

# **CORPORATE BYLAWS**

**of the**

**FAIRMOUNT PARENTS, BUSINESS AND  
NEIGHBORS ASSOCIATION, INC.**

**ALSO KNOW AS THE**

# **FAIRMOUNT CIVIC ASSOCIATION**

**(A Pennsylvania nonprofit corporation)**

**As of 1/1/2009**

**ARTICLE I**  
**NAME AND PURPOSES**  
**SECTION 1-01. NAME**

The name of the corporation shall be, as stated in its Articles of Incorporation, as follows: FAIRMOUNT PARENTS, BUSINESS AND NEIGHBORS ASSOCIATION, INC. (the "Association").

**SECTION 1-02. PURPOSES**

- (A) The Association shall be a non-partisan, non-profit organization established for the following boundaries within the City of Philadelphia: Corinthian Avenue, south to Fairmount Avenue; west on Fairmount Avenue to 22 Street; south on 22 Street to Pennsylvania Avenue; Pennsylvania Avenue west to Fairmount Park; and Northwesterly to Girard Avenue; thence east on Girard Avenue to Corinthian Avenue (the "Community").
- (B) The association shall be devoted to the maintenance and furtherance of the civic, recreational, economic, educational and cultural aspects of the Community and shall have, without limitation, the following objectives:
- a. To unite in one local organization Community leaders and all persons of voting age who are residents of, or have interests in the community.
  - b. To initiate studies and discussions of the problems of the Community and to develop recommended solutions if the greatest mutual benefit.
  - c. To discuss projects and public improvements, which will encourage growth and development of the Community and make it a better place in which to live.
  - d. To encourage public support which all accomplish the foregoing objectives.
  - e. To organize, schedule, and gather and disseminate information on activities and affairs of general public interest in the Community and on the activities of the Community.
  - f. To apprise governmental agencies and public officials of the views of the Association in matters pertaining to the Community, and to work with such agencies and officials to realize the goals of the Community.
  - g. To contract, maintain liaison and unite with civic organizations and associations from adjoining geographic areas in order to discuss and resolve problems of mutual interest and concern.
  - h. To refrain from partisan political activity as a body but to encourage democratic political participation and intent on the part of its members.
  - i.

**ARTICLE II**  
**OFFICES**

**SECTION 2-01. REGISTERED OFFICE.**

The registered office of the corporation in Pennsylvania shall be at the place designated in the Articles of Incorporation, subject to transfer as may be permitted by law.

**SECTION 2-02. OTHER OFFICES.**

The corporation may also have offices at such other places as the board of directors may from time to time appoint or the corporation may require.

**ARTICLE III**  
**SEAL**

**SECTION 3-01. CORPORATE SEAL.**

The corporate seal shall have inscribed thereon the name of the Association, the year of its incorporation and words "Corporate Seal – Pennsylvania". Such seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

**ARTICLE IV**  
**MEMBERSHIP AND MEETINGS OF MEMBERS**

**SECTION 4-01. MEMBERSHIP.**

(A) The Association shall represent individuals of legal voting age residing, owning property or doing business in the Community, and business proprietorships, partnerships, corporations or other business entities located in the community (hereinafter referred to as "members"). Voting members shall be members of the Association that have paid or have been relieved of the obligation to pay the dues of the Association as provided in Paragraph (B) of this Section 4-01.

(B) Dues of the Association shall be assessed annually and shall be payable (i) within thirty (30) days after September 1, in the case of persons who were voting members of the Association during any part of the prior year, or (ii) the date on which the prospective voting member requests voting membership in the Association. The amount of the dues for the succeeding year shall be set by the board of directors and ratified at a regular meeting of members on or before September 1 of such year, and may include prorated dues for members joining at, or after, the meeting at which a new board of directors is nominated

**SECTION 4-02. PLACE OF MEETING.**

All meetings of the members shall be held at the registered office of the Association or at such other place, within the Commonwealth of Pennsylvania, as the board of directors or members may from time to time determine.

**SECTION 4-03. REGULAR MEETINGS.**

(A ) Regular meetings shall be held the last Thursday of the month from January through June, September and October and the first Thursday in December, except as otherwise determined by a vote of the membership, and at such time as the board of directors shall designate by resolution. The Board of Directors may, upon its own initiative, reschedule any regular meeting by an amount no greater than 14 days, providing that it provides notice of such movement to the members as set forth in Section 6-01.

At all regular meetings a report shall be furnished by the treasurer of the Association's financial status and receipts and expenditures since the last regular meeting. Such further business shall be transacted at each regular meeting as may properly be brought before such meeting.

(B ) The regular meeting held in December each year shall be the annual meeting of the Association.

The annual meeting of the members shall be held for receipt of reports of operation from the directors (included in the report shall be a statement of the assets, liabilities, revenues and expenses for the year and a statement showing the number of members, increases or decreases in membership during the year and the location of the membership register), the election of officers, and the transaction of such other business as may properly be brought before the meeting. If a meeting for the election of officers shall not be held within six (6) months after the designated term, any member may call such meeting at any time thereafter.

(C)The Board shall, at the first regular meeting following the election, or at such other meeting as the Board shall reasonably determine, present to the membership for review, a budget for such fiscal year. The membership may not reject such budget but shall instead modify the budget prior to adoption. The budget constitutes a guideline for fiscal discipline and the Board shall not materially modify the budget without promptly reporting such modification to the members at a subsequent meeting.

**SECTION 4-04. SPECIAL MEETINGS.**

Special meetings of the members may be called at any time by the chair of the board, the president, a majority of the board of directors, or by at least ten percent (10%) (or such smaller percentage as may be provided by law in particular cases) of the voting members. If called by the voting members, such request shall be in writing delivered to the Recording Secretary of the Association, and shall state the time, place and purpose of the

meeting; and it shall be the duty of the Recording Secretary to call such meeting to be held not more than sixty (60) days after receipt of the request. If the Recording Secretary shall neglect or refuse to issue such call, the person or persons making the request may do so.

**SECTION 4-05. QUORUM AND VOTING**

Except as otherwise provided by statute or in these By-laws, the presence in person of at least 10% of the members entitled to vote on a particular matter shall be requisite and shall constitute a quorum for the purpose of considering such matter at any meeting of the members for the election of directors or for the transaction of other business. For the purposes of establishing a quorum, no member shall be entitled to vote on any matter (including the election of directors) considered at any meeting of the members unless each member attends the meeting in person and is a duly qualified voting member of the Association. Unless otherwise specifically provided by statute or in these By-Laws, the acts, at a duly organized meeting or members present in person entitled to cast at least a majority of the votes which all voting members present and voting are entitled to cast shall be the acts of the members. The members present at a duly organized meeting can constitute to do business until adjournment, notwithstanding the withdrawal of any member.

**SECTION 4-06. MEMBERS' VOTING RIGHTS.**

Every person who is a voting member of the Association at the time of a members' meeting, who holds a valid voting membership dated no later than the day before such meeting, and who attends such meeting in person, shall have the right at such members' meeting to cast one vote; provided, however, that a member shall be entitled to vote for the election of officers only if he holds a valid voting membership dated no later than the day before the meeting at which nominations for such election are made. No member shall sell his vote for money or anything of value.

**ARTICLE V OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES**

**SECTION 5-01. OFFICERS AND DIRECTORS.**

(A )The executive officers of the Association shall be elected by the members at the annual meeting of the members, and shall be a President, a First Vice President, a Second Vice President, a Recording Secretary, a Corresponding Secretary, a Treasurer, a Parliamentarian and two Directors, or persons who shall act as such, regardless of the name or title by which they may be designated or elected.

(B )Upon their election, the officers of the Association shall also be duly elected board of directors of the Association, which shall manage the business and affairs of the Association. The officers (directors) of the Association shall hold office from January 1 to December 31 of the year following their election, or until their successors are duly chosen and have qualified, unless they are sooner removed from office by death, resignation, or as provided by these By-Laws.

(C ) If the office (directorship) of any officer (director) becomes vacant for any reason, the vacancy shall be filled by appointment of the President. Such appointment shall be effective immediately but shall be subject to confirmation by the members held at the next regular or special meeting of members after such appointment. In the event the appointment of the president is not so confirmed, a special election to fill the vacancy shall be held immediately by the members. In the event the President is removed from office by death, resignation or as provided by these By-Laws, the vacancy created thereby shall be filled without further vote of the members by the officer next in succession, in the order set forth above in this section.

(D ) No person may be a candidate for or be elected to any office of the Association in any election of officers unless he or she holds a valid voting membership of the Association dated no later than (i) the day before the regular meeting of members in the month of September immediately preceding such election, or (ii) in the case of a person who was a member in the prior membership year, such membership was renewed no later than the day before the regular meeting of members in the month of October immediately preceding such election. No officer of the Association may continue to serve as such unless he or she shall be a voting member of the Association.

(E )The President shall appoint a nominating committee of no less than three voting members of the Association in good standing. A majority of those appointed to the nominating committee must not be members of the current board of directors, but the President shall serve as an ex-officio-voting member of the nominating committee. The members of the nominating committee shall be announced to the membership at the September regular meeting. The nominating committee shall present at least one qualified candidate who has agreed to serve if elected, at the October meeting of the members. After the report of the nominating committee has been made, nominations for each officer shall be considered from the floor, in the order named above. Should any nominee withdraw or otherwise become ineligible to serve during the time between the October meeting and annual meeting, the nominating committee may at its discretion provide another qualified nominee for that office, to be included in the ballot and announced at the annual meeting, but no other nominees shall be considered at the annual meeting of the members. The term of appointment of nominating committee shall end upon the election of officers at the annual meeting.

(F ) Any candidate nominated for an office by the nominating committee must also provide consent to be nominated for that office, which consent may be provided verbally prior to the nomination being presented. No nomination shall be considered from the floor unless the person nominated is present and accepts the nomination at the meeting, or if not present, has executed a written authorization and consent to be nominated for that particular office (or directorship) prior to the nomination being presented.

(G )Vote shall be by secret ballot, except that in the case of offices for which there is one nominee the vote may be, at the discretion of the President, by voice vote or a show of hands. If no candidate for office receives a majority of the vote of members present and entitled to vote, the ones receiving the lowest number of votes shall be removed from the ballot and another vote taken. This procedure shall be repeated until one candidate received majority.

(H) Should a person be elected to more than one office he shall assume the highest office listed above.

#### **SECTION 5-02. AGENTS OR EMPLOYEES.**

The members may by resolution designate the officer or officers who shall have the authority to appoint such agents or employees as the needs of the Association may require. In the absence of such designation this function may be performed by the President and may be delegated by him to others in whole or in part.

#### **SECTION 5-03. COMPENSATION.**

No officer (director) of the Association shall derive any salary or other compensation by virtue of his office.

#### **SECTION 5-04. REMOVAL OF OFFICERS, DIRECTORS, AGENTS, OR EMPLOYEES.**

Upon determination of the board of directors that the best interests of the Association so require, proceedings may be instituted to remove any officer (director). Such officer instituted to remove any is eligible to vote on the question of his removal. Upon institutions against an officer (director), the privileges, duties and responsibilities of such officer (director), shall be removed from his and automatically vested in the President. The removal from office of such officer (director) shall be by vote of the voting members within sixty (60) days at a special meeting duly convened or at the next regular meeting of members, subject to the notice requirements in Section 6-01. The officer (director) shall resume his or her privileges, duties and responsibilities immediately if fewer than two-thirds of the members present vote for removal or if the question of the removal is not put to a vote of the members within sixty (60) days. Any agent or employee of the Association likewise may be removed by the President or, subject to his supervision, by the person having authority with respect to the appointment of such agent or employee.

#### **SECTION 5-05. CHAIR OF THE BOARD AND PRESIDENT: POWERS AND DUTIES.**

(A ) The President shall be the chair of the board and, as such, shall preside at all meetings of the board of directors. He shall be the senior officer of the Association and shall have such powers and duties as the board may prescribe.

(B ) The President shall be the chief executive officer of the Association. He shall have general charge and supervision of the business of the Association and shall exercise or perform all the powers and duties usually incident to the office of President, and shall preside at all meetings of the members of the Association.

(C ) A person may hold the office of President as often as he or she may be duly elected to such office; provided, however, that no person may hold the office of President for more than two consecutive years.

**SECTION 5-06. VICE-PRESIDENTS: POWERS AND DUTIES.**

The First Vice-President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President; and the Second Vice-President shall, in the absence or disability of the First Vice-President shall, perform the duties and exercise the powers of the First Vice-President. Each Vice-President shall have such other powers and perform such other duties as may be assigned to him by the board of directors.

**SECTION 5-07. RECORDING SECRETARY: POWERS AND DUTIES.**

The Recording Secretary shall attend all sessions of the board and all meetings of the members and act as clerk thereof, and record all the votes and minutes thereof in books to be kept for that purpose; and shall perform like duties for the executive committee or the board of directors when required. He shall give or cause to be given, notice of all meetings of the members and of the board of directors, and shall perform such other duties as may be prescribed by the board or by the President. He shall keep in safe custody the corporate seal of the Association, and may affix the same to any instrument requiring it and attest the same.

**SECTION 5-08. CORRESPONDING SECRETARY: POWERS AND DUTIES.**

The corresponding secretary shall be responsible for all Association correspondence at the direction of the President.

**SECTION 5-09. TREASURER: POWERS AND DUTIES.**

The Treasurer shall be chief financial officer and shall cause full and accurate accounts of receipts and disbursements to be kept in books belonging to the Association. He shall see to the deposit of all moneys and other valuable effects in the name and to the credit of the Association in such depository or depositories as may be designated by the board of directors, subject to disbursement or disposition of orders signed in such manner as the board of directors shall prescribe. Whenever the board may require it, he shall render to the directors or to the members, at the regular meetings of the board or members, an account of all his transactions as Treasurer and of the results of operations and financial condition of the Association and a budget for the succeeding fiscal period.

**SECTION 5-10. PARLIAMENTARIAN: POWERS AND DUTIES.**

The Parliamentarian shall issue rulings on points of parliamentary procedure, upon request of the President or upon a request from the floor. The Parliamentarian's duty shall be to maintain order, should the President be unable to do so.

**SECTION 5-11. DIRECTORS: POWERS AND DUTIES.**

The Directors shall exercise such powers and shall be the subject to such duties as the President may form from time to time prescribes.

**SECTION 5-12. PLACE OF MEETINGS OF DIRECTORS.**

The meetings of the board of directors may be held at such place within the Commonwealth of Pennsylvania as a majority of the directors may from time to time by resolution appoint, or as may be designated in the notice or waiver of notice of a particular meeting; in the absence of specification, such meetings shall be held at the registered office of the Association.

**SECTION 5-13. FIRST MEETING OF DIRECTORS.**

The first meeting of each newly elected board of directors shall be held the second Monday following their election, or at such other time as the board of directors shall designate. If any day fixed for a regular meeting shall be a legal holiday, then the meeting shall be held at the same hour and place on the next succeeding business day.

**SECTION 5-14. REGULAR MEETINGS OF DIRECTORS.**

Regular meetings of the board of directors shall be held monthly at such time as the board of directors shall designate

at its initial meeting following election. If any day fixed for a regular meeting shall be a legal holiday, then the meeting shall be held at the same hour and place on the next succeeding business day.

**SECTION 5-15. SPECIAL MEETINGS.**

Special meetings of the board of directors may be called at any time by the President, and shall be called upon the written request of three (3) or more of the directors delivered to the recording secretary. Any such request by directors shall state the time and place of the proposed meeting, and upon receipt of such request it shall be the duty of the Recording Secretary to issue the call for such meeting promptly. If the Recording Secretary shall neglect to issue the call, the directors making the request may issue the call.

**SECTION 5-16. QUORUM.**

At all meeting of the board 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 at a meeting at which a quorum is present shall be in the acts of the board of directors, except as may otherwise be specifically provided by statute, or by the Articles of Incorporation, or by these By-Laws.

**SECTION 5-17. ADJOURNMENT.**

Adjournment of adjournments of any regular or special meeting may be taken, and it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted thereat other than by announcement at which such adjournment is taken. At any adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting originally called.

**SECTION 5-18. GENERAL POWERS.**

The board of directors may exercise all such powers of the Association and do all such lawful acts and things as are not by statute, or by Articles of Incorporation or by these By-Laws, directed or required to be exercised and done by the members.

**SECTION 5-19. COMMITTEES.**

There shall be standing Committees on Zoning, Membership, Education, Finance, and Neighborhood Improvement, and such other committees or advisory groups as the President, with the approval of the board of directors, may from time to time create. The President, with the approval of the board of directors, shall designate the function, responsibility and chairs, as appropriate and desirable, of such committees or boards. In the absence of the appointment of a chair, the President shall serve as chair of any committees so created.

The chair of each committee shall, with the approval of the President, appoint members of the committee from members in good standing of the Association. The chair and members of each committee shall be appointed at the end of each calendar year for the next succeeding year or at such other time as the board of directors so designates. Chairs and members of committees may be removed for cause by the directors of the Association.

**SECTION 5-20. INFORMAL ACTION BY DIRECTORS.**

Notwithstanding anything to the contrary contained in these By-Laws, any action which may be taken at a meeting of the directors, if any, 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 or the members of the executive committee, as the case may be, and shall be filed with the secretary of the Association.

**SECTION 5-21. ELECTRONIC VOTING BY DIRECTORS.**

Notwithstanding anything to the contrary contained in these By-Laws, any action which may be taken at a meeting of the directors, if any, may be taken without a meeting, if a majority of such members agree in writing, via electronic communication after discussion, electronic or otherwise, between the members and after a vote in such a manner is so called by a person entitled to vote on such matter.

## **ARTICLE VI NOTICE OF DIRECTORS OR MEMBERS MEETINGS**

### **SECTION 6-01. MANNER OF GIVING NOTICE**

(A ) Notice shall be deemed to have been properly given to a member when published in the Association's newsletter, published in a newspaper of general distribution in the Community, or when delivered to members individually as set forth in the next clause. Alternatively, notice may be given by publishing the information at a regular meeting and promptly posting the same on the Association's web site. Notice to a director shall be given when delivered to such director individually as set forth in the next clause.

(B ) Notice shall be deemed delivered to members individually if it is deposited in the United States mail with first class postage prepaid, or via electronic mail, directed to the address appearing on the books of the Association or supplied by the member or director to the Association for the purpose of notice. A certificate of affidavit by the Recording Secretary shall be prima facie evidence of the giving of any notice required by these By-Laws.

(C ) If the notice is sent by mail or by electronic mail, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or onto the Internet, with a copy retained, for transmission to such person.

(D ) Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting of members, the general nature of the business to be transacted.

### **SECTION 6-02. TIME OF NOTICE**

Except as expressly set forth herein, Notice of a meeting of the members shall be given by, or at the discretion of, the Recording Secretary or other person or persons authorized to call the meeting, to each voting member of record on the date such notice is sent, at least five days prior to the day named for the meeting, unless a greater period of notice is required by law in a particular case.

Notice of a meeting of the directors shall be given by, or at the discretion of, the Recording Secretary or other person or persons authorized to call the meeting, to each director on the date such notice is sent, at least five days prior to the day named for the meeting.

(A ) At least ten days notice must be given to the members before a vote may be scheduled on the removal from office of a director.

(B ) In the event a meeting of the membership is rescheduled by the Board of Directors, the notice required shall be reasonable notice. For this purpose, reasonable notice shall be the lesser of (i) announcement at the prior meeting and promptly posting such change on the Association's web site, and (ii) such other notice as is reasonable due to exigent circumstances (snow, facility closure, etc), followed by prompt posting of the changed time on the Association's web site.

### **SECTION 6-03. WRITTEN WAIVER**

Whenever any written notice is required to be given to a member or director under the provisions of applicable law or by these By-Laws, a waiver thereof in writing, signed by him either before or after the time stated therein, and whether before or after the time stated therein, and whether before or after the meeting, shall be deemed equivalent to the giving of due notice. Except in the case of a special meeting of members, neither the business to be transacted at nor the purpose of such meeting need be specified in the waiver of notice of such meeting.

### **SECTION 6-04. WAIVER BY ATTENDANCE**

Attendance of any person in person at any meeting shall constitute a waiver of notice of such meeting, except where a person entitled to notice attends the 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 6-05. 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 adopt it with such clarifying or other amendments as does not enlarge its original purpose without further notice to persons not present in person.

**ARTICLE VII  
RECORDS**

**SECTION 7-01. CORPORATE RECORDS.**

The Association shall keep at its registered office in this Commonwealth or at its principal place of business wherever situated an original or duplicate record of the proceedings of the members and directors and the original or copy of its By-Laws, including all amendments and alterations thereto to date, and an original or duplicate membership register, giving the names and addresses of the members, and the class, if any, and other pertinent details of their membership. In any case where membership has been terminated, such fact shall be recorded in the register together with the date on which membership ceased. The Association shall also keep complete and accurate books or records of account.

**SECTION 7-02. RIGHT OF INSPECTION.**

Every member shall, upon writing demand under oath stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, one reasonably related to the interest of such person as a member, the membership register, books and records of account, and records of the proceedings of the members and directors, and to make copies or extracts there from. The books or records of membership shall also be produced at any annual or special meeting of the Association, upon request of a member.

**SECTION 7-03. EXECUTION OF WRITTEN INSTRUMENTS.**

All contracts, deeds, mortgages, obligations, documents and instruments, whether or not requiring a seal, may be executed by the President or a Vice-President and attested by the Recording Secretary or the Treasurer, or may be executed or attested, or both, by such other person or persons as may be specifically designated by resolution of the board of directors. All checks, notes, drafts and orders for the payment of money shall be signed by at least two of such unrelated officers as the board of directors may from time to time designate.

**ARTICLE VIII  
MISCELLANEOUS PROVISIONS**

**SECTION 8-01. TRANSACTIONS WITH DIRECTORS AND OFFICERS**

Without limiting the provisions of applicable law, no contract or transaction between the Association and one or more of its directors or officers, or between the Associations and any other corporation, partnership, association or other organization in which one or more of its directors or officers are directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the director or officer is present at or participates in the meeting of the board of directors which authorizes the contract or transaction, if the material facts as to his 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 officers even though the disinterested directors are less than a quorum. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board, which authorizes the contract or transaction specified in this section.

**SECTION 8-02. PUBLIC STATEMENTS BY MEMBERS.**

Each member has the right to speak as a member of the Association. No member has the right to speak for, demonstrate on behalf of or represent the Association in public unless expressly or impliedly authorized by these By-Laws, or the Board of Directors, or expressly authorized by the voting members.

**ARTICLE IX  
AMENDMENT OF BY-LAWS**

**SECTION 9-01. AMENDMENTS.**

These By-Laws may be altered, modified, amended, supplemented or repealed only by the vote of members entitled to cast at least two-thirds of the votes which all members present are entitled to cast thereon, at any two consecutive regular or special meetings of the members, duly convened after notice to the members of that purpose; or by unanimous written consent or consents of all the members, without a meeting.

**ARTICLE X  
PROTECTION OF DIRECTORS AND OFFICERS**

**SECTION 10-01. PERSONAL LIABILITY.**

No person who is or was a director of the Association shall be personally liable for monetary damages for any action taken, or any failure to take action, as a director, unless (i) the director has breached or failed to perform the duties of office as set forth in Section 8363 of the Pennsylvania Directors' Liability Act (Act No. 1986-145), and (if) the breach or failure to perform constitutes self dealing, willful misconduct or recklessness, subject to the limitations provided for in the Act.

**SECTION 10-02. INDEMNIFICATION.**

The Association shall indemnify any person ("Indemnified Person") who is a party, or who is threatened to be made a party, to any threatened, pending or complete action, suit or proceeding, whether civil, criminal or administrative, by reason of being a director or officer of the Association, against expenses (including costs and attorneys' fees), judgments and amounts paid in settlement actually and reasonably occurred in connection with such action, suit or proceeding ("Indemnified Liabilities") in all cases and circumstances, except where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct or recklessness.

**SECTION 10-03. INDEMNIFIED LIABILITIES.**

In addition, the Association shall indemnify any Indemnified Person against Indemnified Liabilities to the full extent otherwise authorized by Pennsylvania law, including, without limitation, the indemnification permitted by the Nonprofit Corporation Law of 1972.

**ARTICLE XI  
FAIRMOUNT COMMUNITY DEVELOPMENT CORPORATION  
DIRECTORS SECTION**

**SECTION 11-01. FCDC DIRECTORS**

The Fairmount Community Development Corporation (the "FCDC"), a Pennsylvania Non-Profit Corporation in Philadelphia, Pennsylvania, created on August 19, 1999 for the purpose of community development, has authorized in its By-Laws the appointment of three of its directors ("FCDC Directors"). The FCDC Directors must be voting members of the Association in good standing.

The three FCDC Directors shall serve staggered 3 year terms, commencing on July 1 in the year of appointment.

**SECTION 11-02. APPOINTMENT AND REMOVAL OF FCDC DIRECTORS**

Each year the membership of the Association shall appoint one FCDC Director upon or shortly before the expiration of the term of the FCDC Director he or she will be replacing as set forth below.

Initial requirements and deadlines for applicants seeking the position of FCDC Director will be announced at no less than two regularly scheduled Association meetings and published in no less than two Association newsletters.

In the event that more than two members of the association apply for the appointment, the directors shall review all applications and shall select two candidates to present to the general membership of the Association for consideration, of which one will be elected. The directors shall set forth the rules of such a meeting, including any rules pertaining to speeches and literature to be distributed.

FCDC Directors may be removed (i) as if they were directors of the Association, or (ii) by a vote by two-thirds of the directors of the Association. Should a vacancy occur other than through regular expiration of a term, an interim FCDC director shall be appointed to fill in the remainder of that FCDC director's term, or for such shorter time as the President so determines, pursuant to the provisions herein pertaining to replacement of directors.

**SECTION 11-03. REPORTING BY FCDC DIRECTORS**

In order to ensure clear communication between the FCDC Board and the Association, the three individuals serving as FCDC Directors shall brief the Association directors no less than four times per year, as directed by the President. Briefings to the general membership of the Association shall take place no less than twice per year, in a time and manner selected by the President.

**END OF BYLAWS**