

**BYLAWS**

**OF THE**

**PENNSYLVANIA RESIDENTIAL**  
**OWNERS ASSOCIATION**

As Amended:  
December 6, 2001  
December 4, 2004  
December 6, 2018

BYLAWS  
OF THE  
PENNSYLVANIA RESIDENTIAL OWNERS ASSOCIATION

ARTICLE I - NAME, PURPOSE & LOCATION

Section 1-01 - Name. The Name of this organization is the Pennsylvania Residential Owners Association (the PROA), incorporated as a nonprofit mutual benefit association under the laws of the Commonwealth of Pennsylvania.

Section 1-02 - Purpose. The purpose of the PROA is to provide a wide range of specialized services and activities which benefit the rental housing industry, and which local apartment associations in the Commonwealth may utilize to collectively address industry needs, interests and issues on a continuing basis, and to advocate and promote high professional standards and sound business methods in the best interest of the rental housing industry.

Section 1-03 - Location. The principal office of the PROA shall be located in a geographic area in Pennsylvania designated by the Board of Directors as best serving the purposes of the organization and the needs and interests of its membership.

ARTICLE II - COMPLIANCE WITH STATE AND FEDERAL LAWS

Section 2-01 - Compliance. It is the express intent of the PROA in conducting any and all of its affairs to comply fully with anti-trust statutes and any Pennsylvania or Federal Laws which may pertain to an organization of this type.

ARTICLE III - MEMBERSHIP, DUES & TERMINATION

Section 3-01 - Classification of Members. There shall be three (3) classes of members in the PROA: Group Members, At-Large Members, and Associate Members.

Section 3-02 - Eligibility for Membership.

- a) Group Members. Group Members shall be local associations, having at least fifteen (15) members in good standing, existing, or hereinafter to be organized, in the Commonwealth of Pennsylvania whose function is to benefit the rental housing industry and to serve those engaged in residential rental property investment and management, Individuals or entities holding membership in, a Group Member organization may participate in the PROA only when enrolled as a PROA participant by the group member.
- b) At-Large Members. At-Large Members shall be individuals or entities, either residing or doing business in geographical areas not represented by a PROA affiliated local apartment association, or who are not members in a PROA affiliated local apartment association, who are beneficial owners or managers of rental living units. Individuals or entities holding membership in any PROA affiliated group member association may not hold at-large membership in the PROA.
- c) Associate Members. Associate Members shall be individuals or entities who may be ineligible for group or at-large membership who have an interest in the growth and expansion of the rental housing industry.

Section 3-03 - Privileges and Obligations of Membership. All members are obligated to actively support PROA events, activities, code of ethics and policies approved by the Board of Directors. The privileges and obligations of each class of members, in addition to those otherwise provided in these bylaws, are as follows:

- a) Group Members (Local Associations). Group members shall have voting privileges as provided herein. They agree to promulgate the benefits provided by the PROA to their members and to serve the rental housing owners in their respective areas. They are obligated to support the PROA and its bylaws and take no action adverse thereto. Each group member shall keep a complete and up to date listing of its members enrolled as participants in the PROA and shall account for all PROA participation fees paid by such participants separately from its own funds. Group members shall make said lists and accounts available for inspection when so requested by the Board of Directors or by any person or persons acting on its behalf.
- b) At Large Members. At large members shall have collective voting privileges as provided herein. They are obligated to support the PROA and its bylaws and to take no action adverse thereto.
- c) Associate Members shall have such privileges, rights and obligations as may be prescribed by the Board of Directors, except the right to vote and to hold elective office.

Section 3-04 - Applications for Membership. Applications for all membership classifications must be reviewed and approved at a PROA membership meeting or by the Board of Directors as set forth in the adopted policies of the PROA. All membership applications must be accompanied by payment of dues, according to the class of membership for which application is made, and affiliation fees established by the PROA Board of Directors. Dues shall be payable thereafter as required in Section 3-05 of this article for all classes of membership. Consideration may be given for special financing arrangements by the Board of Directors.

Section 3-05 - Dues. Annual dues shall be reviewed and established by the PROA Board of Directors and shall be payable in accordance with the following guidelines:

- a) Group Members. Each group member may elect either to enroll all of its regular members as participants in the PROA and pay dues as part of its overall budget, or to enroll only those members who pay an annual PROA participation fee adopted by the PROA Board of Directors. Group members which elect the latter method of enrollment shall actively solicit and promote participation in the PROA so as to maximize participation by as many of its members as possible.

Dues payable by each group member shall be based upon the number of its enrolled PROA participants, and may also be subject to a minimum amount based on the number of its regular members.

Group members shall pay dues according to a schedule adopted by the PROA Board of Directors.

- b) At-Large Members. At-Large members shall pay annual dues at a flat rate adopted by the PROA Board of Directors.
- c) Associate Members. Associate members shall pay annual dues at a flat rate adopted by the PROA Board of Directors.

Section 3-06 - Fiscal & Membership Year.

- a) The Fiscal Year of the PROA shall be from January 1 to December 31.
- b) Membership in the PROA shall commence upon acceptance of a membership application and payment of dues, and shall continue for twelve (12) consecutive months except as herein provided.

Section 3-07 - Voluntary Termination of Membership. Any member may withdraw from the PROA after fulfilling all obligations, including all dues payments, by giving thirty (30) days written notice of such intention to the Secretary, who shall submit such notice to the Board of Directors. All dues which shall become due before the effective date of membership termination shall be paid by said withdrawing member, All benefits of a member who voluntarily withdraws shall cease at the end of said thirty (30) days, and no refund shall be made of dues previously paid to the PROA.

Section 3-08 - Termination by Board of Directors.

- a) Nonpayment of Dues. Upon failure to pay all PROA dues within sixty (60) days after the same shall have become due, any membership, whether group, at-large, or associate, shall automatically terminate, provided a written notification of the delinquency was mailed to the delinquent member no later than thirty (30) days prior to the termination date. Thereupon all rights and privileges of membership shall cease.

Upon failure to pay all PROA dues within thirty (30) days after the same has become due, any member, whether group, or at-large, shall lose the privilege of voting in all membership meetings, whether they be general or special. Group members which are thirty (30) days or more delinquent in the payment of dues shall also lose the right to representation in all Board of Directors meetings.

Members who have been terminated for nonpayment of dues may be formally reinstated by a majority vote of the Board of Directors, upon payment of dues owed. Such reinstated member may be assessed a penalty by the Board of Directors which must be paid prior to reinstatement.

- b) Termination for Cause.
  - 1) If the Board of Directors determines that a member has failed to fulfill all its obligations and duties as required hereunder, or has failed to comply with the code of ethics and policies adopted by the PROA, and
  - 2) If such failure shall continue for a period of thirty (30) days after written notice thereof is mailed to said member by the Secretary,

Then in such event, the Board of Directors may terminate the membership of said member by a two-thirds (2/3) vote at any regular or special meeting of the Board where a quorum is present.

All rights and privileges of a member of the PROA shall cease upon termination of membership for whatever cause, and the terminated member shall lose all benefits of PROA membership and shall forfeit any dues previously paid to the PROA.

A former member whose membership has been terminated as provided in this sub-section may apply for reinstatement. The application shall be supported by such sponsorship as the Board of Directors shall determine. In addition, each such application shall be accompanied by all dues and assessments, if any, delinquent at the time the applicant's membership was terminated and that remain unpaid at the time the application is filed.

#### ARTICLE IV - MEETINGS OF MEMBERS

Section 4-01 - Annual Meeting. There shall be an annual meeting of the members of the PROA held at such time and place as the Board of Directors may determine. At this meeting any proper business within the power of the members may be transacted.

Section 4-02 - Regular Meetings. In addition to the annual meeting, there may be regularly scheduled meetings of the members at such places and times designated by the PROA Board of Directors. At regularly scheduled meetings any proper business within the powers of the members may be transacted.

Section 4-03 - Special Meetings. A special meeting of the members may be called by the Board of Directors, the Chairperson, or by request of at least twenty percent (20%) but not less than five (5) group members. Any request for a meeting of the members made by group members must be submitted in writing to the principal office of the PROA, specifying the time desired for the meeting, not less than seven (7) days nor more than thirty (30) days after receipt of the request, and stating the general nature of the business proposed to be transacted at the meeting.

A special meeting called by request shall be set at a time and place designated by the Board of Directors on a date not less than seven (7) nor more than thirty (30) days after receipt of the request. Within ten (10) days after receipt of the request, notice shall be given to all members entitled to vote at the meeting. Said notice shall include the time and place of the meeting, and shall indicate the general nature of the business to be transacted. No other business may be transacted at that meeting.

Section 4-04 - Notice of Meetings. All notices of meetings of members other than special meetings shall be sent by first class mail to the member's current address of record not less than seven (7) nor more than thirty (30) days before the date of the meeting. The notice shall specify the place, date, and time of the meeting.

Section 4-05 - Record Date for Notice. Members at the close of business on the business date preceding the day on which notice is given, and who are entitled to vote at the meeting, are entitled to notice of a meeting of members, subject to the power of the Board of Directors to fix a different record date.

Section 4-06 - Voting at Meetings of Members.

- a) Group Members. At meetings of members, each group member shall select one person from among its members in good standing to cast votes for and in the name of the group member, and shall register said person with the PROA Secretary prior to the meeting. Said registration shall be by letter signed by the chief officer of the group member indicating the name of the authorized person and his or her authority to cast votes at the meeting. Each group member shall be entitled to one vote on each resolution or motion properly made at meetings of members.

- b) At-Large Members. Immediately prior to any other business at the annual meeting of the members, provided there are at least three (3) at-large members in good standing, of which at least three (3) are present in person or by proxy, the PROA Secretary shall preside at an election of a person to represent the at-large members. Said person shall serve for a term of one (1) year until the next annual meeting of the members unless he or she be recalled as hereinafter provided. Qualifications for the representative of the at-large members are: beneficial ownership of residential rental property, and at-large membership in good standing. Only the at-large members present in person or by proxy may vote in said election and a majority vote of those attending shall be required to elect the representative.

The representative of the at-large members shall be entitled to one (1) vote on each resolution or motion properly made at the annual meeting and at all meetings of the members, and shall serve on the Board of Directors with one (1) vote during his or her term of office. The voting rights of the representative of the at-large members shall be suspended at meetings of the members and on the Board of Directors during any period in which the number of at-large members in good standing falls below three (3).

- c) Associate Members. Associate members shall not be permitted to vote nor to participate in debate at meetings of the members.
- d) No person shall have voting power for more than one group member at meetings of the members. The representative of the at-large members may not have voting power for any group member, and no person having the voting power for a group member shall have the voting power for the at-large members.

Section 4-07 - Quorum at Meetings of Members. The presence in person, or by proxy of fifty percent (50%) plus one (1) of the votes authorized for members entitled to vote at a duly called or held meeting of members constitutes a quorum for the transaction of business at the meeting.

#### ARTICLE V - BOARD OF DIRECTORS

Section 5-01 - Authority. Subject of the limitations of these Bylaws, the Articles of Incorporation, and the laws of Pennsylvania, the activities and affairs of the PROA shall be conducted and all corporate powers shall be exercised by, or under the direction of the Board of Directors, all of whom are beneficial owners of residential rental property and are members in good standing of group members, or are at-large members of the PROA in good standing.

Section 5-02 - Representation.

- a) Group Members. Group members shall each have one (1) seat on the Board of Directors entitled to one (1) vote each. Each group member shall select a qualified person from among its members in good standing to act as its "board representative". The board representative shall be authorized by the Group Member to fill its seat on the Board of Directors and cast its vote. Each Group Member shall register its board representative with the PROA Secretary by written letter signed by the chief officer and the secretary of the Group Member. Said letter shall indicate the name of the board representative and his or her authority to represent the group member on the Board of Directors. Each such board representative shall serve at the pleasure of his or her Group Member, and may be recalled at any time by letter signed by the chief officer and secretary of the Group Member and filed with the PROA Secretary. The PROA Secretary shall report the receipt of all such letters filed by Group Members to the Board of Directors. No Director may represent more than one group member, and no Director representing a group member may also represent the at-large members on the Board of Directors.

Each Group Member may, but shall not be required to, select one additional qualified person from among its members in good standing to act as its "board alternate." If so selected, the board alternate shall be authorized by the Group Member to cast its vote at meetings of the Board of Directors when the Group Member's board representative is absent. If so selected, the Group Member shall register its board alternate with the PROA Secretary by written letter signed by the chief officer and the secretary of the Group Member. Said letter shall indicate the name of the board alternate and his or her authority to represent the group member on the Board of Directors when the Group Member's board representative is absent. Each board alternate shall serve at the pleasure of his or her Group Member, and may be recalled at any time by letter signed by the chief officer and secretary of the Group Member and filed with the PROA Secretary. The PROA Secretary shall report the receipt of all such letters filed by Group Members to the Board of Directors.

- b) At-Large Members. Provided there shall be a minimum of three (3) at-large members, they shall collectively be entitled to one (1) seat on the Board of Directors entitled to one (1) vote.

The representative of the at-large members filling said seat shall be selected at the annual meeting of members as provided in Section 4-06 of Article IV above. He or she may be recalled at any time if a petition demanding said recall, signed by a majority of all the at-large members in good standing is filed with the PROA Secretary. Said petition may or may not indicate the name of a new representative. If a qualified replacement be named in the petition, he or she shall serve in place of the person recalled until the next annual meeting of members. If no such person shall be named, then the seat on the Board of Directors shall be vacant. The representative of the at-large members may not represent any group member on the Board of Directors.

- c) Associate Members. Associate members shall not be entitled to representation on the Board of Directors.

Section 5-03 - Vacated Seats on the Board of Directors. Any Director may resign by written notice to the Chairperson, the Secretary, or the Board of Directors. If any Director is disabled or unable or becomes unqualified to serve, his or her seat shall become vacant.

In the case of a vacant seat of a group member, the seat shall remain vacant until filled by the group member as hereinabove provided.

Any time there are a minimum of three (3) at-large members in the PROA, and if there is no qualified representative of the at-large members selected, the PROA Chairperson shall nominate a qualified person to fill the vacant seat, which nomination must be confirmed by a majority vote of all the Directors.

Section 5-04 - Compensation of Directors and Elected Officers. Directors, elective officers, delegates, and members of PROA committees shall serve without compensation for their services. This section shall not preclude any Director or a committee member from serving the PROA in any other capacity as an agent, employee or otherwise, and receiving compensation for that service. Officers, Directors, delegates and committee members may be reimbursed partially, or in full, as determined by the Board of Directors and PROA policies, for expenses incurred undertaking business of the PROA and for reasonable travel expenses necessary to attend regular or special meetings of the Board of Directors.

Section 5-05 - Additional Powers of the Board of Directors. Without prejudice to the general powers set forth in Section 5-01 of this Article, and subject to the same limitations, the Board of Directors shall have the power to:

- a) Select, employ and discharge the Executive Director of any agent or consultant of the PROA by a majority vote of the members of the Board of Directors and prescribe powers and duties for the Executive Director that are consistent with law, the Articles of Incorporation and these Bylaws.
- b) Change the principal office of the PROA in Pennsylvania from one location to another and approve locations for the holding of any meeting or meetings of members, including annual meetings.
- c) Adopt, make and use a corporate seal.
- d) Levy annual dues or fees upon members and set the dates for their payment, change the amount of such dues or fees from time to time and provide for collection or penalties for nonpayment of any such dues or fees.
- e) Make prudent financial investments of PROA funds, borrow money and incur indebtedness on behalf of the PROA and cause to be executed and delivered for the PROA's purposes, in the corporate name, any instruments or other evidences of debt and securities.
- f) Create and specify the limits of authority of a committee or committees of the PROA by resolution of a majority of the Directors in office; approve appointments by the Chairperson to committees, task forces, and study groups as the Board of Directors may deem necessary to the conduct of PROA affairs.
- g) Set a record date of not more than thirty (30) nor less than seven (7) days before the date of a meeting of members for the purpose of determining the members entitled to notice of the meeting; set a record date not more than thirty (30) days before a meeting of members for the purpose of determining the members entitled to vote at the meeting; set a date of not more than thirty (30) days before the day on which the first written ballot is mailed for the purpose of determining the members entitled to cast written ballots; and set a date not more than thirty (30) days before the time for exercise by members of any of their rights with respect to any lawful action as the record date for the purpose of determining the members entitled to exercise such right, but if no record date is set by the Board of Directors under this Bylaw provision, the record date shall be as otherwise provided in these Bylaws or by law.
- h) Adopt, amend or repeal Bylaws of the PROA, subject to the review and approval of the membership at the next annual meeting, except that no Bylaw changing the number of Directors, the members represented by Directors, nor the term of office of Directors of the PROA may be adopted by the Directors. Such action can only be taken by majority vote of the members eligible to vote at the annual meeting.
- i) Relieve a Director of his or her duties by a vote of not less than two-thirds (2/3) of the members of the Board of Directors. If a Director misses three (3) consecutive regular meetings, he or she shall be deemed to have resigned from the Board of Directors, and notice of said occurrence shall be given to the group member.
- j) The Board of Directors shall have the responsibility and authority to interpret these Bylaws, upon advice of legal council. In the event any question concerning meaning or construction arises, the decision of the Board of Directors shall be final.

Section 5-06 - Meetings of the Board of Directors.

- a) Annual Meeting. There shall be an annual meeting of the Board of Directors immediately following the annual meeting of members for the purpose of electing officers and to conduct any other business within the powers of the Board of Directors.
- b) Regular Meetings. There shall be regularly scheduled meetings of the Board of Directors at times and at places determined by the Board of Directors but not less than four (4) times each year. Notices of such regularly scheduled meetings shall be sent by first class mail to each Director at least seven (7) days prior to any such meeting by the PROA Secretary or such other person as the Board of Directors shall designate.
- c) Special Meetings. Special meetings of the Board of Directors may be called from time to time by the Chairperson, the Secretary or by a majority of the Directors. Notice of the time and place of any special meeting shall be given to each Director with a minimum of seven (7) days notice by first class mail or forty-eight (48) hours notice delivered in person or by telephone or telegraph at the Director's address of record. The notice need not specify the purpose of the meeting.
- d) Quorum. Any meeting of the Board of Directors may be held without the physical presence of some or all the Directors through conference telephone or similar communications equipment so long as all Directors participating in the meeting can hear and address one another.

A majority of the authorized number of voting Directors is a quorum for the transaction of business. An action taken by a majority of the Directors present either in person or by communication device, at a meeting duly held at which a quorum is present is the act of the Board, except as a greater number may be required by these Bylaws or by law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for the meeting.

- e) Business Permitted. Any business within the powers of the Board of Directors may be conducted at the annual meeting of the Board of Directors, and at any regular or special meeting of the Board of Directors.
- f) Adjournment. A majority of the Directors present, whether or not a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than seventy-two (72) hours, notice of the adjournment shall be given before the time of the adjourned meeting to the Directors who were not present at the time of adjournment.
- g) Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if the majority of all members of the Board individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a vote of the Board. Such written consent shall be filed with the Minutes of the Board.

## ARTICLE VI - OFFICERS

Section 6-01 - Elective Officers. The elective officers of the PROA shall be Chairperson, Vice-Chairperson, Secretary, and Treasurer.

- a) Qualifications, Election, and Term of Office. All Elective Officers shall be members of the PROA Board of Directors, or board alternates duly selected by Group Members, and shall be elected by the Board of Directors. All officers shall be elected for a term of one year. Said election shall be held at the annual meeting of the Board of Directors and shall require a majority vote of the members of the Board of Directors entitled to vote.
- b) Removal from Office. Any elective officer may be removed from office by a vote of not less than two-thirds (2/3) of the members of the Board of Directors entitled to vote.
- c) Vacated Offices. If any elective officer shall resign his or her office, or become unqualified or otherwise unable to perform the duties of the office, the Board of Directors shall elect a qualified replacement from among the members of the Board of Directors to serve in the vacated office for the unexpired term thereof. Said election shall require a majority vote of the members of the Board of Directors entitled to vote.

Section 6-02 - Appointed Officer. The appointed officer of the PROA shall be the Executive Director. He or she shall serve at its pleasure, and may also hold the office of Assistant Secretary and Assistant Treasurer when so designated by a resolution of the Board.

Section 6-03 - Duties of the Officers.

- a) Chairperson. The Chairperson shall serve as the chief executive officer of the PROA and shall preside at meetings of the members, meetings of the Board of Directors and meetings of the executive committee. He or she shall represent the PROA and act in its name, performing all other duties as are necessarily incident to the office or as may be prescribed by the Board of Directors. He or she shall appoint the members of all committees and task forces, with the concurrence of the Board of Directors and shall be a member ex-officio with the right to vote on all PROA committees and task forces except the nominating committee. He or she shall, at the annual meeting of the members and at other times he or she deems proper, communicate to the PROA membership or the Board of Directors such matters and recommendations as may in his or her opinion promote the effectiveness and benefits of the PROA.
- b) Vice-Chairperson. The Vice-Chairperson shall perform such duties as may be assigned by the Chairperson. He or she shall assume the duties of the Chairperson in the event of his or her absence, death, resignation, removal, or inability to act.
- c) Secretary. The Secretary shall safeguard the records of the PROA and shall keep and maintain minutes of meetings of the members, the Board of Directors, and the Executive Committee.
- d) Treasurer. The Treasurer shall oversee the handling of all PROA funds and shall cause safeguards and prudent policies to be implemented for financial procedures, deposits and investments in accordance with the policies of the Board of Directors. The Treasurer shall also render a complete statement of the PROA's accounts and financial affairs at the annual and regular meetings of the members and such other financial reports as the Board of Directors require. When a conflict arises or a question develops, the

Treasurer, or a representative designated by the Treasurer shall have the authority, upon approval of the PROA Board of Directors, to examine the financial and membership records of any group member.

- e) Executive Director. The Executive Director shall be the chief operating officer of the PROA, and shall carry out the policies and orders of the Board of Directors. He or she shall carry out the duties of the office under the general direction of the Chairperson. He or she shall be authorized from time to time, and within the budget and policies of the PROA, to employ such persons as he or she may deem necessary for the proper conduct of the affairs of the PROA, and determine the compensation to be paid therefore; and shall do all and such other things and acts pertaining to the office of Executive Director as may be directed by the Board of Directors, and shall make such reports, recommendations, and suggestions to the Board of Directors which in his or her judgment will benefit the PROA. He or she shall be an ex-officio, nonvoting member of all committees, other than the nominating committee. He may also hold the offices of Assistant Secretary and Assistant Treasurer when so designated by the Board of Directors.

#### ARTICLE VII - INDEMNIFICATION

Section 7-01 - Indemnification. The PROA shall indemnify every Director, member of a committee of the PROA, officer or employee of the PROA, their heirs, executors and administrators, against all liabilities and all expenses (including attorney's fees) reasonably incurred by him or her in connection with any action, suit or proceeding to which he or she may be made a party by reason of his or her being or having been a Director, member of a committee, officer, or employee of the PROA. No indemnification shall be provided in relation to matters as to which he or she shall be finally adjudged in an action, suit, or proceeding to be liable for negligence or willful misconduct in the performance of his or her duties to the PROA. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which a majority of the entire Board of Directors of the PROA, after having received the opinion of counsel, shall by resolution determine that the person to be indemnified did not commit a breach of duty. The foregoing right of indemnification shall not be exclusive of other rights to which such Director, member of a committee, officer, or employee may be entitled.

#### ARTICLE VIII - COMMITTEES

Section 8-01 - Committees. All standing committees, special committees, and task force groups shall be nominated by the Chairperson, in accordance with PROA policies, and approved by the Board of Directors. Committee action shall be subject to the approval of the Board and committees shall serve as spokespersons for the PROA only when directed to do so by the Board.

Absences. The PROA Chairperson shall have the authority to discharge any committee member. Any committee member who is absent from two (2) consecutive committee meetings without good cause shall be deemed as resigned. The Chairperson shall have the authority to appoint a replacement member of the committee subject to confirmation by the Board of Directors.

Section 8-02 - Nominating Committee. At the annual meeting of the Board of Directors, the Directors shall elect to serve on the Nominating Committee for the year following the annual meeting, three (3) members of the Board of Directors, or board alternates duly selected by Group Members, who did not serve on the Nominating Committee during the previous year, and none of whom shall be currently elected officers of PROA. The Nominating Committee shall elect its Chairperson for the ensuing year from among its members. The Chairperson of the Nominating Committee for the preceding year shall be a non-voting, ex-officio member of the Nominating Committee for the ensuing year.

The Nominating Committee shall recommend at least one (1) candidate for the offices of: Chairperson, Vice-Chairperson, Secretary, and Treasurer, and at least three (3) candidates for members of the Nominating Committee for the ensuing year at least thirty (30) days before the annual meeting of the Board of Directors, and shall officially place the list of persons they have recommended in formal nomination at said meeting.

Section 8-03 - Executive Committee. The elected officers - Chairperson, Vice-Chairperson, Secretary, and Treasurer shall constitute the executive committee of the PROA. The executive committee may act on behalf of the PROA in any lawful manner when the Board of Directors is not in session, reporting to the Board of Directors for ratification of its actions by mail vote or at the next regular or special meeting of the Board. Three (3) votes shall be required to pass or fail a motion in the PROA executive committee.

## ARTICLE IX - BOOKS, RECORDS AND REPORTS

Section 9-01 - Annual Reports to Members.

- a) Each year, each member shall be notified of the member's right to receive the annual financial report of the PROA. A copy of the most recent annual financial report shall be promptly sent to any member who sends a written request for the report.
- b) Not later than seventy-five (75) days after the close of the fiscal year, an annual report shall be prepared by the PROA containing a balance sheet as of the end of the fiscal year; an income statement for the fiscal year; a statement of changes in financial position for the fiscal year; a statement that the names and addresses of the current members of the PROA are located at the principal office of the PROA and the information required by subsection c) below. The report shall be accompanied by any report on it by an independent accountant. or if there is no such report, the certificate of an authorized officer of the PROA that the statement was prepared without audit from books and records of the PROA.
- c) Within seventy-five (75) days after the close of the fiscal year, a statement shall be prepared by the PROA and given to each member a statement of any transaction with the PROA in which either any Director or elected officer or any holder of more than ten percent (10%) of the voting power, had a direct or indirect material financial interest. An expenditure or expenditures aggregating more than five thousand dollars (\$5,000.00) during the fiscal year, in which the same person had a direct or indirect financial interest shall be reported, together with the name of the person interested in the transaction, the person's relationship to the PROA, the nature of the person's interest in the expenditure, and where practicable, the amount of the interest (unless the transaction was with a partnership of which the person is a partner, in which case the partnership interest shall be stated). The statement shall also briefly describe the amount and circumstances of any indemnifications or advances aggregating more than two thousand dollars (\$2,000.00) paid during the fiscal year to or for any officer, Director, member of a committee or employee of the PROA in connection with defense of any threatened or pending proceeding against said person or persons.
- d) The statement in subsection c) shall be given to each member in the manner provided for giving notice of meetings of the members. This requirement may be satisfied by sending the annual financial report containing this statement.

Section 9-02 - Maintenance and Inspection of Records of Members. The PROA shall keep at its principal office, a record of its members containing their names and addresses and the class of membership held by each (the "Membership List").

Any member of the PROA may either inspect and copy the Membership List, at reasonable times, by making a written demand stating the purpose for which the inspection is requested at least five (5) business days before the inspection is to be made, or obtain from the PROA Secretary, by written demand and payment of a reasonable compilation and duplicating charge, the Membership List of the members entitled to vote at meetings of members, as of the most recent record date for which the list has been compiled, or as of a date specified by the member subsequent to the date of demand. The latter demand must state the purpose for which the list is required. Within ten (10) business days after receipt of the latter demand, or after the subsequent date specified in the demand, if the reasonable charge has been paid, the Secretary shall deliver the Membership List to the requesting member.

In the alternative to permitting inspection of the Membership List or providing a Membership List as provided in the foregoing paragraph, the PROA may within ten (10) business days after receiving the member's demand, deliver a written offer of an alternative method of achieving the purpose in the demand. A member's rejection of the offer must be in writing and must indicate the reasons why the alternative proposal does not meet the proper purpose of the demand.

Section 9-03 - Maintenance and Inspection of other Corporate Records. A copy of the PROA's Articles of Incorporation and Bylaws, as amended to date, shall be maintained at the principal office of the PROA and shall be open to inspection by any member at all reasonable times during office hours.

The books and records of account and minutes of the proceedings of PROA membership and Board of Directors shall be kept at the principal office of the PROA. The minutes shall be kept in written form and the books and account records shall be kept either in written or in any other form capable of being converted into written form. The minutes and books and account records shall be open to inspection upon the written demand of any member at any reasonable time during office hours, for a purpose reasonably related to the member's interest as a PROA member.

Section 9-04 - Who May Inspect. Any right of inspection by a Director or member stated in these Bylaws includes the right to copy and to make abstracts of the records inspected and to inspect in person or by agent or attorney. Any record requested for inspection shall be made available in written form, or shall be reduced to written form if kept in another form.

#### ARTICLE X - MEMBERSHIP BENEFITS

Section 10-01 - Benefits. The Board of Directors may from time to time authorize the establishment or sponsorship of programs intended to provide benefits for members, and for this purpose may contract with outside organizations. Should such programs accrue to the PROA a portion of any charge for such services, the Board of Directors may, determine that all or part of such funds be distributed to all members and participants whose dues were paid at the close of the year for which the charge was made and have continued to be paid through the date of distribution.

#### ARTICLE XI - RULES OF ORDER

Section 11-01 - Rules of Order. The latest edition of "Robert's Rules of Order" shall be the authority for establishing meeting procedures of the PROA when not in conflict with these Bylaws, the Articles of Incorporation, or Pennsylvania or Federal Laws.

Section 11-01 - Electronic Communication. Any notice or written communication required to be sent by first class mail under these Bylaws may alternatively be sent by electronic mail (E-Mail), or by facsimile (Fax).

## ARTICLE XII - AMENDMENTS

Section 12-01 - Amendments by the Membership. These Bylaws may be amended by a two-thirds (2/3) vote at any annual meeting of members where a quorum is present, or by a two-thirds (2/3) vote of the members of the Board of Directors. Any amendment to be proposed to the membership shall be sent in writing to each member at least thirty (30) days prior to such annual meeting.

## ARTICLE XIII - DISSOLUTION

Section 13-01 - Dissolution. The PROA does not contemplate pecuniary gain or profit to the members thereof and is organized solely for nonprofit purposes. Upon the dissolution of the PROA, after paying or adequately providing for the debts and obligations of the PROA, the remaining assets shall be distributed to a nonprofit fund, foundation, or corporation in Pennsylvania which is organized and operated exclusively for educational and/or scientific purpose and which has established its tax-exempt status under the Internal Revenue Code; provided, however, that if such dissolution shall occur in connection with an event other than liquidation, then the assets of the PROA shall be distributed to the entity charged with performing the functions and fulfilling the purposes enumerated in Section 1-02 of Article I hereof.