

**BEFORE THE INSURANCE DEPARTMENT
OF THE
COMMONWEALTH OF PENNSYLVANIA**

**Statement Regarding the Acquisition of Control of or Merger with
Domestic Insurers:**

**Hospital Service Association of Northeastern Pennsylvania
d/b/a Blue Cross of Northeastern Pennsylvania;
First Priority Life Insurance Company, Inc.;
HMO of Northeastern Pennsylvania, Inc.,
d/b/a First Priority Health**

By Highmark Inc.

**BCNEPA SUPPLEMENTAL RESPONSE TO SUPPLEMENTAL INFORMATION
REQUEST 5.4.8.5.3 FROM THE PENNSYLVANIA INSURANCE DEPARTMENT**

REQUEST 5.4.8.5.3:

Please provide a copy of the changes proposed to be made to the Foundation's Articles of Incorporation and Bylaws and provide a copy of the Public Charity's draft organizational documents, including its proposed Articles and Bylaws.

SUPPLEMENTAL RESPONSE:

BCNEPA certifies to the best of its information, knowledge and belief that attached are drafts of the proposed Articles of Incorporation and Bylaws for the Public Charity and the proposed Articles of Amendment and Amended and Restated Bylaws for the Foundation. References to the names and addresses of the Public Charity and the Foundation in the attachments, including the use of the term "BCNEPA", are placeholders, because the names and addresses of such entities have not yet been determined.

**Hospital Service Association of
Northeastern Pennsylvania
d/b/a Blue Cross of Northeastern
Pennsylvania ("BCNEPA")
19 North Main Street
Wilkes-Barre, PA 18711**

Divider Page

**PENNSYLVANIA DEPARTMENT OF STATE
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

Articles of Incorporation-Nonprofit

(15 Pa.C.S.)

- ☒ Domestic Nonprofit Corporation (§ 5306)
☐ Nonprofit Cooperative Corporation (§ 7102B)

Name Dennis Cohen		
Address c/o Cozen O'Connor, 1900 Market St.		
City Philadelphia, PA	State PA	Zip Code 19103

Document will be returned to the name and address you enter to the left.

Fee: \$125

In compliance with the requirements of the applicable provisions (relating to articles of incorporation or cooperative corporations generally), the undersigned, desiring to incorporate a nonprofit/nonprofit cooperation corporation, hereby state(s) that:

1. The name of the corporation is:
[BCNEPA] Organization

2. The (a) address of this corporation's current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) Number and Street	City	State	Zip	County
19 N. Main St.	Wilkes-Barre	PA	18711	Luzerne

(b) Name of Commercial Registered Office Provider c/o:	County

3. The corporation is incorporated under the Nonprofit Corporation Law of 1988 for the following purpose or purposes.

See Exhibit A attached hereto

4. The corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

5. Check one of the following:

☒ The corporation is organized on a non-stock basis.

☐ *Option for Nonprofit Cooperative Corporation Only:* The corporation is organized on a stock share basis.

6. *For Nonprofit Corporation Only:*

(Strike out if inapplicable): The corporation shall have no members.

(Strike out if inapplicable): The incorporators constitute a majority of the members of the committee authorized to incorporate: _____ by _____
~~the requisite vote required by the organic law of the association for the amendment of such organic law.~~

7. *For Nonprofit Cooperative Corporation Only:*

Complete and strike out the inapplicable term: The corporation is a cooperative corporation and the common bond of membership among its (members) (shareholders) is: _____.

8. The name(s) and address(es) of each incorporator(s) is (are) *(all incorporators must sign below):*

Name(s)
Dennis Cohen

Address(es)
c/o Cozen O'Connor

1900 Market Street

Philadelphia, PA 19103

9. The specified effective date, if any, is:

____ month ____ day ____ year ____ hour, if any

10. Additional provisions of the articles, if any, attach an 8½ x 11 sheet.

IN TESTIMONY WHEREOF, the incorporator(s) has/have signed these Articles of Incorporation this

____ day of _____,

2014.

Signature

Signature

Signature

EXHIBIT A

[BCNEPA] ORGANIZATION

Article 3:

The corporation is organized exclusively for charitable, scientific, literary and educational purposes within the meaning of §501(c)(3) of the Internal Revenue Code (the "Code"). In furtherance of its purposes, the corporation shall provide or support programs which focus on health, education and disease prevention, human services activities, activities which improve the quality of life of children and families, activities for the promotion of social welfare, and lessening the burdens of government, either directly through sponsored programs or by grant making to assist other exempt organizations which carry on such activities within the 13 counties of Northeastern and North Central Pennsylvania. The corporation may also undertake such other activities as the Board of Directors shall approve so long as such activities are within the purposes permitted by these Articles and the Code with respect to charitable organizations.

Article 10:

To further the purposes set forth above, the corporation is empowered to accept gifts, grants, devises, or bequests of funds, or any other property from any public or other governmental body and any private person, which shall include, but not be limited to, private and public foundations, corporations and individuals.

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its Directors, officers, or other private persons except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above.

No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, directly or indirectly (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

Upon the dissolution of the corporation, the Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively to or for the benefit of such organization or organizations organized and operated exclusively for charitable, scientific, literary and educational purposes as shall at the time qualify as an exempt organization or organizations under §501(c)(3) of the Code, as the Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal

income tax under §501(c)(3) of the Code or by a corporation, contributions to which are deductible under §170(c)(2) of the Internal Revenue Code.

All references to the "Internal Revenue Code" or the "Code" shall mean the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law.

Divider Page

BYLAWS
OF
BCNEPA ORGANIZATION
A PENNSYLVANIA NONPROFIT CORPORATION

BCNEPA ORGANIZATION

BYLAWS

TABLE OF CONTENTS

<u>Article</u>	<u>Page</u>
<u>ARTICLE I - MEMBERSHIP</u>	1
<u>ARTICLE II - BOARD OF DIRECTORS</u>	1
<u>ARTICLE III - OFFICERS</u>	6
<u>ARTICLE IV - COMMITTEES OF THE BOARD OF DIRECTORS</u>	10
<u>ARTICLE V - ADVISORY BOARD</u>	11
<u>ARTICLE VI - LIMITATION OF DIRECTORS' LIABILITY AND INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER PERSONS</u>	12
<u>ARTICLE VII - CONFLICTS OF INTEREST</u>	16
<u>ARTICLE VIII - MISCELLANEOUS</u>	16
<u>ARTICLE IX - AMENDMENTS</u>	18
<u>ARTICLE X - MISSION STATEMENT</u>	18

BYLAWS
OF
BCNEPA ORGANIZATION
(a Pennsylvania nonprofit corporation)

ARTICLE I - MEMBERSHIP

Section 1-1 Members. The Corporation shall have no members. In accordance with the Nonprofit Corporation Law of 1988, as amended (15 Pa. C.S. § 5751(b)), all actions to be taken by members shall be taken by the Board of Directors.

ARTICLE II - BOARD OF DIRECTORS

Section 2-1 Number. The business and affairs of the Corporation shall be managed by a Board of not less than nine (9) nor more than thirty-five (35) Directors. Each Director shall be a natural person of the age 18 years or older and need not be a resident of the Commonwealth of Pennsylvania. So long as the Corporation owns the stock of AllOne Health Resources Corporation (“AHRC”), a majority of the Directors of the Corporation shall consist of individuals who are not directors of AHRC nor persons related to directors of AHRC.

Section 2-2 Election of Directors. Subject to the provisions of Section 2-1, the Directors of the Corporation shall be elected by the Directors entitled to vote at the annual meeting of the Directors or at such special meeting of the Directors called for such purpose.

Section 2-3 Term of Office of Directors. Each Director shall be elected to serve for a term of ____ (__) years and until his or her successor in office is duly elected and qualified, except in the event of his or her earlier death, resignation or removal. There shall be no limit on the number of terms to which a Director may be elected to serve.

Section 2-4 Removal of Directors. One or more Directors may be removed from office, with or without cause, only by the affirmative vote of a majority of the Directors or

by order of a court having jurisdiction of such matters. The Board of Directors may declare vacant the office of a Director if such Director is judicially declared of unsound mind or convicted of an offense punishable by imprisonment for a term of more than one year, or for any other proper cause, or if within 60 days after notice of selection, the Director does not accept such office either in writing or by attending a meeting of the Board of Directors.

Section 2-5 Vacancies on the Board of Directors. Subject to the provisions of Section 2-1, any vacancy or vacancies on the Board of Directors, including a vacancy or vacancies resulting from an increase in the number of Directors, shall be filled by a vote of a majority of the remaining members of the Board of Directors, though less than a quorum, at any regular meeting or at a special meeting called for such purpose; and each person so elected shall be a Director to serve for the balance of the unexpired term. When one or more Directors resign from the Board of Directors effective at a future date, the Directors then in office, including those who have so resigned, shall have the power by the applicable vote to fill the vacancies, the vote thereon to take effect when the resignations become effective.

Section 2-6 Resignation of Directors. Any Director may resign from office without assigning cause, by delivering a written statement of resignation to the Secretary of the Corporation. Any such resignation shall take effect immediately upon its receipt by the Secretary of the Corporation, unless a later effective time or date for the resignation is specified in the notice of resignation.

Section 2-7 Place and Time of Meetings. Annual meetings of the Directors shall be held at the principal office of the Corporation in the Commonwealth of Pennsylvania or at such other place and at such time as the Board of Directors shall designate. At least five (5)

days' notice of the time and place so fixed shall be given to the Directors. Election of Directors, if necessary, and the election of officers shall occur at the annual meeting. Special meetings of the Directors may be called from time to time by the Chairman or upon request in writing to the Chairman by a majority of the Directors then in office, and may be held at such time and place within the Commonwealth of Pennsylvania or elsewhere, as may be designated in the notice calling the meeting. At least three (3) days' notice of the time and place of any special meeting shall be given to each Director. At least five (5) days' notice of the time and place of any regular meeting shall be given to each Director.

Section 2-8 Waiver of Notice. Any meeting of the Board of Directors shall be deemed to have been validly and legally called if all of the Directors entitled to vote at the meeting sign a written waiver of notice, either before or after the meeting or a waiver of notice, as provided in the next sentence, has occurred. Attendance of a Director at any meeting shall constitute a waiver of notice of that meeting and no written waiver need be obtained from that Director except when the Director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. All such written waivers shall be filed with the Secretary of the Corporation in record form.

Section 2-9 Actions by Unanimous Written Consent. Any action required or permitted to be approved at a meeting of the Directors may be approved without a meeting, if a consent or consents to the action in record form are signed, before, on or after the effective date of the action, by all of the Directors in office on the date the last consent is signed. The consent or consents must be filed with the Secretary of the Corporation.

Section 2-10 Quorum; Voting. Unless otherwise provided in these Bylaws, the presence of a majority of the Directors in office (at least a majority of whom are not also directors of AHRC) shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board of Directors. If there be less than such a quorum present, the majority of those present may adjourn the meeting from time to time and place to place and shall cause notice of each such adjourned meeting to be given to all absent Directors. At all meetings of Directors, each Director entitled to vote may attend and shall be entitled to one vote. The following matters coming before any meeting of Directors must be approved by the affirmative vote of at least two thirds (66-2/3%) of the total number of Directors of the Corporation:

- (a) Amendment of the Articles of Incorporation; and
- (b) Amendment of these Bylaws as provided in Article IX.

Section 2-11 Conference Telephone. The Chairman, in his or her sole discretion, may permit one or more persons to participate in a meeting of the Board of Directors or of any committee thereof by means of conference telephone or other electronic technology by means of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 2-12 Attendance at Board Meetings. If any Director fails to attend three (3) or more consecutive regular meetings of the Board of Directors without good cause, the Board of Directors may act to remove such Director from the Board in accordance with the terms of Section 2-4 hereof.

Section 2-13 Compensation. A Director shall not be entitled to any compensation for his or her services as a Director. The foregoing shall not prevent the Board of Directors from reimbursing any Director for expenses actually and necessarily incurred in the performance of his or her duties as a Director or from entering into a contract, directly or indirectly, with a Director for the providing of goods or services to the Corporation if such contract is consistent with the terms of any policy relating to conflicts of interest and transactions with Directors of the Corporation which may be approved from time to time by the Board of Directors.

Section 2-14 Powers.

(a) General Powers. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The Board of Directors may exercise all powers of the Corporation and do all such lawful acts and things as are directed or required to be exercised and done by statute, the Articles of Incorporation or these Bylaws.

(b) Specific Powers. Without limiting the general powers conferred by Section 2-13(a) and the powers conferred by the Articles of Incorporation and these Bylaws, it is hereby expressly declared that the Board of Directors shall have the following powers:

(i) To confer upon any officer or officers of the Corporation the power to choose, remove or suspend assistant officers, agents or servants.

(ii) To appoint any person, firm or corporation to accept and hold in trust for the Corporation any property belonging to the Corporation or in which it is interested, and to authorize any such person, firm or corporation to execute any documents and perform any duties that may be requisite in relation to any such trust.

(iii) To authorize and approve the payment of compensation for employees and the entering into of employment contracts between the Corporation and employees of the Corporation.

(iv) To approve and authorize the borrowing of money and the granting of security interests in the personal property and mortgages on the real estate of the Corporation as security for the repayment of loans and interest thereon.

(v) To appoint a person or persons to vote shares of another corporation held and owned by the Corporation.

(vi) To purchase, sell, lease, mortgage, pledge, transfer in trust, and otherwise deal with real and personal property of the Corporation.

(vii) To seek grants and donations from individuals and from governmental, charitable, educational or other appropriate organizations, or from the public sector.

(viii) To approve fund raising programs.

ARTICLE III - OFFICERS

Section 3-1 Offices and Election. The Corporation shall have a Chairman, a Secretary and a Treasurer who shall be elected by the Board of Directors. The Corporation may have such other officers and one or more assistant officers, as may be authorized from time to time by the Board of Directors. If no President is elected by the Board of Directors, the Chairman shall perform the customary duties of the President. Any two (2) or more offices may be held by the same person except the offices of Chairman and Secretary. The Chairman must

be a Director of the Corporation. The other officers and assistant officers need not be Directors of the Corporation. The Treasurer may be a banking corporation.

Section 3-2 Term. The Chairman, the Secretary and the Treasurer shall each serve for a term of ____ (___) years and until his or her respective successor is duly elected and qualified or until such officer's earlier death or resignation, unless removed from office by the Board of Directors during his or her respective term. The term of office of any other officer shall be as specified by the Board of Directors.

Section 3-3 Powers and Duties of the Chairman. The Chairman shall preside at all meetings of the Board of Directors and shall be an ex officio member of all committees. He or she shall have and exercise all powers usually incident to the office of President of a non-profit, tax exempt corporation, including general supervision over and direction of the affairs of the Corporation, and shall perform such other duties as may be delegated by the Board of Directors. In the exercise of these duties and subject to the limitations of the laws of the Commonwealth of Pennsylvania, these Bylaws and the actions of the Board of Directors, he or she may appoint, suspend, and discharge employees and agents. The Chairman shall also do and perform such other duties as from time to time may be assigned by the Board of Directors. The Chairman shall sign and execute on behalf of the Corporation all corporate records, documents, and instruments, unless such power has been delegated to another officer. Unless otherwise determined by the Board of Directors, the Chairman shall have full power and authority on behalf of the Corporation to attend and to act and to vote at any meeting of the shareholders of any corporation in which the Corporation may hold stock, and, at any such meeting, shall possess

and may exercise any and all the rights and powers incident to the ownership of such stock and which, as the owner thereof, the Corporation might have possessed and exercised.

Section 3-4 Powers and Duties of the Secretary. Unless otherwise determined by the Board of Directors, the Secretary shall keep the minutes of all meetings of the Board of Directors and all committees, in books provided for that purpose, and shall attend to the giving and serving of all notices for the Corporation. He or she shall have charge of the corporate seal and other such books and records as the Board of Directors may direct. He or she shall perform all other duties ordinarily incident to the office of Secretary and shall have such other powers and perform such other duties as may be assigned to him or her by the Board of Directors.

Section 3-5 Powers and Duties of the Treasurer. Unless otherwise determined by the Board of Directors, the Treasurer shall have charge of all the funds and securities of the Corporation which may come into its hands. When necessary or proper, unless otherwise ordered by the Board of Directors, the Treasurer shall endorse for collection on behalf of the Corporation checks, notes and other obligations, and shall deposit the same to the credit of the Corporation in such books or depositories as the Board of Directors may designate and shall sign all receipts and vouchers for payments made to the Corporation. He or she shall sign all checks made by the Corporation, except when the Board of Directors shall otherwise direct. He or she shall enter regularly, in books of the Corporation to be kept by him or her for the purpose, full and accurate account of all moneys received and paid by him or her on account of the Corporation. Not less frequently than annually, and at such additional times as may be required by the Board of Directors, he or she shall render a statement of the financial condition of the Corporation. The Treasurer shall at all reasonable times exhibit the books and accounts to any

Director of the Corporation, upon application at the office of the Corporation during business hours. He or she shall have such other powers and shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

Section 3-6 Powers and Duties of Vice Presidents and Assistant Officers.

Unless otherwise determined by the Board of Directors, each vice president and each assistant officer shall have the powers and perform the duties of his or her respective superior officer.

Vice presidents and assistant officers shall have such rank as shall be designated by the Board of Directors and each, in the order of rank, shall act for such superior officer in his or her absence or upon his or her disability or when so directed by such superior officer or by the Board of Directors. The Chairman shall be the superior officer of the vice presidents. The Treasurer and the Secretary shall be the superior officers of the assistant treasurers and assistant secretaries, respectively.

Section 3-7 Delegation of Office. The Board of Directors may delegate the powers or duties of any officer of the Corporation to any other officer or to any Director from time to time.

Section 3-8 Removal; Resignation. Any officer may be removed, either with or without cause, by the affirmative vote of a majority of the Directors at any annual, regular, or special meeting of the Board of Directors. The removal shall be without prejudice to contract rights, if any, of any person so removed. 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.

Section 3-9 Vacancies. In the event of a death, resignation, removal or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer and until his or her successor shall be elected.

ARTICLE IV - COMMITTEES OF THE BOARD OF DIRECTORS

Section 4-1 Committees. The Board of Directors may establish such standing committees and such special committees from time to time as it shall deem appropriate to conduct the activities of the Corporation and to advise the Board, and shall define the powers and responsibilities of such committees. The standing committees of the Board shall include, but are not limited to, an Executive Committee, an Institutional Advancement Committee, a Human Resources Committee, and an Investment Committee. The members and chairmen of all standing committees shall be appointed by the Board, for a ____-year term and until their successors are duly elected, but shall be subject to removal at any time by action of the Board. Members of special committees shall serve for the life of the committee, or for a term specified by the Board, but shall be subject to removal at any time by action of the Board. No committee appointed by the Board shall consist of fewer than two (2) Directors. Persons other than Directors may be appointed as committee members by the Board of Directors, provided that the chairmen of all committees shall be Directors. The voting rights of committee members other than Directors shall be specified by the Board of Directors in its action designating such persons as committee members. A committee may have such specific powers and responsibilities as may be determined by the Board of Directors, except that it shall not have the power:

- (a) To amend these Bylaws or the Articles of Incorporation.
- (b) To fill vacancies in the Board of Directors.

- (c) To amend or repeal any resolution of the Board of Directors.
- (d) To approve any action or exercise any authority requiring the approval of more than a majority of a quorum of the Board of Directors under the laws of the Commonwealth of Pennsylvania, the Articles of Incorporation, or these Bylaws.
- (e) To take any other action which may not be delegated to it under the laws of the Commonwealth of Pennsylvania or under the provisions of the Articles of Incorporation or these Bylaws.

Section 4-2 Executive Committee. The Board of Directors shall establish an Executive Committee which shall have and may exercise all of the power and authority of the Board of Directors, subject to the limitations provided in Sections 2-1 and 4-1, in the interim between meetings of the Board of Directors.

Section 4-3 Meetings of Committees. Each committee shall meet not less than once each year, and more frequently as may be determined by the committee or the Chairman, or as may be required by these Bylaws. The Board of Directors may waive requirements for not less than one meeting a year upon request of the chairman of any committee.

ARTICLE V - ADVISORY BOARD

The Board of Directors may establish an Advisory Board which shall meet from time to time. The Advisory Board shall have no authority to act by, for, or on behalf of the Corporation and shall not constitute a committee of the Board of Directors, but rather shall act solely in an advisory capacity to the Board of Directors on such matters as shall be referred to such Advisory Board from time to time by the Board of Directors. The Advisory Board shall be comprised of individuals appointed by the Board of Directors, who have demonstrated their interest in the Corporation and its work, or whose talents and experience would be helpful to the Board of

Directors. The Board of Directors, upon recommendation of the Chairman, shall have the authority at any time to remove any person from the Advisory Board for any reason.

ARTICLE VI - LIMITATION OF DIRECTORS' LIABILITY AND
INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER PERSONS

Section 6-1 Limitation of Directors' Liability. No Director of the Corporation shall be personally liable as such for monetary damages 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 under Subchapter B of the Pennsylvania Nonprofit Corporation Law of 1988, as amended, and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Section 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.

Section 6-2 Indemnification and Insurance.

(a) Indemnification of Directors and Officers.

(i) Each Indemnitee (as defined below) shall be indemnified and held harmless by the Corporation for all actions taken by him or her and for all failures to take action (regardless of the date of any such action or failure to take action) to the fullest extent permitted by Pennsylvania law against all expense, liability and loss (including without limitation attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by the Indemnitee in connection with any Proceeding (as defined below). No indemnification pursuant to this Section shall be made, however, 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.

(ii) The right to indemnification provided in this Section shall include the right to have the expenses incurred by the Indemnatee in defending any Proceeding paid by the Corporation in advance of the final disposition of the Proceeding to the fullest extent permitted by Pennsylvania law; provided that, if Pennsylvania law continues so to require, the payment of such expenses incurred by the Indemnatee in advance of the final disposition of a Proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of the Indemnatee, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnatee is not entitled to be indemnified under this Section or otherwise.

(iii) Indemnification pursuant to this Section shall continue as to an Indemnatee who has ceased to be a Director or officer and shall inure to the benefit of his or her heirs, executors and administrators.

(iv) For purposes of this Article, (A) "Indemnatee" shall mean each Director or officer of the Corporation who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any Proceeding, by reason of the fact that he or she is or was a Director or officer of the Corporation or is or was serving in any capacity at the request or for the benefit of the Corporation as a Director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, another corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise; and (B) "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of the Corporation), whether civil, criminal, administrative or investigative.

(b) Indemnification of Employees and other Persons. The Corporation may, by action of its Board of Directors and to the extent provided in such action, indemnify employees, agents or other persons as though they were Indemnitees. To the extent that an employee or agent of the Corporation has been successful on the merits or otherwise in defense of any Proceeding or in defense of any claim, issue or matter therein, the Corporation shall indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

(c) Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in this Article shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of the Corporation's Articles of Incorporation or these Bylaws, agreement, vote of members or Directors, or otherwise.

(d) Insurance. The Corporation may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania law against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person under Pennsylvania or other law. The Corporation may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

Section 6-3 Amendment. The provisions of this Article relating to the limitation of Directors' liability, to indemnification and to the advancement of expenses shall constitute a contract between the Corporation and each of its Directors and officers which may be modified as to any Director or officer only with that person's consent or as specifically

provided in this Section. Notwithstanding any other provision of these Bylaws relating to their amendment generally, any repeal or amendment of this Article which is adverse to any Director or officer shall apply to such Director or officer only on a prospective basis, and shall not reduce any limitation on the personal liability of a Director of the Corporation, or limit the rights of an Indemnatee to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such repeal or amendment. Notwithstanding any other provision of these Bylaws, no repeal or amendment of these Bylaws shall affect any or all of this Article so as either to reduce the limitation of Directors' liability or limit indemnification or the advancement of expenses in any manner unless adopted by the unanimous vote of the Directors of the Corporation then serving; provided that no such amendment shall have retroactive effect inconsistent with the preceding sentence.

Section 6-4 Changes in Pennsylvania Law. References in this Article to Pennsylvania law or to any provision thereof shall be to such law (including without limitation the Nonprofit Corporation Law of 1988, as amended, and the Business Corporation Law of 1988, as amended) as it existed on the date this Article was adopted or as such law thereafter may be changed; provided that (a) in the case of any change which expands the liability of Directors or limits the indemnification rights or the rights to advancement of expenses which the Corporation may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article shall continue as theretofore to the extent permitted by law; and (b) if such change permits the Corporation without the requirement of any further action by the Board of Directors to limit further the liability of Directors (or limit the liability of officers) or to provide broader indemnification rights or rights to the advancement of expenses than the

Corporation was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

ARTICLE VII - CONFLICTS OF INTEREST

Section 7-1 Policy and Limitations. The Board of Directors shall adopt a Conflict of Interest Policy for the Corporation that shall apply to all transactions and arrangements between the Corporation and its Directors, officers and members of committees with Board-delegated powers. The Corporation shall distribute the Conflict of Interest Policy to all such Directors, officers and committee members upon taking office and annually thereafter.

Section 7-2 Annual Disclosure Statement. Each Director of the Corporation shall, at the time of the enactment of a Conflict of Interest Policy, or upon his or her election as a Director, and annually thereafter at a time determined by the Board, complete and submit to the Board of Directors a Conflict of Interest Disclosure Statement.

ARTICLE VIII - MISCELLANEOUS

Section 8-1 Fiscal Year. The fiscal year of the Corporation shall be as determined by the Board of Directors.

Section 8-2 Registered Office. The Corporation shall have and continuously maintain in the Commonwealth of Pennsylvania a registered office at an address to be designated from time to time by the Board of Directors, which may, but need not, be the same as its place of business.

Section 8-3 Offices. The Corporation may have offices at such places within or without the Commonwealth of Pennsylvania, as the Board of Directors may from time to time designate or the business of the Corporation may require.

Section 8-4 Gender. Where the masculine gender is used in these Bylaws, such usage is for convenience only. Any usage of specific gender terminology shall be deemed to include references to both genders, and any title involving gender shall be permitted to be used in an alternative form for another gender.

Section 8-5 Examination of Books. The Corporation shall keep an original or duplicate record of the proceedings of the Board of Directors and the original or a copy of these Bylaws, including all amendments thereto to date. The Corporation shall also keep appropriate, complete and accurate books or records of account. The records provided for in this Section shall be kept at either the registered office of the Corporation in this Commonwealth or at its principal place of business wherever situated.

Section 8-6 Facsimile Signatures. Whenever the execution of a document on behalf of the Corporation by any officer of the Corporation or any Director is authorized by these Bylaws or by other action of the Board of Directors, the signature of such officer or Director to any such document may be by facsimile or pdf.

Section 8-7 Notice. Notice under these Bylaws shall be deemed to have been given to the person entitled thereto when (a) deposited in the United States mail or with a courier service for delivery to that person or (b) sent by facsimile transmission, e-mail or other electronic communication to the person's facsimile number or address for e-mail or other electronic communications supplied by the person to the Corporation for the purpose of notice. Notice

under this Section 8-7 shall be deemed to have been given to the person entitled thereto when sent.

ARTICLE IX - AMENDMENTS

The Board of Directors of the Corporation shall have the power to alter, amend, or repeal these Bylaws as provided in and subject to the limitations contained in Section 2-10, at any regular or special meeting of the Board of Directors, duly convened after notice to the Directors of such purpose.

ARTICLE X - MISSION STATEMENT

The Corporation has been established for the purposes set forth in its Articles of Incorporation. See Attached Exhibit A.

Divider Page

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU

Articles of Amendment-Domestic Corporation
(15 Pa.C.S.)

- ☐ Business Corporation (§ 1915)
☒ Nonprofit Corporation (§ 5915)

Name Dennis L. Cohen		
Address c/o Cozen O'Connor, 1900 Market Street		
City Philadelphia, PA	State PA	Zip Code 19103

Document will be returned to the
name and address you enter to
the left.



Fee: \$70

In compliance with the requirements of the applicable provisions (relating to articles of amendment), the undersigned, desiring to amend its articles, hereby states that:

1. The name of the corporation is:
Hospital Service Association of Northeastern Pennsylvania Foundation

2. The (a) address of this corporation's current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a) Number and Street	City	State	Zip	County
19 N. Main Street	Wilkes-Barre	PA	18711	Luzerne

(b) Name of Commercial Registered Office Provider	County
c/o	

3. The statute by or under which it was incorporated: Nonprofit Corporation Law of 1988, as amended

4. The date of its incorporation: December 10, 2011

5. Check, and if appropriate complete, one of the following:

☐ The amendment shall be effective upon filing these Articles of Amendment in the Department of State.

☒ The amendment shall be effective on: _____ at _____
Date Hour

6. Check one of the following:

☒ The amendment was adopted by the shareholders or members pursuant to 15 Pa.C.S. § 1914(a) and (b) or § 5914(a).

☐ The amendment was adopted by the board of directors pursuant to 15 Pa. C.S. § 1914(c) or § 5914(b).

7. Check, and if appropriate, complete one of the following:

☐ The amendment adopted by the corporation, set forth in full, is as follows

☒ The amendment adopted by the corporation is set forth in full in Exhibit A attached hereto and made a part hereof.

8. Check if the amendment restates the Articles:

☒ The restated Articles of Incorporation supersede the original articles and all amendments thereto.

IN TESTIMONY WHEREOF, the undersigned corporation has caused these Articles of Amendment to be signed by a duly authorized officer thereof this

_____ day of _____,

2014_____.

Name of Corporation

Signature

Title

EXHIBIT A
AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
BCNEPA FOUNDATION

FIRST: The name of the corporation (hereinafter called the "Corporation") is:

BCNEPA Foundation

SECOND: The address of the registered office of the Corporation in the Commonwealth of Pennsylvania is 19 N. Main Street, Wilkes-Barre, PA 18711.

THIRD: The Corporation is incorporated under the Pennsylvania Nonprofit Corporation Law of 1988, as amended. The corporation is organized exclusively for charitable, scientific, literary and educational purposes within the meaning of §501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law (the "Internal Revenue Code"). In furtherance of its purposes, the corporation shall expend, distribute, apply and use its assets exclusively to provide or support programs which focus on health, education and disease prevention, human services activities, activities which improve the quality of life of children and families, activities for the promotion of social welfare, and lessening the burdens of government, either directly through sponsored programs or by grant-making to assist other exempt organizations which carry on such activities within the 13 counties of Northeastern and North Central Pennsylvania. The recipients of grants from the corporation shall be exempt from federal income taxation under §501(c)(3) of the Internal Revenue Code. The corporation may also undertake such other activities as the Board of Directors shall approve so long as such activities are within the purposes permitted by these Articles.

FOURTH: The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise.

FIFTH: The Corporation is organized on a non-stock basis.

SIXTH: The Corporation shall have no members.

SEVENTH: To further the purposes set forth above, the corporation is empowered to accept gifts, grants, devises, or bequests of funds, or any other property from any public or other governmental body and any private person, which shall include, but not be limited to, private and public foundations, corporations and individuals.

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its Directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above.

No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, directly or indirectly, (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

The corporation shall be required to distribute its income or other assets at such time and in such manner so that the corporation will not be subject to the tax under §4942 of the Internal Revenue Code; and further, it shall be prohibited from engaging in any act of self-dealing (as defined in §4941(d) of the Internal Revenue Code), from retaining any excess business holdings (as defined in §4943(c) of the Internal Revenue Code), from making any investments in such manner as to subject the corporation to tax under §4944 of the Internal Revenue Code, and from making any taxable expenditures (as defined in §4945(d) of the Internal Revenue Code).

Upon the dissolution of the corporation, the Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, scientific, literary and educational purposes as shall at the time qualify as an exempt organization or organizations under §501 (c)(3) of the Internal Revenue Code, as the Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal income tax under §501 (c)(3) of the Internal Revenue Code or by a corporation, contributions to which are deductible under § 170(c)(2) of the Internal Revenue Code.

Divider Page

AMENDED AND RESTATED BYLAWS
OF
BCNEPA FOUNDATION
A PENNSYLVANIA NONPROFIT CORPORATION

BCNEPA FOUNDATION

AMENDED AND RESTATED BYLAWS

TABLE OF CONTENTS

<u>Article</u>	<u>Page</u>
<u>ARTICLE I - MEMBERSHIP</u>	1
<u>ARTICLE II - BOARD OF DIRECTORS</u>	1
<u>ARTICLE III - OFFICERS</u>	6
<u>ARTICLE IV - COMMITTEES OF THE BOARD OF DIRECTORS</u>	9
<u>ARTICLE V - ADVISORY BOARD</u>	11
<u>ARTICLE VI - LIMITATION OF DIRECTORS' LIABILITY AND INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER PERSONS</u>	12
<u>ARTICLE VII - CONFLICTS OF INTEREST</u>	16
<u>ARTICLE VIII - MISCELLANEOUS</u>	16
<u>ARTICLE IX - AMENDMENTS</u>	18
<u>ARTICLE X - MISSION STATEMENT</u>	18

AMENDED AND RESTATED BYLAWS

OF

BCNEPA FOUNDATION

(a Pennsylvania nonprofit corporation)

ARTICLE I - MEMBERSHIP

Section 1-1 Members. The Corporation shall have no members. In accordance with the Nonprofit Corporation Law of 1988, as amended (15 Pa. C.S. § 5751(b)), all actions to be taken by members shall be taken by the Board of Directors.

ARTICLE II - BOARD OF DIRECTORS

Section 2-1 Number. The business and affairs of the Corporation shall be managed by a Board of not less than nine (9) nor more than thirty-five (35) Directors. Each Director shall be a natural person of the age 18 years or older and need not be a resident of the Commonwealth of Pennsylvania.

Section 2-2 Election of Directors. The Directors of the Corporation shall be elected by the Directors entitled to vote at the annual meeting of the Directors or at such special meeting of the Directors called for such purpose.

Section 2-3 Term of Office of Directors. Each Director shall be elected to serve for a term of ____ (___) years and until his or her successor in office is duly elected and qualified, except in the event of his or her earlier death, resignation or removal. There shall be no limit on the number of terms to which a Director may be elected to serve.

Section 2-4 Removal of Directors. One or more Directors may be removed from office, with or without cause, only by the affirmative vote of a majority of the Directors or by order of a court having jurisdiction of such matters. The Board of Directors may declare vacant the office of a Director if such Director is judicially declared of unsound mind or

convicted of an offense punishable by imprisonment for a term of more than one year, or for any other proper cause, or if within 60 days after notice of selection, the Director does not accept such office either in writing or by attending a meeting of the Board of Directors.

Section 2-5 Vacancies on the Board of Directors. Subject to the provisions of Section 2-1, any vacancy or vacancies on the Board of Directors, including a vacancy or vacancies resulting from an increase in the number of Directors, shall be filled by a vote of a majority of the remaining members of the Board of Directors, though less than a quorum, at any regular meeting or at a special meeting called for such purpose; and each person so elected shall be a Director to serve for the balance of the unexpired term. When one or more Directors resign from the Board of Directors effective at a future date, the Directors then in office, including those who have so resigned, shall have the power by the applicable vote to fill the vacancies, the vote thereon to take effect when the resignations become effective.

Section 2-6 Resignation of Directors. Any Director may resign from office without assigning cause, by delivering a written statement of resignation to the Secretary of the Corporation. Any such resignation shall take effect immediately upon its receipt by the Secretary of the Corporation, unless a later effective time or date for the resignation is specified in the notice of resignation.

Section 2-7 Place and Time of Meetings. Annual meetings of the Directors shall be held at the principal office of the Corporation in the Commonwealth of Pennsylvania or at such other place and at such time as the Board of Directors shall designate. At least five (5) days' notice of the time and place so fixed shall be given to the Directors. Election of Directors, if necessary, and the election of officers shall occur at the annual meeting. Special meetings of

the Directors may be called from time to time by the Chairman or upon request in writing to the Chairman by a majority of the Directors then in office, and may be held at such time and place within the Commonwealth of Pennsylvania or elsewhere, as may be designated in the notice calling the meeting. At least three (3) days' notice of the time and place of any special meeting shall be given to each Director. At least five (5) days' notice of the time and place of any regular meeting shall be given to each Director.

Section 2-8 Waiver of Notice. Any meeting of the Board of Directors shall be deemed to have been validly and legally called if all of the Directors entitled to vote at the meeting sign a written waiver of notice, either before or after the meeting or a waiver of notice, as provided in the next sentence, has occurred. Attendance of a Director at any meeting shall constitute a waiver of notice of that meeting and no written waiver need be obtained from that Director except when the Director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. All such written waivers shall be filed with the Secretary of the Corporation in record form.

Section 2-9 Actions by Unanimous Written Consent. Any action required or permitted to be approved at a meeting of the Directors may be approved without a meeting, if a consent or consents to the action in record form are signed, before, on or after the effective date of the action, by all of the Directors in office on the date the last consent is signed. The consent or consents must be filed with the Secretary of the Corporation.

Section 2-10 Quorum; Voting. Unless otherwise provided in these Bylaws, the presence of a majority of the Directors in office shall be necessary to constitute a quorum for the

transaction of business, and the acts of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board of Directors. If there be less than a quorum present, the majority of those present may adjourn the meeting from time to time and place to place and shall cause notice of each such adjourned meeting to be given to all absent Directors. At all meetings of Directors, each Director entitled to vote may attend and shall be entitled to one vote. The following matters coming before any meeting of Directors must be approved by the affirmative vote of at least two thirds (66-2/3%) of the total number of Directors of the Corporation:

- (a) Amendment of the Articles of Incorporation; and
- (b) Amendment of these Bylaws as provided in Article IX.

Section 2-11 Conference Telephone. The Chairman, in his or her sole discretion, may permit one or more persons to participate in a meeting of the Board of Directors or of any committee thereof by means of conference telephone or other electronic technology by means of which all persons participating in the meeting can hear one another. Participation in a meeting in this manner shall constitute presence in person at the meeting.

Section 2-12 Attendance at Board Meetings. If any Director fails to attend three (3) or more consecutive regular meetings of the Board of Directors without good cause, the Board of Directors may act to remove such Director from the Board in accordance with the terms of Section 2-4 hereof.

Section 2-13 Compensation. A Director shall not be entitled to any compensation for his or her services as a Director. The foregoing shall not prevent the Board of Directors from reimbursing any Director for expenses actually and necessarily incurred in the

performance of his or her duties as a Director or from entering into a contract, directly or indirectly, with a Director for the providing of goods or services to the Corporation if such contract is consistent with the terms of any policy relating to conflicts of interest and transactions with Directors of the Corporation which may be approved from time to time by the Board of Directors.

Section 2-14 Powers.

(a) General Powers. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The Board of Directors may exercise all powers of the Corporation and do all such lawful acts and things as are directed or required to be exercised and done by statute, the Articles of Incorporation or these Bylaws.

(b) Specific Powers. Without limiting the general powers conferred by Section 2-13(a) and the powers conferred by the Articles of Incorporation and these Bylaws, it is hereby expressly declared that the Board of Directors shall have the following powers:

(i) To confer upon any officer or officers of the Corporation the power to choose, remove or suspend assistant officers, agents or servants.

(ii) To appoint any person, firm or corporation to accept and hold in trust for the Corporation any property belonging to the Corporation or in which it is interested, and to authorize any such person, firm or corporation to execute any documents and perform any duties that may be requisite in relation to any such trust.

(iii) To authorize and approve the payment of compensation for employees and the entering into of employment contracts between the Corporation and employees of the Corporation.

(iv) To approve and authorize the borrowing of money and the granting of security interests in the personal property and mortgages on the real estate of the Corporation as security for the repayment of loans and interest thereon.

(v) To appoint a person or persons to vote shares of another corporation held and owned by the Corporation.

(vi) To purchase, sell, lease, mortgage, pledge, transfer in trust, and otherwise deal with real and personal property of the Corporation.

(vii) To seek grants and donations from individuals and from governmental, charitable, educational or other appropriate organizations, or from the public sector.

(viii) To approve fund raising programs.

ARTICLE III - OFFICERS

Section 3-1 Offices and Election. The Corporation shall have a Chairman, a Secretary and a Treasurer who shall be elected by the Board of Directors. The Corporation may have such other officers and one or more assistant officers, as may be authorized from time to time by the Board of Directors. If no President is elected by the Board of Directors, the Chairman shall perform the customary duties of the President. Any two (2) or more offices may be held by the same person except the offices of Chairman and Secretary. The Chairman must be a Director of the Corporation. The other officers and assistant officers need not be Directors of the Corporation. The Treasurer may be a banking corporation.

Section 3-2 Term. The Chairman, the Secretary and the Treasurer shall each serve for a term of ____ (__) years and until his or her respective successor is duly elected and

qualified or until such officer's earlier death or resignation, unless removed from office by the Board of Directors during his or her respective term. The term of office of any other officer shall be as specified by the Board of Directors.

Section 3-3 Powers and Duties of the Chairman. The Chairman shall preside at all meetings of the Board of Directors and shall be an ex officio member of all committees. He or she shall have and exercise all powers usually incident to the office of President of a non-profit, tax exempt corporation, including general supervision over and direction of the affairs of the Corporation, and shall perform such other duties as may be delegated by the Board of Directors. In the exercise of these duties and subject to the limitations of the laws of the Commonwealth of Pennsylvania, these Bylaws and the actions of the Board of Directors, he or she may appoint, suspend, and discharge employees and agents. The Chairman shall also do and perform such other duties as from time to time may be assigned by the Board of Directors. The Chairman shall sign and execute on behalf of the Corporation all corporate records, documents, and instruments, unless such power has been delegated to another officer. Unless otherwise determined by the Board of Directors, the Chairman shall have full power and authority on behalf of the Corporation to attend and to act and to vote at any meeting of the shareholders of any corporation in which the Corporation may hold stock, and, at any such meeting, shall possess and may exercise any and all the rights and powers incident to the ownership of such stock and which, as the owner thereof, the Corporation might have possessed and exercised.

Section 3-4 Powers and Duties of the Secretary. Unless otherwise determined by the Board of Directors, the Secretary shall keep the minutes of all meetings of the Board of Directors and all committees, in books provided for that purpose, and shall attend to the giving

and serving of all notices for the Corporation. He or she shall have charge of the corporate seal and other such books and records as the Board of Directors may direct. He or she shall perform all other duties ordinarily incident to the office of Secretary and shall have such other powers and perform such other duties as may be assigned to him or her by the Board of Directors.

Section 3-5 Powers and Duties of the Treasurer. Unless otherwise determined by the Board of Directors, the Treasurer shall have charge of all the funds and securities of the Corporation which may come into its hands. When necessary or proper, unless otherwise ordered by the Board of Directors, the Treasurer shall endorse for collection on behalf of the Corporation checks, notes and other obligations, and shall deposit the same to the credit of the Corporation in such books or depositories as the Board of Directors may designate and shall sign all receipts and vouchers for payments made to the Corporation. He or she shall sign all checks made by the Corporation, except when the Board of Directors shall otherwise direct. He or she shall enter regularly, in books of the Corporation to be kept by him or her for the purpose, full and accurate account of all moneys received and paid by him or her on account of the Corporation. Not less frequently than annually, and at such additional times as may be required by the Board of Directors, he or she shall render a statement of the financial condition of the Corporation. The Treasurer shall at all reasonable times exhibit the books and accounts to any Director of the Corporation, upon application at the office of the Corporation during business hours. He or she shall have such other powers and shall perform such other duties as may be assigned to him or her from time to time by the Board of Directors.

Section 3-6 Powers and Duties of Vice Presidents and Assistant Officers. Unless otherwise determined by the Board of Directors, each vice president and each assistant

officer shall have the powers and perform the duties of his or her respective superior officer. Vice presidents and assistant officers shall have such rank as shall be designated by the Board of Directors and each, in the order of rank, shall act for such superior officer in his or her absence or upon his or her disability or when so directed by such superior officer or by the Board of Directors. The Chairman shall be the superior officer of the vice presidents. The Treasurer and the Secretary shall be the superior officers of the assistant treasurers and assistant secretaries, respectively.

Section 3-7 Delegation of Office. The Board of Directors may delegate the powers or duties of any officer of the Corporation to any other officer or to any Director from time to time.

Section 3-8 Removal; Resignation. Any officer may be removed, either with or without cause, by the affirmative vote of a majority of the Directors at any annual, regular, or special meeting of the Board of Directors. The removal shall be without prejudice to contract rights, if any, of any person so removed. 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.

Section 3-9 Vacancies. In the event of a death, resignation, removal or other inability to serve of any officer, the Board of Directors shall elect a successor who shall serve until the expiration of the normal term of such officer and until his or her successor shall be elected.

ARTICLE IV - COMMITTEES OF THE BOARD OF DIRECTORS

Section 4-1 Committees. The Board of Directors may establish such standing committees and such special committees from time to time as it shall deem appropriate to

conduct the activities of the Corporation and to advise the Board, and shall define the powers and responsibilities of such committees. The standing committees of the Board shall include, but are not limited to, an Executive Committee, an Institutional Advancement Committee, a Human Resources Committee, and an Investment Committee. The members and chairmen of all standing committees shall be appointed by the Board, for a ____-year term and until their successors are duly elected, but shall be subject to removal at any time by action of the Board. Members of special committees shall serve for the life of the committee, or for a term specified by the Board, but shall be subject to removal at any time by action of the Board. No committee appointed by the Board shall consist of fewer than two (2) Directors. Persons other than Directors may be appointed as committee members by the Board of Directors, provided that the chairmen of all committees shall be Directors. The voting rights of committee members other than Directors shall be specified by the Board of Directors in its action designating such persons as committee members. A committee may have such specific powers and responsibilities as may be determined by the Board of Directors, except that it shall not have the power:

- (a) To amend these Bylaws or the Articles of Incorporation.
- (b) To fill vacancies in the Board of Directors.
- (c) To amend or repeal any resolution of the Board of Directors.
- (d) To approve any action or exercise any authority requiring the

approval of more than a majority of a quorum of the Board of Directors under the laws of the Commonwealth of Pennsylvania, the Articles of Incorporation, or these Bylaws.

(e) To take any other action which may not be delegated to it under the laws of the Commonwealth of Pennsylvania or under the provisions of the Articles of Incorporation or these Bylaws.

Section 4-2 Executive Committee. The Board of Directors shall establish an Executive Committee which shall have and may exercise all of the power and authority of the Board of Directors, subject to the limitations provided in Section 4-1, in the interim between meetings of the Board of Directors.

Section 4-3 Meetings of Committees. Each committee shall meet not less than once each year, and more frequently as may be determined by the committee or the Chairman, or as may be required by these Bylaws. The Board of Directors may waive requirements for not less than one meeting a year upon request of the chairman of any committee.

ARTICLE V - ADVISORY BOARD

The Board of Directors may establish an Advisory Board which shall meet from time to time. The Advisory Board shall have no authority to act by, for, or on behalf of the Corporation and shall not constitute a committee of the Board of Directors, but rather shall act solely in an advisory capacity to the Board of Directors on such matters as shall be referred to such Advisory Board from time to time by the Board of Directors. The Advisory Board shall be comprised of individuals appointed by the Board of Directors, who have demonstrated their interest in the Corporation and its work, or whose talents and experience would be helpful to the Board of Directors. The Board of Directors, upon recommendation of the Chairman, shall have the authority at any time to remove any person from the Advisory Board for any reason.

ARTICLE VI - LIMITATION OF DIRECTORS' LIABILITY AND
INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER PERSONS

Section 6-1 Limitation of Directors' Liability. No Director of the Corporation shall be personally liable as such for monetary damages 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 under Subchapter B of the Pennsylvania Nonprofit Corporation Law of 1988, as amended, and (b) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Section 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.

Section 6-2 Indemnification and Insurance.

(a) Indemnification of Directors and Officers.

(i) Each Indemnitee (as defined below) shall be indemnified and held harmless by the Corporation for all actions taken by him or her and for all failures to take action (regardless of the date of any such action or failure to take action) to the fullest extent permitted by Pennsylvania law against all expense, liability and loss (including without limitation attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) actually and reasonably incurred or suffered by the Indemnitee in connection with any Proceeding (as defined below). No indemnification pursuant to this Section shall be made, however, 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.

(ii) The right to indemnification provided in this Section shall include the right to have the expenses incurred by the Indemnitee in defending any Proceeding

paid by the Corporation in advance of the final disposition of the Proceeding to the fullest extent permitted by Pennsylvania law; provided that, if Pennsylvania law continues so to require, the payment of such expenses incurred by the Indemnitee in advance of the final disposition of a Proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of the Indemnitee, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified under this Section or otherwise.

(iii) Indemnification pursuant to this Section shall continue as to an Indemnitee who has ceased to be a Director or officer and shall inure to the benefit of his or her heirs, executors and administrators.

(iv) For purposes of this Article, (A) "Indemnitee" shall mean each Director or officer of the Corporation who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any Proceeding, by reason of the fact that he or she is or was a Director or officer of the Corporation or is or was serving in any capacity at the request or for the benefit of the Corporation as a Director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, another corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise; and (B) "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of the Corporation), whether civil, criminal, administrative or investigative.

(b) Indemnification of Employees and other Persons. The Corporation may, by action of its Board of Directors and to the extent provided in such action, indemnify employees, agents or other persons as though they were Indemnitees. To the extent that an

employee or agent of the Corporation has been successful on the merits or otherwise in defense of any Proceeding or in defense of any claim, issue or matter therein, the Corporation shall indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

(c) Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in this Article shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of the Corporation's Articles of Incorporation or these Bylaws, agreement, vote of members or Directors, or otherwise.

(d) Insurance. The Corporation may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania law against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person under Pennsylvania or other law. The Corporation may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

Section 6-3 Amendment. The provisions of this Article relating to the limitation of Directors' liability, to indemnification and to the advancement of expenses shall constitute a contract between the Corporation and each of its Directors and officers which may be modified as to any Director or officer only with that person's consent or as specifically provided in this Section. Notwithstanding any other provision of these Bylaws relating to their amendment generally, any repeal or amendment of this Article which is adverse to any Director or officer shall apply to such Director or officer only on a prospective basis, and shall not reduce

any limitation on the personal liability of a Director of the Corporation, or limit the rights of an Indemnitee to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such repeal or amendment. Notwithstanding any other provision of these Bylaws, no repeal or amendment of these Bylaws shall affect any or all of this Article so as either to reduce the limitation of Directors' liability or limit indemnification or the advancement of expenses in any manner unless adopted by the unanimous vote of the Directors of the Corporation then serving; provided that no such amendment shall have retroactive effect inconsistent with the preceding sentence.

Section 6-4 Changes in Pennsylvania Law. References in this Article to Pennsylvania law or to any provision thereof shall be to such law (including without limitation the Nonprofit Corporation Law of 1988, as amended, and the Business Corporation Law of 1988, as amended) as it existed on the date this Article was adopted or as such law thereafter may be changed; provided that (a) in the case of any change which expands the liability of Directors or limits the indemnification rights or the rights to advancement of expenses which the Corporation may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article shall continue as theretofore to the extent permitted by law; and (b) if such change permits the Corporation without the requirement of any further action by the Board of Directors to limit further the liability of Directors (or limit the liability of officers) or to provide broader indemnification rights or rights to the advancement of expenses than the Corporation was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

ARTICLE VII - CONFLICTS OF INTEREST

Section 7-1 Policy and Limitations. The Board of Directors shall adopt a Conflict of Interest Policy for the Corporation that shall apply to all transactions and arrangements between the Corporation and its Directors, officers and members of committees with Board-delegated powers. The Corporation shall distribute the Conflict of Interest Policy to all such Directors, officers and committee members upon taking office and annually thereafter.

Section 7-2 Annual Disclosure Statement. Each Director of the Corporation shall, at the time of the enactment of a Conflict of Interest Policy, or upon his or her election as a Director, and annually thereafter at a time determined by the Board, complete and submit to the Board of Directors a Conflict of Interest Disclosure Statement.

ARTICLE VIII - MISCELLANEOUS

Section 8-1 Fiscal Year. The fiscal year of the Corporation shall be the calendar year.

Section 8-2 Registered Office. The Corporation shall have and continuously maintain in the Commonwealth of Pennsylvania a registered office at an address to be designated from time to time by the Board of Directors, which may, but need not, be the same as its place of business.

Section 8-3 Offices. The Corporation may have offices at such places within or without the Commonwealth of Pennsylvania, as the Board of Directors may from time to time designate or the business of the Corporation may require.

Section 8-4 Gender. Where the masculine gender is used in these Bylaws, such usage is for convenience only. Any usage of specific gender terminology shall be deemed to include references to both genders, and any title involving gender shall be permitted to be used in an alternative form for another gender.

Section 8-5 Examination of Books. The Corporation shall keep an original or duplicate record of the proceedings of the Board of Directors and the original or a copy of these Bylaws, including all amendments thereto to date. The Corporation shall also keep appropriate, complete and accurate books or records of account. The records provided for in this Section shall be kept at either the registered office of the Corporation in this Commonwealth or at its principal place of business wherever situated.

Section 8-6 Facsimile Signatures. Whenever the execution of a document on behalf of the Corporation by any officer of the Corporation or any Director is authorized by these Bylaws or by other action of the Board of Directors, the signature of such officer or Director to any such document may be by facsimile or pdf.

Section 8-7 Notice. Notice under these Bylaws shall be deemed to have been given to the person entitled thereto when (a) deposited in the United States mail or with a courier service for delivery to that person or (b) sent by facsimile transmission, e-mail or other electronic communication to the person's facsimile number or address for e-mail or other electronic communications supplied by the person to the Corporation for the purpose of notice. Notice under this Section 8-7 shall be deemed to have been given to the person entitled thereto when sent.

ARTICLE IX - AMENDMENTS

The Board of Directors of the Corporation shall have the power to alter, amend, or repeal these Bylaws as provided in and subject to the limitations contained in Section 2-10, at any regular or special meeting of the Board of Directors, duly convened after notice to the Directors of such purpose.

ARTICLE X - MISSION STATEMENT

The Corporation has been established for the purposes set forth in its Articles of Incorporation. See Attached Exhibit A.