election. A member may request that Society mailings be sent to an address different from his residence of record.
5. Headquarters shall refer to 140 Philips Road, Exton, Pennsylvania 19341-1318.
6. A communication may be made by overnight carrier, first-class mail, facsimile, electronic transmission, or in the general publications of the Society.
7. "Annual Meeting" shall, for purposes of these Bylaws, refer to or mean the "annual membership meeting," the "general membership meeting," or the "annual general membership meeting."

**H. Parliamentary Authority.** The rules contained in the current edition of *Roberts' Rules of Order, Newly Revised* shall govern the Society in all cases to which they are applicable, unless such rules are inconsistent with these bylaws and any special rules of order the Society may adopt.