

BYLAWS
OF
AMITY TOWNSHIP ATHLETIC CLUB, INC

(a Pennsylvania nonprofit corporation)

ARTICLE I.

Section 1.01. **PURPOSE.** Amity Township Athletic Club, Inc. (the “Corporation”) is incorporated under the Nonprofit Corporation Law of 1988 of the Commonwealth of Pennsylvania to engage exclusively in charitable, educational, religious or scientific activities within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any successor United States Internal Revenue law (the “Code”). Specifically, but without limiting the foregoing, the Corporation is organized to promote amateur athletics, enhance the physical and emotional health of all participating children and develop and encourage sportsmanship.

ARTICLE II.

OFFICES AND FISCAL YEAR

Section 2.01. **REGISTERED OFFICE.** The initial registered office of the Corporation shall be located at 55 Amity Park Road, Birdsboro, Berks County, Pennsylvania 19508.

Section 2.02. **OTHER OFFICES.** The Corporation may also have offices at such other places, within or without Pennsylvania, as the board of directors may from time to time appoint or the business of the Corporation may require.

Section 2.03. **FISCAL YEAR.** The fiscal year of the Corporation shall end on the last day of December.

ARTICLE III.

NOTICE - WAIVERS - MEETINGS GENERALLY

Section 3.01. **MANNER OF GIVING NOTICE.**

(a) **General Rule.** Whenever notice is required to be given to any person under the provisions of Pennsylvania law, the Corporation’s Articles of Incorporation (the “Articles”) or these Bylaws, it may be given to such person, either personally or by sending a

copy thereof by first class mail, postage prepaid, by telephone, by facsimile with transmittal confirmation, by electronic mail with transmittal confirmation or by telegram, charges prepaid, to his or her address (including his or her electronic mail address) or telephone or facsimile number appearing on the books of the Corporation or, in the case of directors, supplied by him or her to the Corporation for the purpose of notice. If the notice is sent by mail or by telegraph, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office for transmission to such person. A notice of meeting shall specify the place, day and time of the meeting and any other information required by any other provision of Pennsylvania law, the Articles or these Bylaws.

(b) Adjourned Meetings. When a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 3.02. NOTICE OF MEETINGS OF BOARD OF DIRECTORS.

(a) Notice.

(1) Notice of a regular meeting of the board of directors need not be given, except by the adoption of a resolution by the board of directors establishing the places, dates, and times of regular meetings.

(2) Notice of a special meeting of the board of directors shall be given to each director by telephone or in writing at least twenty-four (24) hours before the time at which the meeting is to be held.

(b) Content. Every required notice of a meeting shall state the place, date and time of the meeting. Unless otherwise provided by Pennsylvania law, neither the business to be transacted at, nor the purpose of, any special meeting of the board need be specified in a notice of such meeting.

Section 3.03. WAIVER OF NOTICE.

(a) Written Waiver. Whenever any written notice is required to be given under the provisions of Pennsylvania law, the Articles or these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of such meeting.

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

Section 3.04. MODIFICATION OF PROPOSAL CONTAINED IN NOTICE.

Whenever the language of a proposed resolution is included in a written notice of a meeting, the meeting considering the resolution may, without further notice, adopt it with such clarifying or other amendments as do not enlarge its original purpose.

Section 3.05. EXCEPTION TO REQUIREMENT OF NOTICE. Whenever any notice or communication is required to be given to any person under the provisions of Pennsylvania law, the Articles or these Bylaws, or by the terms of any agreement or other instrument or as a condition precedent to taking any corporate action, and communication with such person is then unlawful, the giving of such notice or communication to such person shall not be required.

Section 3.06. USE OF CONFERENCE TELEPHONE AND SIMILAR EQUIPMENT.

One or more persons may participate in a meeting of the board of directors, or any committee thereof, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

ARTICLE IV.

MEMBERSHIP

Section 4.01. MEMBERSHIP. The Corporation shall have no members. The affairs of the Corporation shall be managed by its board of directors. Any provision of Pennsylvania law requiring notice to, the presence of, or the vote, consent or other action by, members of a corporation in connection with any matter shall be satisfied by notice to, the presence of, or the vote, consent or other action by, the board of directors of the Corporation.

ARTICLE V.

BOARD OF DIRECTORS

Section 5.01. POWERS; STANDARD OF CARE.

(a) General Rule. Unless otherwise provided by Pennsylvania law, all powers vested by law in the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of the board of directors.

(b) Standard of Care; Justifiable Reliance. A director shall stand in a fiduciary relation to the Corporation and shall perform his or her duties as a director, including

duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner the director 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 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 Corporation 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 of directors upon which the director 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.

A director shall not be considered to be acting in good faith if the director has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

(c) Consideration of Factors. In discharging the duties of their respective positions, the board of directors, committees of the board of directors and individual directors may, in considering the best interests of the Corporation, consider the effects of any action upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (b) above.

(d) Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, any action taken as a director or any failure to take any action shall be presumed to be in the best interests of the Corporation.

(e) Notation of Dissent. A director who is present at a meeting of the board of directors, or of a committee of the board of directors, at which action on any corporate matter is taken, shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless the director files a written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the secretary of the Corporation immediately after the adjournment of the meeting. The right to dissent shall not apply to a director who voted in favor of the action. Nothing in this section shall bar a director from asserting that minutes of the meeting incorrectly omitted his or her dissent if, promptly upon receipt of a copy of such minutes, the director notifies the secretary in writing of the asserted omission or inaccuracy.

Section 5.02. QUALIFICATION AND SELECTION OF DIRECTORS.

(a) Qualifications. Each director of the Corporation shall be a natural person 21 years of age or older and shall attend six (6) meetings during the twelve (12) month period prior to the election meeting.

(b) Election of Directors. Except as otherwise provided in the Articles or these Bylaws, directors of the Corporation shall be elected by majority vote of the directors present at a duly called meeting of the board of directors where a quorum is present. In elections for directors, voting need not be by ballot, except upon demand made by a person entitled to vote at the election and before the voting begins. The candidates receiving the highest number of votes cast shall be elected. Nominations of the Directors shall be held at the regular meeting in November. Election of the Directors shall be held at the regular meeting in December and such newly Directors shall be seated immediately upon beginning of the said December meeting.

Section 5.03. NUMBER AND TERM OF OFFICE.

(a) Number. The board of directors shall consist of not less than five (5) nor more than eleven (11) directors.

(b) Term of Office. Except as otherwise provided herein, the term of office for each director shall be [three (3)] years and the term of office shall begin at the annual meeting of the board of directors. Each director shall hold office until the expiration of the term for which he or she was selected and until a successor shall be selected and shall qualify or until his or her earlier death, resignation or removal. A decrease in the number of directors shall not have the effect of shortening the term of any incumbent director. There shall be no limitation on the terms of office for members of the board of directors.

(c) Resignation. Any director may resign at any time upon written notice to the Corporation. The resignation shall be effective upon receipt thereof by the Corporation or at such subsequent time as shall be specified in the notice of resignation.

Section 5.04. VACANCIES. If a vacancy occurs in the office of a director for any reason, including an increase in the number of directors, the board of the directors of the Corporation shall select a successor by majority vote of the directors present at a duly called meeting of the board of directors where a quorum is present, and such director shall hold office for the unexpired term for which the vacancy occurred, if applicable.

Section 5.05. REMOVAL OF DIRECTORS. A director may be removed from office, with or without cause, at any time by vote of two-thirds (2/3) or more of the directors then in office.

Section 5.06. PLACE OF MEETINGS. Meetings of the board of directors shall be held in Amity Township, Berks County, Pennsylvania.

Section 5.07. ORGANIZATION OF MEETINGS. At every meeting of the board of directors, the chairman of the board, if there be one, or in the case of a vacancy in the office or absence of the chairman of the board, one of the following officers present, in the order stated, shall act as chairman of the meeting: the vice chairman of the board, if there be one; the president; the treasurer; or a person chosen by a majority of the directors present. The secretary, or, in the absence of the secretary, any person appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 5.08. REGULAR MEETINGS. Regular meetings of the board of directors shall be held at such places, dates and times as shall be designated from time to time by resolution of the board of directors.

Section 5.09. SPECIAL MEETINGS. Special meetings of the board of directors shall be held whenever called by the chairman or two (2) or more directors of the Corporation.

Section 5.10. QUORUM OF AND ACTION BY DIRECTORS.

(a) General Rule. A majority of the directors in office shall be necessary to constitute a quorum for the transaction of business and, except as otherwise expressly provided in these Bylaws, the acts of a majority of the directors present at a meeting at which a quorum is present shall be the acts of the board of directors.

(b) Fundamental Transactions. Any "Fundamental Transaction" (as defined herein) shall require a vote of two-thirds (2/3) or more of the directors then in office. A "Fundamental Transaction" shall include the following:

- (1) the amendment or repeal of the Corporation's Articles or Bylaws;
- (2) the increase or decrease in the authorized number of members of the board of directors of the Corporation;
- (3) any merger, consolidation or reorganization of the Corporation;
- (4) any division or conversion of the Corporation;
- (5) the sale of all or substantially all of the assets of the Corporation;
- (6) the formation of a subsidiary of the Corporation;
- (7) the voluntary dissolution or liquidation of the Corporation;
- (8) the creation of a membership class of the Corporation;
- (9) the execution, modification or termination of any contract, lease agreement or license agreement of the Corporation which has a term of over one (1) year in duration or has a total value of five thousand dollars (\$5,000) or more;

(10) the incurrence of any debt, guaranty or lien, or series of related debts, guarantees or liens in excess of ten thousand dollars (\$10,000); and

(11) the establishment of, increase in or decrease in, compensation for any management personnel of the Corporation.

(c) Voting Rights. Each director shall be entitled to one vote.

(d) Action by Written Consent. Any action which may be taken at a meeting of the directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors then in office and shall be filed with the secretary of the Corporation.

Section 5.11. COMMITTEES.

(a) Establishment. The Chairman may establish one (1) or more committees to consist of one (1) or more directors of the Corporation and such other individuals as the board of directors may appoint.

(b) Finance Committee. Notwithstanding the foregoing, the board of directors shall establish a Finance Committee promptly following the adoption of these Bylaws.

(c) Powers. Any committee, to the extent provided in the resolution of the board of directors, shall have and may exercise all of the powers and authority of the board of directors, except that no such committee shall have any power or authority as to the following:

(1) action on matters committed by a resolution of the Board of Directors to another committee of the board; and

(2) the approval of Fundamental Transactions.

(3) all budgets must be submitted 60 days prior to each sport's registration for the board review and approval.

(4) all non-budgeted expenditures over \$500 brought up at meetings shall be taken back to the board of directors for discussions and recommendations before it can be voted on by the board of directors. The amount for all non-budgeted expenditures will be reviewed by the board of directors annually.

(d) Committee Quorum. Unless otherwise expressly provided in the resolution of the board of directors establishing any committee, a majority of the members of such committee shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the committee members present at a meeting at which a quorum is present shall be the acts of such committee.

(e) Alternate Committee Members. The Chairman may designate one or more individuals as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee.

(f) Term. Each committee of the board of directors shall serve at the pleasure of the Chairman.

Section 5.12. COMPENSATION. The board of directors and committee members shall receive no compensation for their services as directors and committee members. Directors and committee members may, however, receive reimbursement for approved expenses.

ARTICLE VI.

OFFICERS

Section 6.01. OFFICERS GENERALLY.

(a) Number, Qualifications and Designation. The officers of the Corporation shall be a president, a vice president, a secretary, a treasurer, and such other officers as may be designated in accordance with the provisions of this Section 6.01 and Sections 6.02 and 6.03. The president, vice president, secretary and treasurer shall each be natural persons of full age. The board of directors may elect, from among the members of the board, a chairman of the board and a vice chairman of the board, each of whom may also be an officer of the Corporation. Any number of offices may be held by the same person.

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

(c) Bonding. The Corporation may secure the fidelity of any or all of its officers by bond or otherwise. Alternatively, the Corporation may obtain fiduciary insurance on behalf of its officers.

(d) Standard of Care. An officer shall perform his or her duties as an officer 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.

(e) Compensation. The officers of the Corporation shall receive no compensation for their services as officers. Officers may, however, receive reimbursement for approved expenses.

Section 6.02. ELECTION AND TERM OF OFFICE. The officers of the Corporation, except those elected by delegated authority pursuant to Section 6.03, shall be elected annually by

majority vote of the directors present at a duly called meeting of the board of directors where a quorum is present, and each officer shall hold office for a term of one (1) year and until a successor shall be selected and shall qualify, or until his or her earlier death, resignation or removal. There shall be no limitations on the number of terms of office for the officers of the Corporation. Nominations of the Officers shall be held at the regular meeting in November. Election of the Officers shall be held at the regular meeting in December and such newly Directors shall be seated immediately upon beginning of the said December meeting.

Section 6.03. SUBORDINATE OFFICERS, COMMITTEES AND AGENTS. The Chairman may from time to time elect such other officers and appoint such committees or other agents as the business of the Corporation may require, including one or more assistant secretaries and one or more assistant treasurers, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the board of directors may from time to time determine. The Chairman may delegate to any officer or committee the power to elect subordinate officers and to retain or appoint other agents or committees thereof, and to prescribe the authority and duties of such subordinate officers, committees, or other agents.

Section 6.04. NO CONTRACT RIGHTS. Election or appointment of an officer or agent shall not of itself create any contract rights in the officer or agent.

Section 6.05. REMOVAL OF OFFICERS AND AGENTS. Any officer or agent of the Corporation may be removed at any time by majority vote of the directors present at a duly called meeting of the board of directors where a quorum is present, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of any person so removed.

Section 6.06. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled by majority vote of the directors present at a duly called meeting of the board of directors where a quorum is present, or by the officer or committee to which the power to fill such office has been delegated pursuant to Section 6.03, as the case may be, and if the office is one for which these Bylaws prescribe a term, shall be filled for the unexpired portion of the term.

Section 6.07. AUTHORITY. All officers of the Corporation, as between themselves and the Corporation, shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as are provided in these Bylaws or may be provided by or pursuant to resolutions or orders of the board of directors.

Section 6.08. CHAIRMAN. The Chairman shall preside at all meetings of the board of directors.

Section 6.09. THE PRESIDENT. If there is no chairperson, the president shall preside at all meetings of the board of directors. The president shall be the chief executive officer of the Corporation and shall have general supervision over the business and operations of the Corporation, subject, however, to the control of the board of directors. The president shall sign,

execute, and acknowledge, in the name of the Corporation, tax documents, deeds, mortgages, contracts or other instruments authorized by the board of directors, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors, or by these Bylaws, to some other officer or agent of the Corporation; and, in general, shall perform all duties incident to the office of chief executive officer, and such other duties as from time to time may be assigned by the board of directors.

Section 6.10. THE VICE PRESIDENT. The vice president shall perform all duties and have all authority given to the president of the Corporation, at any time when the president is unable to act, and shall have the same authority to sign, execute and acknowledge, in the name of the Corporation, tax documents, deeds, mortgages, contracts or other instruments as is granted to the president by Section 6.08. The vice president shall have such other duties and authority as from time to time may be assigned by the board of directors.

Section 6.11. THE SECRETARY. The secretary shall attend all meetings of the board of directors (or committees of the board) and shall record all votes of the directors (or committees persons) and the minutes of the meetings of the board of directors (or committees) in a book or books to be kept for that purpose; shall see that notices are given and records and reports properly kept and filed by the Corporation as required by law; shall be the custodian of the seal of the Corporation and see that it is affixed to all documents which are to be executed on behalf of the Corporation under its seal; and, in general, shall perform all duties incident to the office of secretary, and such other duties as may from time to time be assigned by the board of directors or the president. In addition, the secretary shall annually present a report to the board of directors not later than March 31st of each year summarizing all resolutions of the board of directors during the preceding fiscal year and certifying the accuracy of the records of the Corporation for such year.

Section 6.12. THE TREASURER. The treasurer or an assistant treasurer shall have or provide for the custody of the funds or other property of the Corporation; shall collect and receive or provide for the collection and receipt of moneys earned by or in any manner due to or received by the Corporation; shall deposit all funds in his or her custody as treasurer in such banks or other places of deposit as the board of directors may from time to time designate; shall, whenever so required by the board of directors, render an account showing all transactions as treasurer and the financial condition of the Corporation; and, in general, shall discharge such other duties as may from time to time be assigned by the board of directors or the president.

ARTICLE VII.

LIMITATION OF DIRECTORS' AND OFFICERS' LIABILITIES AND INDEMNIFICATION

Section 7.01. LIMITATION OF LIABILITY. To the fullest extent permitted by Pennsylvania law, a director or officer of the Corporation shall not be personally liable to the Corporation, or others for monetary damages for any action taken or any failure to take any

action, unless the director or officer has breached or failed to perform the duties of his office and such breach or failure constitutes self-dealing, willful misconduct or recklessness. The provisions of this Section 7.01 shall not apply with respect to the responsibility or liability of a director or officer under any criminal statute or the liability of a director or officer for the payment of taxes pursuant to local, state or federal law.

Section 7.02. INDEMNIFICATION.

(a) Indemnification. 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, by reason of the fact that such person is or was a director, officer, employee or agent of the Corporation, or is or was serving, at the request of the Corporation, as director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided, however that no indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

(b) Advance of Expenses. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the trustee, director, officer, employee, or agent to repay such amount if it shall be ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article VII.

(c) Indemnification Not Exclusive. The indemnification and advancement of expenses provided by this Article VII shall not be deemed exclusive of any other right to which persons seeking indemnification and advancement of expenses may be entitled under any agreement, vote of the board of directors, or otherwise, both as to actions in such persons' official capacity and as to their actions in another capacity while holding office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of any such person.

(d) Insurance, Contracts, Security. The Corporation may purchase and maintain insurance on behalf of any person, may enter into contracts of indemnification with any person, and may create a fund of any nature which may, but need not be, under the control of a trustee for the benefit of any person, and may otherwise secure, in any manner, its obligations with respect to indemnification and advancement of expenses, whether arising under this Article VII or otherwise, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VII.

Section 7.03. EFFECT OF AMENDMENT. Any repeal or modification of this Article VII shall require a vote of two-thirds (2/3) or more of the directors then in office. Any such repeal or modification shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director or officer of the Corporation or any right of any person to indemnification from the Corporation with respect to any action or failure to take any action occurring prior to the time of such repeal or modification.

ARTICLE VIII.

MISCELLANEOUS

Section 8.01. SEAL. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization, and the words "Corporate Seal, Pennsylvania."

Section 8.02. CHECKS. All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the board of directors, or any person authorized by resolution of the board of directors, may from time to time designate. All checks require two (2) signatures.

Section 8.03. CONTRACTS.

(a) General Rule. Except as otherwise provided by Pennsylvania law, the board of directors may authorize any officer or agent to enter into any contract or to execute or deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

(b) Statutory Form of Execution of Instruments. Any note, mortgage, evidence of indebtedness, contract or other instrument in writing, or any assignment or endorsement thereof, executed or entered into between the Corporation and any other person, when signed by one or more officers or agents having actual or apparent authority to sign it, or by the chairman or vice chairman and secretary or treasurer of the Corporation, shall be held to have been properly executed for and in behalf of the Corporation. Such fact shall be without prejudice to the rights of the Corporation against any person who shall have executed the instrument in excess of his actual authority.

(c) Seal. Except as otherwise required by Pennsylvania law, the affixation of the corporate seal shall not be necessary to the valid execution, assignment or endorsement by the Corporation of any instrument in writing.

Section 8.04. INTERESTED DIRECTORS OR OFFICERS; QUORUM.

(a) General Rule. A contract or transaction between the Corporation and one or more of its directors or officers or between the Corporation and another corporation, partnership, association, or other organization in which one or more of its directors or officers

are trustees, directors, or officers, or have a financial interest, shall not be void or voidable solely for that reason, or solely because the director or officer is present at or participates in the meeting of the board of directors which authorizes the contract or transaction, if:

(1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors, and the board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors even though the disinterested directors are less than a quorum;

(2) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the directors, and the contract or transaction is specifically approved in good faith by vote of the directors; or

(3) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the board of directors of the Corporation.

(b) Quorum. Interested directors may be counted in determining the presence of a quorum at a meeting of the board which authorizes a contract or transaction specified in subsection (a) above.

(c) Special Rule. A contract, transaction or arrangement between the Corporation and one or more disqualified persons (as defined in Code Section 4958) shall be: (i) approved by a vote of only those directors unrelated to and not subject to the control of the disqualified person(s) involved in the contract, transaction or arrangement (and provided that such disqualified person(s) may respond to questions from such directors but otherwise must excuse himself or herself from such vote and any meetings or discussions of such directors regarding such contract, transaction or arrangement); (ii) based on appropriate data as to the comparability of such contract, transaction or arrangement with similar contracts, transactions or arrangements; and (iii) documented in the Corporation's minutes as to the basis the disinterested board of directors relied upon to make its determination regarding such contract, transaction or arrangement.

Section 8.05. DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the board of directors may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers or employees as the board of directors shall from time to time determine.

Section 8.06. CORPORATE RECORDS. The Corporation shall keep appropriate, complete and accurate books or records of account in accordance with generally accepted accounting principles consistently applied (except that the financial records of the Corporation may be kept on the cash receipts and disbursements method if permitted by law and deemed appropriate by the board), minutes of the proceedings of the directors, and a copy of these Bylaws, including all amendments thereto to date, certified by the secretary of the Corporation. All such records shall be kept at the registered office of the Corporation in Pennsylvania or at its

principal place of business. Any books, minutes or other records may be in written form or any other form capable of being converted into written form within a reasonable time.

Section 8.07. ANNUAL REPORT.

(a) Contents. The president and treasurer shall present a written report at the annual meeting of the board of directors, showing in appropriate detail the following:

(1) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report.

(2) The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report.

(3) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

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

(b) Place of Filing. The annual report of the board of directors shall be filed with the minutes of the meetings of the board of directors.

Section 8.08. AMENDMENT OF BYLAWS. Except for matters that are reserved by applicable law to only be altered, amended or repealed by the board of directors pursuant to such law, these Bylaws may be amended or repealed by vote of two-thirds (2/3) or more of the directors then in office. Any change in these Bylaws shall take effect when adopted, unless otherwise provided in the resolution effecting the change.

ARTICLE IX.

DISSOLUTION AND LIQUIDATION

Section 9.01. DISSOLUTION AND LIQUIDATION. Upon the dissolution of the Corporation, the Corporation's board of directors, after paying or making provisions for the payment of all of the liabilities and obligations of the Corporation, shall distribute all of the assets of the Corporation to such organization or organizations organized and operated exclusively for charitable, educational, religious, literary or scientific purposes as shall at the time qualify as an organization or organizations exempt under Code Section 501(a) and described in Code Section 501(c)(3), as the Corporation's board of directors shall determine, or to the federal government or a state or local government for a public purpose. No portion of the

assets shall inure to the benefit of any director or officer of the Corporation, any other private person, or any enterprise organized for profit.