

PENNSYLVANIA BUILDING OFFICIALS CONFERENCE

BYLAWS as amended 10-20-21

EDITOR'S NOTE: The proposed revisions (dated August 11, 2022) to PENNBOC current by-laws (dated October 20, 2021) were developed by PENNBOC's By-Laws Committee & Solicitor over the course of Summer 2022.

The revisions indicated below were circulated to PENNBOC's respective Regions for input and ultimately approved by the state Board of Directors on August 11, 2022 for consideration by the full membership at the Annual Membership Meeting at 12:00pm on September 21, 2022 at the Hotel Bethlehem, 437 Main St, Bethlehem, PA (during PENNBOC's annual conference & trade show).

Underlined text is proposed for addition while ~~strikethrough-text~~ is proposed for deletion.

ARTICLE I **Organizational identity**

- 1.1 The name of this organization shall be the Pennsylvania Building Officials Conference.
- 1.2 The term "PENNBOC" may be substituted for the organization's full name within these bylaws.
- 1.3 The home office of PENNBOC shall be determined by the Board of Directors.
- 1.4 PENNBOC is a Pennsylvania nonprofit corporation.
- 1.5 PENNBOC is a recognized statewide governmental chapter of the International Code Council (ICC) that serves all code disciplines.

ARTICLE II **Purpose and objectives**

- 2.1 The corporation's purposes are limited to those charitable functions that come within the meaning of Section 501(c)(3) of the Internal Revenue Code (the "Code"), and no substantial part of the corporation's activities shall constitute the carrying on of propaganda or attempting to influence legislation. Subject to the limitations set forth in the preceding sentence, the corporation shall have all of the powers created by law, including (but not limited to) the power to accept gifts, grants, devises, bequests of funds, or any other property from any public or governmental body, private foundation, public charity, corporation, or individual. The following purposes will be carried out as they are allowed within the meaning of Section 501(c)(3) of the Internal Revenue Code.

- 2.1.1 To focus on ~~insuring~~ ensuring the health, safety and welfare of all people in matters related to the construction, use and maintenance of ~~buildings~~ the built environment.

- 2.1.2 To encourage input from and participation by a broad range of groups and individuals sharing a common interest in these goals and objectives.
- 2.1.3 To establish and maintain a good working relationship with the construction industry, design professionals, building product manufacturers, and other parties that support similar goals and objectives.
- 2.1.4 To enhance the quality and safety of the built environment for the citizens of the Commonwealth of PA by promoting training, continuing education, public awareness, professional certification, high ethical standards and peer interaction.
- 2.1.5 To promote an understanding of and appreciation for professional, ethical codes enforcement among the citizens of the Commonwealth of PA.
- 2.1.6 To educate the public and administrative agencies in the development and use of the Pennsylvania Uniform Construction Code (PA UCC), the ICC Codes and the standards referenced therein, and such other regulations that promote public health and safety in areas of planning, zoning, all building code disciplines, fire protection, housing, and property maintenance.
- 2.1.7 To educate the public regarding the benefits of uniform codes and regulations.
- 2.1.8 To promote testing and reporting procedures that will facilitate the acceptance of building materials, equipment, and construction methods without prejudice or bias.
- 2.1.9 To promote and improve efficiency in the administration of codes and regulations by local, county, and state governmental departments, boards, committees, or individuals.
- 2.1.10 To provide educational opportunities for the exchange of problems, ideas, and experiences that will lead to a better understanding of their functions and responsibilities in the development and use of the PA UCC and its referenced codes and standards.
- 2.1.11 To provide citizens with a better understanding of the purposes, functions and advantages of uniform codes and regulations in the areas herein above mentioned, and in the objective and unbiased administration of said codes and regulations, so as to earn public respect and confidence for the government officials engaged in such work.
- 2.1.12 To foster understanding and cooperation among PENNBOC members, departments of local, county and state governments, and the construction industry.
- 2.1.13 To form a coalition among Pennsylvania's Local ICC Chapters for the purpose of achieving common goals and providing a unified forum to participate in the ICC and PA UCC code development processes that will aid in educating citizens of the Commonwealth of PA.

2.1.14 To support and participate in the functions of ICC Region VII.

2.2 Private Inurement. No part of the income of the corporation shall be paid, distributed, or otherwise inure to the benefit or use of its directors or officers or other private persons, except that the corporation shall be authorized to pay compensation in a reasonable amount to its directors, officers, or other designated persons for services rendered, and to make payments and distributions in furtherance of its general corporate purposes including contributions and donations for charitable purposes.

ARTICLE III Membership

- 3.1 There shall be ~~four~~ five classes of membership: Active Member, Associate Member, Corporate Member, Emeritus Member, and Honorary Member.
- 3.1.1 Active Member: Any person whose primary duties involve administration, formulation or enforcement of laws, regulations or ordinances relating to public health, safety and welfare for the Commonwealth of Pennsylvania, or a political subdivision thereof, including joint and multi-municipal agencies. Examples of these primary duties include, but are not limited to the PA Uniform Construction Code, Zoning Codes, Property Maintenance and Housing Codes, and Fire Codes. Active members may vote, hold office and chair standing committees, in addition to participation rights afforded to other classes of membership.
- 3.1.2 Associate Member: Any person who has an interest in furthering the goals and objectives of PENNBOC, but who is not qualified to become an Active Member. Associate Members may serve on committees, speak at meetings and otherwise share the benefits of PENNBOC membership; however, Associate members may not vote, hold elected office, or chair a standing committee.
- 3.1.3 Honorary Member: Any person to whom an honorarium has been conferred upon for outstanding service to the PENNBOC organization or toward the attainment of its goals and objectives. Honorary Members shall not hold elective office and shall not be subject to payment of dues. Status may be conferred and revoked by a vote of the Board of Directors.
- 3.1.4 Corporate Member: Any business entity that supports the purpose and objectives of PENNBOC. Corporate Members may designate up to three (3) individuals who may serve on committees, speak at meetings and share the benefits of PENNBOC membership; however, Corporate Members may not vote, hold office, or chair a standing committee.
- 3.1.5 Emeritus Member: Any person who has been an active member in good standing continuously for at least 20 years, held elective office at the State or Regional level for a total of at least five years, and no longer qualifies for Active Member status. Emeritus Members may serve on committees, speak at meetings and otherwise share the benefits of PENNBOC membership; however, Emeritus Members may not vote. Emeritus Members shall not be subject to payment of dues. Status may be conferred and revoked by a vote of the Board of Directors.

3.2 Membership Application Process

- 3.2.1 Applicants must complete and sign a current PENNBOC membership form, and submit it, along with fees covering the current year's dues, to the Secretary.
- 3.2.2 The Secretary, or a properly delegated individual, shall ~~forward all applications to the Membership Committee for~~ review to verify completeness and qualifications for membership classification.
- 3.2.3 Upon verification that the applicant has been properly classified and the amount of dues is correct, the ~~Secretary~~ shall notify the applicant of his or her acceptance as a new member.
- 3.2.4 Members submitting applications for renewal shall provide PENNBOC with updated information regarding contact and employment information, and shall be subject to reclassification of membership status.
- 3.2.5 If PENNBOC retains an administrator to perform membership processing functions, applications are submitted to the administrator.

3.3 Membership Dues

- 3.3.1 The annual membership dues shall be established by the Board of Directors.
- 3.3.2 Dues statements shall be sent by the Secretary or a properly delegated individual Administrator to all current members by December 1st of each calendar year, and dues shall be payable on or before March 31st of that calendar year.
- 3.3.3 New member dues that are received within the last three months of a dues year shall also cover the dues for the following calendar year.
- 3.3.4 The monies received from dues payments shall be used to defray the expenses associated with the pursuit of the objectives listed in Article II.

3.4 Dual State and Region/~~Local Chapter~~ Membership

- 3.4.1 Individuals join and pay dues to PENNBOC, the statewide organization. They are assigned to an appropriate PENNBOC region., ~~and also become members of the PENNBOC Region corresponding to the geographic area of the state where they live or work. If that Region has been recognized by the ICC as a Local Chapter, they also become members of that chapter.~~
- 3.4.2 If a PENNBOC Region ~~or Local ICC Chapter~~ has established its own dues, and complies with the requirements to receive Region/~~Local chapter~~ benefits and services indicated in Article VIII, those dues shall also be collected by PENNBOC in the manner described in this Article, and shall be promptly distributed allocated by from the state to the local entity.
- ~~3.4.3 The PENNBOC Treasurer or Administrator shall promptly transfer to that organization upon verification of information as outlined in Section 3.2.~~

~~3.4.4 The Treasurer shall follow this same procedure to remit any portion of State dues to existing PENNBOC Regions that have not yet become Local Chapters recognized by the ICC, in accordance with current Board of Directors policy.~~

3.5 Active Members who retire or cease to work in a job that qualifies them for active status must discontinue voting and holding office and will be reclassified upon renewal of membership. Temporary unemployment while seeking another position within the Active Member classification shall not result in disqualification to vote or hold office.

Article IV Organization and Authority

- 4.1 The sovereign authority of this organization shall be vested in the Active and Honorary Members in regular or special meetings of the general membership, called in accordance with these bylaws.
- 4.2 A Board of Directors shall function as the governing body of PENNBOC, subject to directives and resolutions approved by the voting members in regular or special meetings. This responsibility includes management of business affairs, control and use of property, and accomplishment of the organization's goals and objectives.
- 4.3 An Executive Committee, comprised of the officers of PENNBOC and the immediate past president, shall be empowered to serve as trustee over funds and real property, execution of papers, and determinations regarding unbecoming conduct of members.
- ~~4.4 The policies established and maintained by the Board of Directors shall provide for equitable representation of and participation by PENNBOC members from the Local ICC Chapters that opt to function as a coalition with the State Chapter, as well as the remaining PENNBOC Regions, that have not yet been recognized as ICC Chapters.~~

Article V General Membership Meetings

- 5.1 An annual meeting of the members shall be held at a time, method, and place to be determined by the Board of Directors, who shall strive to have this meeting coincide with an educational conference. In addition to any business mandated by the laws of incorporation, the annual meeting agenda shall include election of officers, any business deemed necessary by the President, and any business item submitted in writing to the President at least 10 days prior to the annual meeting by at least two members qualified to vote.
- 5.2 Special meetings may be called by the President or by a majority of the Board of Directors. Notice to all members shall be provided in writing by the Secretary at least 5 days prior to the meeting, ~~or by electronic means as approved by the general membership.~~ The notice shall clearly state the purpose of the special meeting, and the date, time and location of the meeting. Only the stated business

- may be conducted at the special meeting unless there is unanimous consent among the voting members present to consider other business.
- 5.3 Where not specifically addressed in these bylaws, all regular and special meetings shall be conducted according to Robert's Rules of Order and any additional guidelines established by the meeting chairperson. The most immediate past president in attendance shall serve as parliamentarian.
- 5.4 A quorum for transaction of business at a regular or special meeting of the general membership shall consist of three officers and ten percent (10%) of the membership entitled to vote, as established by Article III.
- 5.5 A simple majority vote shall be required to approve any action, unless otherwise specified in these bylaws.
- 5.6 Electronic Meetings: In addition to in-person attendance, Members may participate in any annual, regular, or special meeting of the members through the use of any means of communication technology as established by the Board of Directors by which all members participating may simultaneously hear each other, including but not limited to internet video meeting or telephonic conference call.

Article VI Officers

- 6.1 The officers of PENNBOC shall be a President, ~~First~~ Vice President, ~~Second Vice President~~, Secretary, ~~Assistant Secretary, and~~ Treasurer, and Immediate Past President.
- 6.2 Officers shall be Active Members or Emeritus Members in good standing.
- 6.3 The President, Vice President, Secretary, and Treasurer ~~Officers~~ shall be elected by the General Membership to a term of two years, ~~and~~ The President, and First Vice-President ~~and Second Vice-President~~ cannot succeed themselves. A term begins on the date of the next Board of Directors meeting following the election.
- 6.4 A vacancy in the Office of President shall be filled by the ~~First~~ Vice-President, or in the event of his/her inability to serve, by the Secretary ~~Second Vice President~~. For all other vacancies, the President shall call for a special election at a regular meeting of the Board of Directors, provided that written notice has been provided at least 5 days prior to the meeting. A majority vote is required by the Board of Directors to select a nominee to fill an unexpired term of an officer.
- 6.4.1 In the event of a vacancy in the Office of President or Vice-President, completion of the unexpired term of office by another individual shall not prevent that individual from succeeding themselves as President or Vice-President unless the remaining unexpired term of office is greater than 18 months.
- 6.5 The President shall preside at all meetings of the General Membership, Board of Directors and Executive Committee. ~~He~~ The President shall appoint or replace all committee chairpersons and members not otherwise specifically provided for herein. The President shall also perform all other duties usually ascribed to the president of a corporation.

- 6.6 The ~~First~~ Vice-President shall assist the President in performance of their his duties, and act as and perform the duties of the President in the event of the latter's absence at a meeting or disability. The Vice-President shall serve on chair the Education Committee.
- 6.7 The Secretary ~~Second Vice-President~~ shall act as and perform the duties of the President in the event that both the President and ~~First~~ Vice-President are absent at a meeting or incapacitated. ~~He shall also chair a committee responsible for selecting recipients of awards presented during the annual conference.~~
- 6.8 The Secretary or a properly delegated individual shall keep the minutes of all meetings, prepare and mail distribute notices of all meetings and minutes prior to meetings at least a week prior to the stated meeting dates, forward all newsworthy information to the ICC, and perform such other duties as may be assigned by the President. The Secretary or a properly delegated individual shall also keep and maintain the roster of all members, receive all applications for new and renewal memberships, and review and process them in accordance with Section 3.2 of Article III.
- ~~6.9 The Assistant Secretary shall assist the Secretary in performance of his duties, and act as and perform the duties of the Secretary in the event of the latter's absence at a meeting or disability. [Reserved]~~
- 6.10 The Treasurer or a properly delegated individual shall receive, deposit and disburse all membership dues in accordance with Section 3.4 of Article III. ~~He~~ The Treasurer or a properly delegated individual shall receive and disburse funds, supervise financial affairs, approve expenditures as provided by policy resolution of the Board of Directors, and generally perform customary official duties of the Secretary Treasurer of a corporation. This includes paying all bills authorized by the Board of Directors by ~~checks signed~~ payment distributions jointly reviewed by the Treasurer and Secretary. ~~President, or in his absence, by the Recording Secretary.~~ He The Treasurer or a properly delegated individual shall submit a financial report at every Board of Directors and Annual Membership meeting.
- ~~6.11 A President who retires may serve the following term as Immediate Past President on the Board of Directors and Executive Committee. [Reserved]~~
- 6.12 When specific duties of the Secretary and Treasurer are assigned to an Administrator by contract, the Secretary and Treasurer shall maintain sufficient interaction with the Administrator to assure effective operations.

Article VII Board of Directors

- 7.1 The Board of Directors (BOD) shall be comprised of the officers described in Article VI, ~~the Immediate Past President~~, and three delegates from each active PENNBOC Region ~~or participating ICC Local Chapter~~ who qualify to be active PENNBOC members as described in Section 3.1.1 of these bylaws, elected on staggered two-year terms. When the position of a Region ~~or ICC Local Chapter~~ Director at large becomes vacant, that Region ~~or ICC Local Chapter~~ shall elect a replacement to serve the remainder of the term.

- 7.2 The BOD shall conduct regular meetings on a schedule it shall establish, but not less than quarterly. Special meetings may be called by the President, or by written request of at least ~~5-five Directors. officers of a PENNBOC Region or Local ICC Chapter~~. Notice of said meetings must be delivered to all BOD members at least 10 days prior to the special meeting. The notice shall state the business to be conducted, and only this stated purpose of the meeting may be acted upon. Meetings may be conducted in accordance with Section 5.6 by telephone or other electronic means, provided that a quorum participates and minutes of the meeting are produced and distributed. ~~One or more persons may participate in any regular or special meeting of the Board of Directors or of a committee of the Board of Directors by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other or read each other's written statements. Participation in a meeting in this manner by a Director will be considered to be attendance in person for all purposes under these by-laws.~~
- 7.3 A quorum shall consist of 9 members, 3 of whom shall be officers.
- 7.4 A majority vote of the Board of Directors ~~BOD~~ shall govern, except where otherwise provided.
- 7.5 Rules of order shall follow the current edition of Robert's Rules of Order. ~~be established by the meeting chairperson.~~
- 7.6 The duties of the Board of Directors ~~BOD~~ shall be as follows:
- 7.6.1 It shall authorize all expenditures and shall not create any indebtedness beyond the income of PENNBOC, nor disburse funds for purposes nonessential to the objectives of PENNBOC.
- 7.6.2 It shall have the books and accounts audited prior to the end of each year, or more often at its discretion. In the alternative, the Board of Directors may accept the Federal Tax return of the organization.
- 7.6.3 It shall designate one or more federally insured depositories for deposit of funds.
- 7.6.4 It shall review the actions of officers of the organization, and have the power to overrule or modify their actions.
- 7.6.5 It shall determine the date, time and place of the annual nomination and election meeting and shall instruct the ~~Corresponding~~ Secretary to issue the call for such meeting.
- 7.6.6 It shall be authorized to enter into contracts that the BOD Board of Directors determines will best carry on the functions of the organization.
- 7.6.7 To provide administrative and financial support to PENNBOC regional organizations ~~and participating (affiliated) local ICC chapters.~~

7.7 Limitations of Personal Liability/Indemnification

7.7.1 *Indemnification and Insurance.* The corporation shall, to the maximum extent permitted by law, indemnify each of its Authorized Representatives, Officers, and other Authorized Representatives, against expenses, judgments, fines, settlement, and any other amounts actually and reasonably incurred in connection with any claim or proceeding arising by reason

of the fact that any such person is or was a Authorized Representative, Officer, or Authorized Representative of the corporation. For purposes of this Section, references to “Authorized Representative,” includes Authorized Representatives, Officers, Administrator(s), and others to whom the Board has delegated responsibility or authority to act on behalf of the corporation. The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its Authorized Representatives against any liability asserted against or incurred by any Authorized Representative in such capacity.

7.7.2 *Limitation of Personal Liability of Authorized Representatives.* An Authorized Representative of the corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

- (a) the Authorized Representative has breached or failed to perform the duties of their office as defined below; and
- (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The provisions of this Section shall not apply to (a) the responsibility or liability of an Authorized Representative pursuant to any criminal statute; or (b) the liability of an Authorized Representative for the payment of taxes pursuant to local, state or federal law.

7.7.3 *Standard of Care and Justifiable Reliance.*

- (a) An Authorized Representative of the corporation shall stand in a fiduciary relationship to the corporation, and shall perform their duties as an Authorized Representative, including their duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she 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 their duties, an Authorized Representative 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:
 - (i) One or more Officers, employees, or Administrator(s) of the corporation whom the

Authorized Representative reasonably believes to be reliable and competent in the matters presented;

- (ii) Counsel, public accountants or other persons as to matters which the Authorized Representative reasonably believes to be within the professional or expert competence of such person;
- (iii) A committee of the Board upon which he or she does not serve, as to matters within its designated authority, which committee the Authorized Representative reasonably believes to merit confidence.

An Authorized Representative shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause their reliance to be unwarranted.

- (b) In discharging the duties of their respective positions, an individual Authorized Representative may, in considering the best interests of the corporation, consider the effects of any action upon employees, upon persons or organizations with whom the corporation has business and other relations, and all other pertinent factors. The consideration of those factors shall not constitute a violation of this Section.
- (c) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as an Authorized Representative or any failure to take any action shall be presumed to be in the best interests of the corporation.

7.7.4 Indemnification in Third Party Proceedings. The corporation shall indemnify any person who was or is a party 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 corporation) by reason of the fact that he or she is or was an Authorized Representative of the corporation, or is or was serving at the request of the corporation as a representative of another corporation, 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 such action, suit or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best

interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe their 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 or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that their conduct was unlawful.

7.7.5 *Indemnification in Derivative Actions.* The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit 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 an Authorized Representative of the corporation, or is or was serving at the request of the corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit 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 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 their duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine 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.

7.7.6 *Mandatory Indemnification.* Notwithstanding any contrary provision of the Articles of Incorporation or these Bylaws, to the extent that an Authorized Representative of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in these Bylaws, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

7.7.7 *Determination of Entitlement to Indemnification.* Unless ordered by a court, any indemnification under these Bylaws shall be made by the corporation only as authorized in the specific case upon determination that indemnification of the Authorized Representative is proper in the circumstances because he or she has met the applicable standard of conduct. Such determination shall be made:

- (a) by the Board by a majority vote of a quorum consisting of Authorized Representatives who were not parties to such action, suit or proceeding; or

- (b) if such a quorum is not obtainable (or, even if obtainable, a majority vote of a quorum of disinterested Authorized Representatives so directs), by independent legal counsel in a written opinion.

7.7.8 Advancing Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors in a specific case, upon receipt of an undertaking by or on behalf of the Authorized Representative to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Section.

7.7.9 Indemnification of Former Representatives. Each such indemnity may continue as to a person who has ceased to be an Authorized Representative of the corporation and may inure to the benefit of the heirs, executors, and administrators of such Authorized Representative.

7.7.10. Reliance on Provisions. Each person who shall act as an Authorized Representative of the corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Section, and such rights shall be deemed contractual.

~~7.7—Limitation of Personal Liability of Directors; Indemnification of Directors, Officers and Other Authorized Representatives. In the following sections of this Article, the term Director includes the terms Officer and Authorized Representative. REVIEW BY SOLICITOR—~~

~~7.7.1—A director of the corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless (a) the director has breached or failed to perform the duties of his or her office as defined in Section 7.7.2.1 below, and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness, provided, however, that the preceding sentence shall not apply to the responsibility or liability of a director pursuant to any criminal statute, or to the liability of a director for the payment of taxes pursuant to local, state or federal law. REVIEW BY SOLICITOR~~

~~7.7.2—Standard of Care and Justifiable Reliance~~

~~7.7.2.1 A director of the corporation shall stand in a fiduciary relationship to the corporation, and shall perform his or her duties as a director (including his or her duties as a member of any committee of the Board of Directors upon which he or she may serve) in good faith, in a manner he or she 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 director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial~~

statement and other financial data, in each case prepared or presented by any of the following:—REVIEW BY SOLICITOR

- ~~7.7.2.1.1~~ One or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent in the matters presented;
 - ~~7.7.2.1.2~~ 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;
 - ~~7.7.2.1.3~~—A committee of the Board of Directors upon which he or she 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
- ~~7.7.3~~—A director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would ease his or her reliance to be unwarranted.
- ~~7.7.3.1~~—In discharging the duties of their respective positions, the Board of Directors, committees of the board and individual directors may, in considering the best interests of the corporation, consider the effects of any action upon employees, upon persons with whom the corporation has business and other relations, and upon communities in which the offices or other establishments of or related to the corporation are located, and any other pertinent factors. The consideration of those factors shall not constitute a violation of Section 7.7.2.1 hereof.
 - ~~7.7.3.2~~—Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a director, or any failure to take any action shall be presumed to be in the best interests of the corporation.
 - ~~7.7.4~~—Indemnification in Third Party Proceedings. The corporation shall indemnify any person who was or is a party 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 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 representative of another corporation, 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 such action, suit or proceeding if he or she acted in good faith and in a manner reasonably believed to be, or not opposed to, in the best interests of the corporation and, with respect to any criminal action or proceeding, had no reasonable cause to order, settlement, conviction, or upon a pleas 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 or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, he or she had reasonable cause to believe that his or her conduct was unlawful.—REVIEW BY SOLICITOR
 - ~~7.7.5~~—Indemnification in Derivative Actions. The corporation shall indemnify and person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit 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 representative of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred in a manner he or she reasonably believed to be, or not opposed to, in the best interests of the corporation 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 or her duty to the corporation unless and only to the extent that the Court of Common Pleas of the county in which the corporation's registered office is located or the court in 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 of Common Pleas or such other court shall deem proper.— REVIEW BY SOLICITOR~~
- ~~7.7.6—Mandatory Indemnification. Notwithstanding any contrary provision of the articles or these by-laws, to the extent that a representative of the corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in either Section 7.7.4 or Section 7.7.5 above, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.— REVIEW BY SOLICITOR~~
- ~~7.7.7—Determination of Entitlement to Indemnification. Unless ordered by a court, any indemnification under section 7.7.4 or 7.7.5 above shall be made by the corporation only as authorized in the specific case upon 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 such paragraph. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable (or, even if obtainable, if a majority vote of quorum of disinterested directors so directs) by independent legal counsel in a written opinion.— REVIEW BY SOLICITOR~~
- ~~7.7.8—Advancing Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors 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 or she is entitled to be indemnified by the corporation as authorized in this Article VII.— REVIEW BY SOLICITOR~~
- ~~7.7.9—Indemnification of Former Representatives. Each such indemnity may continue as to a person who has ceased to be a representative of the corporation and may inure to the benefit of the heirs, executors, and administrators.~~
- ~~7.8—Insurance. The corporation 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 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. REVIEW BY SOLICITOR~~

~~7.9—Reliance on Provisions. Each person who shall act as an authorized representative of the corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article VII. REVIEW BY SOLICITOR~~

Article VIII PENNBOC Regions

8.1 The Board of Directors will, by policy, divide the Commonwealth into geographic regions. Regions shall operate Regional officers, operating under bylaws established within this Article, ~~or locally adopted bylaws that are not in conflict with the regional bylaws prescribed within this Article, will and may~~ provide local professional networking and educational opportunities for their members.

8.2 Regions operating in accordance with PENNBOC's purposes and objectives enumerated in Article II, and in compliance with Article VIII, are entitled to receive support and membership from the state organization.

8.2.1 PENNBOC benefits and services available to Regions shall include membership, communication, financial, administrative and educational support as determined by the policies established by the Board of Directors.

~~8.2.2—Financial benefits include, but are not limited to use of PENNBOC's EIN, dues sharing, coverage for the local treasurer under the state treasurer's bond, and inclusion in the filing of the annual IRS form 990.~~

8.3 Meetings

8.3.1 Regional meetings shall be held at least quarterly at a time and place determined by the Officers.

8.3.2 The Secretary/Treasurer shall provide all members with a meeting notice, which must be provided at least ~~10~~ three business days prior to the meeting and accompanied by a meeting agenda to enable transaction of business. Copies of meeting minutes shall be provided to the state organization within 15 days.

8.3.3 A quorum for transaction of business shall consist of ~~3~~ two officers and 10% of the region members entitled to vote, as established in Article III.

8.3.4 Meetings may be conducted by electronic means in accordance with Section 5.6 Article VII.

8.3.5 All meetings shall be conducted according to guidelines established by the meeting chairperson.

8.3.6 A simple majority vote shall be required to approve any action.

8.4 Officers

8.4.1 There shall be a Chair, Vice-Chair, and Secretary/Treasurer-President, Vice President, Secretary and Treasurer who shall serve two-year terms. The Chair and Vice-Chair President and Vice President cannot may succeed themselves.

8.4.2 The officers' duties shall be in accordance with Article VI, exclusive of duties required only by the state chapter, whereas the Chair corresponds to the President, the Vice-Chair corresponds to the Vice-President, and the Secretary/Treasurer to the combined duties of the Secretary and Treasurer.

8.4.3 The Region's Officers shall also be designated as the Region's three representatives to the State's Board of Directors. Each Region shall designate three representatives to the State Board of Directors. The Region's representatives to the State Board of Directors shall include the Region's Chair, Vice-Chair, and a third individual selected by the Region. In the event that the Region's Chair or Vice-Chair is also serving as an officer of the State organization, the Region may select another individual to serve as a representative to the State Board of Directors.

8.5 Elections

8.5.1 Elections shall be conducted ~~during even numbered years~~ at a regular meeting conducted in accordance with Section 8.3.

8.5.2 A nominating committee appointed by the ~~Chair President~~ shall provide a list of candidates for each office to the Secretary, who shall disseminate the slate of officers to all region members in accordance with 8.3.2.

8.5.3 All members eligible to vote in accordance with Article III and present at the meeting shall cast votes only for candidates placed in nomination in accordance with 8.5.2 or nominated from the floor at the meeting.

8.5.4 Voting shall be conducted in accordance with Article X.

8.6 Committees

8.6.1 The officers and immediate past ~~Chair president~~ shall serve as an Executive Committee to perform duties comparable to those performed at the state chapter by the Board of Directors in accordance with Article VII, and for the execution of papers in accordance with Article XIII.

8.6.2 The ~~President Chair~~ shall appoint committees that are established by the Executive Committee, which ~~shall~~ may include Education, Finance and Nominations.

8.6.3 The Region's membership may establish a local Board of Directors. The Region's Board of Directors shall include its three local Officers and up to four additional members from the Region elected in accordance with Section 8.3 and Section 8.5.

~~8.7 Region responsibilities to receive state chapter benefits—ADD GENERAL STATEMENT?—The Region must comply with the policies and procedures established by the state Board of Directors.~~

~~8.7.1 If electing to adopt regional bylaws in lieu of operating procedures enumerated in Article VIII, any original documents and amendments must be submitted to the Board of Directors and be verified as not in conflict with state chapter bylaws.~~

~~8.7.2 Submit an annual financial report to PENNBOC utilizing PENNBOC's form.~~

~~8.7.3 Have 3 qualified check signers and require two signatures for each check. An authorized check signer may not sign a check payable to him/her.~~

~~8.7.4 Conduct an annual audit and report the results to PENNBOC. Check signers and the regional Treasurer may only participate as an informational resource.~~

~~8.7.5—Appoint a representative from its Education Committee to serve on the state Education Committee.~~

~~8.7.6—Elect three delegates to serve on the State BOD~~

~~Article IX—Local ICC Chapters~~

~~9.1—Any PENNBOC Region that has become an ICC Local Chapter shall operate in accordance with Article VIII to be eligible to receive PENNBOC benefits and services. In that context, substitute “ICC Local Chapter” for “Region” within Article VIII, or within Local Chapter Bylaws that are drafted for consistency with state bylaws.~~

~~9.2—Any current or future ICC Local Chapter that is not operating contemporaneously as a PENNBOC Region may opt to cease operating independently and become a participating PENNBOC Local Chapter by providing PENNBOC with a resolution stating the desire to participate and the acceptance of the requirements contained in Articles VIII and IV. Passage of this resolution shall require a vote of the general membership of each ICC Chapter. Notice of the meeting at which this resolution is to be considered, and a copy of the resolution, must be distributed to the members at least 15 days prior to the meeting at which it is considered. Passage of the resolution shall require approval by two thirds of the voting members present at the meeting, provided that at least 3 officers and 10% of the members eligible to vote are present at the meeting.~~

Article IX Removal from Office

9.1 Officers and Board of Directors may be removed from office for cause by a vote of at least 75% of the Board of Directors.

9.2 Cause for Removal. Valid reasons to remove an Officer or Board of Director include, but are not limited to, failure to perform the essential functions or expectations of the office, engaging in activities or positions that are in conflict with the approved objectives of PENNBOC, or a violation of the organization’s code of ethics.

9.3 Notice. Individuals who are the subject of a vote for removal must be given 30 days written notice prior to a scheduled vote. Written notice of a scheduled vote for removal must also be provided to the full Board of Directors at least 10 days prior to a schedule vote.

Article X Elections

10.1 An election meeting shall be held ~~in even-numbered years~~ at the annual meeting, with the date and place being established by the Board of Directors in accordance with Section 5.1 of these bylaws, and announced to each member by the Secretary, ~~by mail~~, at least two weeks prior to the time of such meeting The announcement shall include names of all nominees with a statement that the nominees will be voted on at the election meeting. Votes shall be counted only

- for candidates placed in nomination at the nomination day meeting or nominated from the floor at this meeting.
- 10.2 The President shall appoint a nominating committee, consisting of a past president and four active members who are not PENNBOC State Officers, at least two months prior to the annual meeting. The committee may not contain more than 2 members from the same Region ~~or ICC Chapter~~. The committee shall report its list of nominees to the Secretary with sufficient time to provide sufficient notice, per Section 10.1.
- 10.3 Officers shall be elected by a majority vote of the voting membership present at the annual meeting of PENNBOC. Election of officers will be held during the business session of this meeting, and their terms shall begin on the date of the next regular Board of Directors meeting.

Article XI Voting

- 11.1 The Secretary shall be responsible for verifying that only eligible members are voting.
- 11.2 Each eligible voting member present has the right to vote or waive that right, and is entitled to one vote.
- 11.3 No member may vote by proxy or absentee ballot.

Article XII Committees

- 12.1 The following standing committees shall be appointed by the President at the Board of Directors meeting immediately following an annual meeting:
- 12.1.1 Membership Services Committee: This committee shall develop and implement strategies to attract and retain members, seek and react to input from individual members, regions and participating local chapters regarding programs and policies that provide value to PENNBOC membership, and effectively communicate PENNBOC's goals, accomplishments and value of membership to its members, ICC and the general public.
- 12.1.2 Finance: This committee shall be responsible for budgeting and auditing functions, and shall make appropriate reports to the Board of Directors and general membership.
- 12.1.3 Government Relations: This committee shall review existing and proposed legislation and regulations pertaining to the PA UCC, initiate appropriate exchanges of information with legislative and regulatory entities, and offer PENNBOC code expertise as a resource for decision makers in the PA UCC process.
- 12.1.4 ICC Relations: This committee shall make recommendations to the Board of Directors regarding nomination or endorsement of candidates for ICC positions at the Region VII or international level. It shall also promote and report on activities of ICC Region VII, promote PENNBOC presence at ICC conferences, and participation in the ICC code change process.

- 12.1.5 Education: Promote training, continuing education, and certification of all members. Provide training and peer networking opportunities. Coordinate activities with other training providers and recommend training partnerships. Subcommittees may be formed to plan, promote and execute conferences and training events; to assure that all regions and participating local chapters are aware of, providing input into and utilizing state educational resources; and to plan and execute social networking activities in conjunction with conference and training events.
- 12.2 The President shall appoint other committees ~~that he deems~~-necessary, or that are directed to be formed by the Board of Directors. The charge and function of all special or ad hoc committees shall be specified by the President.
- 12.3 Each committee chairperson shall deliver a written report to the Secretary prior to every Board of Directors and annual meeting.

Article XIII Code of Ethics

- 13.1 PENNBOC ascribes to the ideals of the Code of Ethics published in the ICC sample constitution/bylaws furnished to its chapters.
- 13.2 Allegations of unethical behavior by PENNBOC members shall be reviewed by the Executive Committee and findings are to be reported to the Board of Directors.
- 13.3 The Board of Directors may suspend a member's privileges for just cause, and the general membership may, upon recommendation of the Board of Directors, take action at a regular meeting to expel the member for unethical practices.

Article IX Execution of Papers

- 14.1 Except as the Executive Committee may generally or in particular cases authorize the execution thereof in some other manner, all deeds, releases, transfers, contracts, bonds, notes, checks, drafts and other obligations made, accepted or endorsed by PENNBOC shall be signed by the President and Treasurer.

Article XV Association Activities

- 15.1 PENNBOC shall not directly or indirectly support or endorse legislation or proposals pertaining to general municipal policy. All proposals on such matters shall take the form of recommendations.
- 15.2 It shall be the right of PENNBOC to communicate with any person or organization in pursuit of its objectives on matters that are not in direct conflict with Section 1 or inconsistent with IRC 501 (c)(3).

Article XVI Dissolution

- 16.1 PENNBOC may be dissolved only by action of the Board of Directors. Action may be initiated by the Board of Directors or in response to a petition from the membership. A petition for the dissolution shall be made only at an annual

meeting by a majority vote of the voting members present. No proposition for dissolution shall be acted upon unless written notice thereof has been given to the Secretary at least 60 days prior to the meeting. A copy of such proposition shall be sent to every member of PENNBOC at least 30 days before the date of the next annual meeting in which the petition is to be voted upon. No action shall be taken by the Board of Directors on their own initiative to dissolve PENNBOC without notice thereof being sent to every member of PENNBOC at least 30 days before the date of the next annual meeting at which such proposal of the Board of Directors shall be discussed and the recommendations of PENNBOC formulated.

~~16.2 — No part of the income of the corporation shall be paid, distributed, or otherwise inure to the benefit or use of its directors or officers or other private persons, except that the corporation shall be authorized to pay compensation in a reasonable amount to its directors or officers for services rendered, and to make payments and distributions in furtherance of its general corporate purposes including contributions and donations for charitable purposes. [EDITOR'S NOTE: moved section to 2.2]~~

16.3 Dissolution. Upon dissolution of the corporation, the assets of the corporation shall not be distributed to its directors, officers, members, trustees, or other private persons. Upon such dissolution, the Board of Directors of the corporation (the "Board" or the "Board of Directors") shall, after paying or making provision for the payment of all corporate liabilities and for the disposition of any property committed to charitable purposes as required by court order, transfer and convey the remaining assets to such charitable organization or organizations as the Board of Directors shall determine to be similar to the corporation's character, purpose, and method of operation and properly qualified as tax-exempt charitable organization(s) pursuant Section 501 (c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may be amended.

Article XVII Disbursement of Funds

17.1 No part of the income of the corporation shall be paid, distributed, or otherwise inure to the benefit or use of its directors or officers or other private persons, except that the corporation shall be authorized to pay compensation in a reasonable amount to its directors or officers for services rendered, and to make payments and distributions in furtherance of its general corporate purposes including contributions and donations for charitable purposes.

17.2 Upon dissolution of the corporation, the assets of the corporation shall not be distributed to its directors or officers or other private persons. Upon such dissolution, the Board of Directors of the corporation (the "Board" or the "Board of Directors") shall, after paying or making provision for the payment of all corporate liabilities and for the disposition of any property committed to charitable purposes as required by court order, transfer and convey the remaining

assets to such charitable organization or organizations as the Board of Directors shall determine to be similar to the corporation's character, purpose, and method of operation.

Article XVIII Property and Trust

17.1 Any real property which may be obtained by PENNBOC, and any savings accounts, bonds, or like investments, and all property given to or held by it in trust for purposes of PENNBOC shall be controlled and managed by the Executive Committee.

Article XVIII Amendments

18.1 Amendments to these bylaws must be consistent with IRC Section 501 (c) (3).

18.2 A proposed amendment may be initiated in writing by ~~a petition by~~ five (5) percent of the voting membership, and shall be submitted to the ~~BOD~~ Board of Directors.

18.3 A proposed amendment may be initiated by motion of the ~~BOD~~ Board of Directors at any regular or special meeting.

18.4 Notice of the proposed bylaws amendment shall be sent to all members entitled to vote not less than 20 days prior to the meeting at which the Amendment may be addressed. ~~annual business meeting.~~

18.5 Proposed bylaws amendments shall be presented to the voting membership at the annual business meeting or special meeting by the ~~BOD~~ Board of Directors, with any recommendations, for general membership discussion and possible floor amendments, followed by a vote. If 2/3 of the eligible voters vote in the affirmative, the amendment shall be adopted. The amendment shall become effective immediately, and shall be posted on the PENNBOC web site within 20 days of the adoption date.

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