

**INTERNATIONAL SOCIETY  
FOR LABORATORY HEMATOLOGY**

**CODE OF REGULATIONS**

**Revised May 14, 2014 by the Board of Directors**

**ARTICLE ONE**

**NAME, PURPOSES AND POWERS**

Section 1.1 Name. The name of this corporation (the “Corporation”) is International Society for Laboratory Hematology.

Section 1.2 Purposes. The Corporation is organized and shall be operated exclusively for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision or provisions of any subsequent United States revenue law (the “Code”). Within the scope of the foregoing purposes, and not by way of limitation thereof, the Corporation is organized and operated to function as a global forum for its members to gather, exchange ideas, conduct educational seminars, advance research and generally foster the science and clinical art of the field of laboratory hematology.

Section 1.3 Powers. The Corporation is a nonprofit corporation incorporated in the State of Ohio and shall have all of the powers, duties, authorizations and responsibilities as provided in Section 1702 of the Ohio Revised Code; provided, however, the Corporation shall neither have nor exercise any power, nor engage directly or indirectly in any activity, that would invalidate its status as a Corporation that is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code.

**ARTICLE TWO**

**MEMBERS**

Section 2.1 Classes of Members. The Corporation shall have four (4) classes of Members: General Members, Student Trainee Members, Emeritus Members, and Honorary Members. The rights of each class of Members shall be as provided in this Code of Regulations.

Section 2.2 General Members. Any medical or scientific professional engaged in the practice of or research in the field of laboratory hematology shall be entitled to become a General Member of the Corporation upon the payment of such annual dues as shall be established for General Members by the Board of Directors of the Corporation.

Section 2.3 Student/Trainee Members. Any student engaged in the study of the field of laboratory hematology or person training to practice or conduct research in such field shall be entitled to become a Student/Trainee Member of the Corporation upon presentation of a letter

from a faculty member confirming the individual's Student/Trainee status (type of training program, start date, estimated completion date) and upon the payment of such annual dues for Student/Trainee Members as shall be established for Student/Trainee Members by the Board of Directors of the Corporation, and upon approval of such person's application by the Directors.

Section 2.4 Emeritus Members. Anyone with  $\geq 10$  non continuous years of membership, and who has retired from active practice or employment shall be entitled to student registration fee for annual meeting, waived membership fee. An eligible member would apply for Emeritus status and the Board would review applicants at a semiannual meeting. A majority vote in favor of a member's request for Emeritus status would be required.

Section 2.5 Honorary Members. Anyone meeting the criteria for Emeritus Membership plus, special service to ISLH would be eligible. Nominating committee will review candidates and propose a maximum of one Honorary Member per year. The Board will vote on a nominee at a winter meeting, simple majority required. A new Honorary member will be announced during plenary session of the next annual meeting. There is a maximum of 5 honorary members at any time. Honorary members shall be entitled to waiving of membership and meeting registration fees.

Section 2.6 Rights of Members. Each class of Members shall have the right to receive notice of, and attend and participate in the events, seminars and meetings sponsored by the Corporation, to attend such meetings of Members as may from time to time be called by the Directors to inform the Members concerning the present and planned activities of the Corporation and to receive any publications by the Corporation.

Section 2.7 Removal of Members. A Member may be removed from the Corporation for action deleterious to the purposes of the Corporation. Reasons for removal must be presented in writing to the Directors by at least two Members. The Executive Committee will study and investigate the nature of the complaint and reports its findings. The Member whose membership has been proposed to be terminated must be given an opportunity for self-defense in person or in writing before the Executive Committee, and the removal from the Corporation must be approved by a vote of at least three-fourths of the Directors.

Section 2.8 Resignation of Membership. Resignation from the Corporation will be submitted in writing to the Executive Secretary, who will present the resignation to the Directors at the next meeting. The resignation will become effective at the time it is reported to the Board of Directors. Resignation does not entitle the resigning member to a refund of any dues paid by the member.

### **ARTICLE THREE**

#### **BOARD OF DIRECTORS**

Section 3.1 General Powers: Delegation. The activities, property and affairs of the Corporation shall be managed by its Board of Directors, who may exercise all such powers of the Corporation and do all such lawful acts and things as are permitted by statute, by the Articles of

the Incorporation or by this Code of Regulations. The Board of Directors is empowered to enter into contracts and authorize expenditures necessary for the Corporation. The Board of Directors may delegate its authority to enter into contracts and approve expenditures to the Executive Committee, subject to such guidelines as the Board may adopt from time to time.

Section 3.2 Number. The Board of Directors shall consist of not less than five (5), and no more than twelve (12) Directors, with the exact number of Directors to be designated from time to time by resolution of the Directors; provided that no decrease in the number of Directors shall have the effect of shortening the term of any incumbent Director.

Section 3.3 Election and Term of Office. Each Director shall hold office for a three-year term and until such Director's successor is chosen and qualified, or until such Director's earlier death, resignation, retirement, disqualification or removal from office. No Director shall be eligible for reelection so as to serve more than two (2) consecutive terms in office. Directors shall be elected by the Members of the Corporation at the annual business meeting of the Members from a slate of nominees put forth by the Nominating Committee as provided in Section 4.2.3 hereof or by a nomination from any General Member of the Corporation signed by at least ten Members.

Section 3.4 Filling of Vacancies. Any vacancy occurring in the office of Director resulting from the death, resignation, retirement, disqualification or removal from office of any Director shall be filled by the affirmative vote of a majority of the remaining Directors at any meeting thereof. Any Director elected or appointed to fill a vacancy shall hold office until the next annual business meeting of the Members and until such Director's successor is chosen and qualified, or until such Director's earlier death, resignation, retirement, disqualification or removal from office.

Section 3.5 Removal. Any Director may be removed from office pursuant to this section. Reasons for removal of the Director must be presented in writing by at least two (2) Directors to the entire Board of Directors. The Executive Committee will investigate the nature of the complaint and report its findings to the entire Board of Directors. The Director whose removal has been proposed must be given an opportunity to present a defense in writing or in person to the entire Board of Directors. Upon presentation of the report of the Executive Committee and the defense, if any, offered by the Director whose removal has been proposed, the Director shall be removed if such removal is approved by a majority of the Board of Directors.

Section 3.6 Place of Meetings. Meetings of the Directors shall be held at such places, within or outside the state of Ohio, and may from time to time be fixed by the Directors or shall be specified or fixed in the respective notices or waivers of notice thereof.

Section 3.7 Annual Meetings. Meetings of Directors shall be held annually at the time of the annual meeting of the Members to transact any and all business as may properly come before the meeting. Written, electronic or printed notice stating the place, day and hour of each annual meeting of the Directors shall normally be delivered not less than thirty (30) days before the date of such meeting, either personally, by mail, electronically or by facsimile transmission,

by or at the direction of the President or the Executive Secretary, to each Director. Materials for the meeting will normally be distributed one week in advance of the meeting date.

Section 3.8 Regular Meetings. A regular meeting of the Directors shall be held approximately midway between the Annual Meetings at such times and places as determined by the Directors, to transact any and all business as may properly come before the annual meeting. Notice of such meetings shall be given as described in Section 3.7. The regular meeting may be conducted by telephone or internet as described in 3.13.

Section 3.9 Special Meetings. Special meetings of the Directors may be called by the President upon no less than three (3) days, and no more than fifty (50) days notice to each Director, either personally, by hand delivery, by mail, electronically or by facsimile transmission. Special meetings shall be called by the President or Executive Secretary in like manner and on like notice on the written instruction of three (3) or more directors. Except as otherwise provided by statute, by the Articles of Incorporation, or by this Code of Regulations, neither the business to be transacted, nor the purpose of any Special Meeting shall include business that normally would be conducted at Annual or Regular meetings, unless the business is intentionally deferred, or requires more immediate attention.

Section 3.10 Quorum and Manner of Acting. At all meetings of the Directors the presence of a majority of the number of Directors then in office shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by statute, by the Articles of Incorporation or by this Code of Regulations. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors unless the act of a greater number is required by statute, by the Articles of Incorporation or by this Code of Regulations, in which case the act of such greater number shall be requisite to constitute the act of the Directors. A Director may vote only in person, or over the telephone or similar communication devices pursuant to Section 3.13. If a quorum shall not be present at any meeting of the Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall later be present, any business may be transacted which might have been transacted at the meeting as originally convened.

Section 3.11 Directors' Compensation. Directors may not receive compensation of any kind for their services as Directors, or as members of a standing or special committee of the Directors, and may not receive compensation for service for the Corporation in any other capacity. Directors under certain circumstances may receive reimbursement for expenses incurred on behalf of the Corporation, upon the approval of the Directors.

Section 3.12 Consent of Directors. Any action required or permitted to be taken at any meeting of the Directors or any committee may be taken without a meeting if a consent in writing setting forth the action to be taken shall be signed by all of the Directors or all of the members of the committee, as the case may be, by paper document, facsimile, e-mail or other electronic voting process. Such consent shall have the same force and effect as a unanimous vote, and may be stated as such in any document.

Section 3.13 Telephone Meetings. Subject to the provisions of applicable law and this Code of Regulations regarding notice of meetings, Directors or members of any committee designated by the Directors may, unless otherwise restricted by statute, or by the Articles of Incorporation or by this Code of Regulations, participate in and hold a meeting of such Directors or committee by using conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 3.13 shall constitute presence in person at such meeting for purposes of determining a quorum hereunder as well as for taking action.

Section 3.14 Eligibility for Board Membership. A Director shall be a General Member in good standing. Employees or owners of any for-profit commercial or industrial company that conducts business of any kind, excluding patient services, in laboratory hematology shall not be eligible to serve as a Director. A Director who consults for any company, or who receives honoraria directly from a company, shall disclose this at the time of appointment as a Director and annually thereafter.

Section 3.15 Councilors to the Board. Councilors must meet the same eligibility criteria as Board Directors. The Nominating Committee can propose a slate of Councilors to the Board to represent specific regions of the world or for any other special purpose. These appointments will be for up to a three year term, renewable once. The appointments are made by a vote of the Directors at a duly constituted Board meeting, or by an electronic ballot prior to a Board meeting. Councilors may participate in discussions at Board meetings without a vote in decisions of the Directors.

Section 3.16 Ex-Officio Non-voting Directors. The Editors of the official Corporation journal, the Marketing and Membership Director of the Corporation, the Webmaster of the Corporation's website, and other individuals selected from time to time by the Directors, may be invited to attend and participate in Directors meetings, without a vote in decisions of the Directors.

## **ARTICLE FOUR**

### **COMMITTEES**

Section 4.1 Committees of Directors: The Directors by resolution adopted by a majority of the Directors in office may designate one or more committees which to the extent provided in said resolution, shall have and exercise the authority of the Directors in the management of the Corporation. Each such committee shall consist of two (2) or more persons, a majority of whom are Directors. The designation of such committees and the delegation thereto of authority shall not operate to relieve the Directors, or any individual director, or any responsibility imposed on the Directors or such Director by law.

Section 4.1.1 Executive Committee: The Executive Committee of the Corporation shall include the President, President-Elect, Vice-President, if any, Executive Secretary and Treasurer. At the discretion of the President, the immediate Past-President may voluntarily serve as a non-voting advisor to the Executive Committee. The Executive Committee shall have and exercise the authority of the Directors in the management of the Corporation. The

President shall serve as the chair of the Executive Committee. Interim vacancies occurring on the Executive Committee shall be filled by the Board Members in good standing on the recommendation of the President and with the approval of other members on the Executive Committee. The appointee shall serve until the next annual business meeting of the Corporation.

Section 4.2 Advisory Boards or Committees. Advisory boards or committees, including a Scientific Board, a Corporate Advisory Committee, a Nominating Committee and a Code of Regulations Committee, not having and exercising the authority, responsibility or duties of the Directors in the management of the Corporation may be designated by a resolution adopted by the Directors. Except as otherwise provided in such resolution, members of each such advisory board or committee need not be Directors. The President shall appoint the members of such advisory boards or committees. Any member thereof may be removed by the President, on the recommendation of the Directors, whenever the best interests of the Corporation shall be served by such removal.

Section 4.2.1 The Scientific Board. The Scientific Board of the Corporation shall consist of the President of the Corporation, the Editor(s) of the official Corporation journal, and members appointed by the Board of Directors. The purpose of the Scientific Board is to advise and direct the scientific endeavors of the Corporation, such as the educational meetings, research projects and scholarly publications. The Scientific Committee shall oversee the activities of the Task Forces.

Section 4.2.2 The Corporate Advisory Committee. The Corporate Advisory Committee shall consist of the members of the Executive Committee, representatives from industrial corporations whose business consists, in whole or in part, of laboratory hematology, and others as appointed by the Executive Committee. The purpose of the Corporate Advisory Committee is to convey information from the Corporation to the Corporate members and to provide a forum for Corporate members to have input on the activities of the Corporation.

Section 4.2.3 The Nominating Committee. The Nominating Committee shall consist of the Past President, or an alternate Director or Officer at the discretion of the President, who shall serve as the chair for 3 years, renewable once. The chair will select up to 7 Members to serve a 3 year term, consisting of Directors, Councilors, and Members at Large. Vacancies will be filled by the Chair to complete any vacated term. Committee members may be appointed to a second 3 year term at the discretion of the Chair. The purpose of the Nominating Committee shall be to develop a slate of candidates for the Officers and Directors of the Corporation for election at the annual business meeting of the Corporation, and to develop a slate of candidates for Councilors for election by the Board, and to nominate honorary members.

Section 4.2.4 The Bylaws Committee. The Bylaws Committee shall consist of three Directors, at least one of whom shall be a member of the Executive Committee, to review and maintain this Code of Regulations in good order and compliance with applicable statutes; and to receive and consider proposals for amendments to this Code of Regulations from Members of the Corporation.

Section 4.3 Task Forces. Task Forces, not having nor exercising the authority, responsibility or duties of the Directors in the management of the Corporation may be designated

by a resolution adopted by the Directors. Except as otherwise provided in such resolution, members of each such Task Force need not be Directors of the Corporation. The purpose of said Task Forces shall be to perform research and advance the science and education of laboratory hematology. The President shall appoint the members of such Task Forces. Any member thereof may be removed by the President, on the recommendation of the Directors, whenever the best interests of the Corporation shall be served by such removal.

Section 4.4 Term of Office. Except as otherwise designated by this Code of Regulations, each member of a committee of Directors or advisory board or committee or Task Force shall continue as such until the next annual meeting of the Directors of the Corporation and until such person's successor is appointed, unless the board or committee is sooner terminated, or unless such person is removed from such board or committee or shall cease to qualify as a member thereof.

Section 4.5 Chairman. Unless otherwise designated by this Code of Regulations, one or more members of each Director's committee or advisory board or committee shall be appointed chairman, or co-chairman, by the President of the Corporation.

Section 4.6 Vacancies. Vacancies in the membership of any committee of Directors or advisory board or committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 4.7 Quorum: Manner of Acting. Unless otherwise provided in the resolution of the Directors designating a committee of Directors or advisory board or committee, a majority of the whole board or committee shall constitute a quorum, and the act of the majority of the members present at a meeting at which a quorum is present shall be the act of the board or committee.

Section 4.8 Rules. Each committee of Directors or advisory board or committee may adopt rules for its own government not inconsistent with these Bylaws or with rules adopted by the Board of Directors.

## **ARTICLE FIVE**

### **OFFICERS, EMPLOYEES AND AGENTS: POWERS AND DUTIES**

Section 5.1 Elected Officers. The elected officers of the Corporation shall include a President, a President-Elect, an Executive Secretary and a Treasurer, and may include one or more Vice Presidents, as may be determined from time to time by the Directors (and in the case of any such Vice Presidents, with such descriptive title, if any, as the Directors shall deem appropriate). Each elected Officer shall be a current director in good standings.

Section 5.2 Election of Directors. The nominating committee will assemble a slate of nominees for open Director positions, and will consider recommendations from the general membership. The slate will exceed the minimum number of open Director positions on the Board. The nominating committee will submit the ballot to the Members for election by mail or

electronic ballot, normally thirty (30) days prior to the annual business meeting of the Corporation. Every effort will be made to include an international representation for nominees to the Directors. The number of the votes cast by mail or electronic ballot shall be determinative of the outcome. In the case of a tie vote for a position, there will be a run-off ballot submitted to the Members to complete the election process. In the event of a second tie, a majority vote of the board will determine the outcome, excluding any current directors who are involved in the tie vote. In the event of a tie vote by the board, the executive committee will determine the outcome of the election.

5.2.1 Election of Officers. The nominating committee will solicit candidates from among the Board of Directors and assemble a slate of nominees for open officer positions. The slate will include one or more candidates for each open officer position. In the event there is a sole nominee for an officer position, the appointment must be approved by the Board in order to be appointed for the position. The nominating committee will submit the ballot to the Members for election by mail or electronic ballot normally 30 days prior to the annual business meeting of the Corporation. The number of the votes cast by mail or electronic ballot shall be determinative of the outcome. In the case of a tie vote for a position, a second ballot containing only the candidates who tied will be submitted to the Members to complete the election process. In the event of a second tie, a majority vote of the board will determine the outcome, excluding any current directors who are involved in the tie vote. In the event of a tie vote by the board, subsequent votes will be taken until one candidate obtains a majority and is declared the winner of the election.

Section 5.3 Appointive Officers. The Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and assistant officers and agents as it shall from time to time deem necessary, who shall exercise such powers and perform such duties as shall be set forth in this Code of Regulations or determined from time to time by the Directors.

Section 5.4 Two or More Offices. Any two (2) or more offices may be held by the same person, except that the President and Executive Secretary shall not be the same person.

Section 5.5 Compensation. Officers may not receive compensation of any kind for their services as Officers of the Corporation, and may not receive compensation for service for the Corporation in any other capacity. Officers under certain circumstances may receive reimbursement for expenses incurred on behalf of the Corporation or in attending meetings as Officers of the Corporation, upon the approval of the Directors.

Section 5.6 Term of Office; Removal; Filling of Vacancies. Each elected Officer of the Corporation shall hold office for a three-year term and until such Officer's successor is chosen and qualified, or until such Officer's successor is chosen and qualified in such Officer's stead or until such Officer's earlier death, resignation, retirement, disqualification or removal from office. No Officer shall be eligible for reelection so as to serve more than two (2) consecutive terms in office. Each appointive Officer shall hold office at the pleasure of the Directors without the necessity of periodic reappointment. Any Officer or agent may be removed at any time by the Directors whenever in its judgment the best interests of the Corporation will be served thereby. If the office of any Officer becomes vacant for any reason,

the vacancy shall be filled by the Directors, until the next annual meeting of the Corporation, when an Officer will be elected to fill the vacancy.

Section 5.7 President. The President shall be the chief executive officer of the Corporation and, subject to the provisions of this Code of Regulations, shall have general supervision of the activities and affairs of the Corporation, and shall have general and active control thereof. The President shall preside, at meetings of the Directors. The President shall have general authority to execute bonds, deeds and contracts in the name of the Corporation; to cause the employment or appointment of such employees and agents of the Corporation as the proper conduct of operations may require and to fix their compensation; to remove or suspend any employee or agent; and in general to exercise all the powers usually appertaining to the office of president of the Corporation, except as otherwise provided by statute, the Articles of Incorporation or this Code of Regulations. In the absence or disability of the President, the duties of such office shall be performed and the powers may be exercised by the President-Elect or other officers, in the order of their seniority, unless otherwise determined by the President or the Directors.

Section 5.8 President Elect and Vice Presidents. The President-Elect and each Vice President, if any, shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the President and the Board of Directors.

Section 5.9 Executive Secretary. The Executive Secretary shall ensure that notice is given of all annual and special meetings of the Directors and shall keep and attest true records of all proceedings at all meetings of the Directors. The Executive Secretary shall have authority to attest any and all instruments executed in the name of the Corporation. The Executive Secretary shall keep and account for all books, documents, papers and records of the Corporation, except those for which some other officer or agent is properly accountable. The Executive Secretary shall generally perform all duties usually appertaining to the office of secretary of the Corporation. In the absence or disability of the Executive Secretary, the duties of such office shall be performed and the powers may be exercised by the Assistant Secretaries in the order of their seniority, unless otherwise determined by the Executive Secretary, the President or the Directors.

Section 5.10 Assistant Secretaries. Each Assistant Secretary shall generally assist the Executive Secretary and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the Secretary, the President or the Directors.

Section 5.11 Treasurer. The Treasurer shall be the chief accounting and financial officer of the Corporation and shall have active control of and shall be responsible for all matters pertaining to the accounts and finances of the Corporation, and shall direct the manner of certifying the same. The Treasurer shall have oversight of the budget of the Corporation, and under the direction of the Executive Committee, shall oversee the expenditures of the Corporation. The Treasurer will make an annual report of the monies received and expended and a detailed statement of the financial condition of the Corporation. The Treasurer will oversee the development and presentation of the budgets of the Corporation. The Treasurer shall also

perform all other duties incident to the office of Treasurer. If the office of Treasurer should become vacant, the Executive Committee upon the recommendation of the President may appoint a member to serve in that position until the next annual meeting of the Corporation.

Section 5.12 Assistant Treasurers. Each Assistant Treasurer shall generally assist the Treasurer and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the Treasurer, the President or the Directors.

Section 5.13 Education Director. The Education Director shall be a member of the Scientific Board and have the overall responsibility for all aspects of the preparation and running of the annual educational conference of the Corporation. The Education Director shall appoint, or cause to have appointed by the Directors, program committee chairmen and members and any other people to assist in such preparation and operation of the conference and associated events.

Section 5.14 Management Personnel. The Directors may appoint from time to time, a person, persons, or professional organization from outside of the Board of Directors to assist the Corporation in management of Corporation activities, such as membership dues, website operation, annual meeting management, abstract submission, and financial management. Any management of the Corporation activities from outside of the Board of Directors shall be reviewed by the Board on an annual basis.

Section 5.15 Additional Powers and Duties. In addition to the foregoing specially enumerated duties, services and powers, the several elected and appointed officers of the Corporation shall perform such other duties and services and exercise such further powers as may be provided by statute, the Articles of Incorporation or this Code of Regulations, or as the Directors may from time to time determine or as may be assigned by any member of the Executive Committee.

## **ARTICLE SIX**

### **FISCAL YEAR**

The fiscal year of the Corporation shall be the twelve (12) month period beginning each January 1, unless another fiscal year is adopted by the Directors.

## **ARTICLE SEVEN**

### **FINANCIAL OBLIGATIONS**

#### **Section 7.1 Budget**

Prior to the close of each fiscal year, the Board of Directors shall adopt a budget of income and expenses for the ensuing fiscal year.

#### **Section 7.2 Checks**

All checks, drafts, bills or exchange, notes, or other obligations or order for the payment of money shall be signed in the name of the Corporation by the Treasurer or his/her designee or by facsimile.

## ARTICLE EIGHT

### INDEMNIFICATION OF MEMBERS, DIRECTORS AND OFFICERS

The Corporation shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action, suit or proceeding whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a Member, Director or Officer of the Corporation (an "Indemnified Party") against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the Indemnified Party in connection with such action, suit or proceeding, if the Indemnified Party acted in a manner the Indemnified Party reasonably believed to be in or not opposed to the best interest of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in a manner which the Indemnified Party reasonably believed to be in or not opposed to be the best interest of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

To the extent that an Indemnified Party has been successful, on the merits or otherwise, in defense of any action, suit or proceeding referred to in this Article or in defense of any claim, issue or matter therein he or she shall be indemnified against expenses and attorney's fees actually and reasonably incurred by him or her in connection therewith.

Indemnification under this Article shall be made by the Corporation upon a determination that indemnification of the Indemnified Party is proper in the circumstances because he or she has met the applicable standard of conduct set forth herein. Such determination shall be made by the Board of Directors by a majority of the disinterested Director, whether or not a quorum is obtainable, with the advice of independent legal counsel in a written opinion.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized in the specific case, upon receipt of an undertaking by or on behalf of the Indemnified Party to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized under this Article.

The Corporation shall have the power to purchase and maintain liability insurance on behalf of all persons who are or were Indemnified Parties of the Corporation against any liability asserted against them or any of them and incurred by any of them arising out of their status as such.

Notwithstanding the foregoing, the provisions of this Article shall be automatically amended to provide for the maximum indemnification for Indemnified Parties permitted under

Section 1702.12(E) of the Ohio Revised Code, including amendments thereto, or any comparable provisions of any future Ohio statute. In order to implement the foregoing, the Directors of the Corporation are authorized to amend the provisions of this Article to provide for such indemnification.

## **ARTICLE NINE**

### **RESERVE FUND**

The Board of Directors may establish a reserve fund by majority vote. The reserve fund shall include excess revenues as identified by the Officers. These funds shall be maintained in a bank account distinct from the operating funds of the society. Funds may be deposited into the reserve fund with approval of at least two Officers. Funds may be withdrawn from the reserve fund upon recommendation of the Officers, and majority consent of the Board of Directors.

## **ARTICLE TEN**

### **AMENDMENTS**

This Code of Regulations may be amended or repealed at any meeting of the Directors at which a quorum is present by the affirmative vote of a majority of the Directors present at the meeting, provided notice of the proposed amendment, repeal or adoption be contained in the notice of such meeting; and provided further, that the foregoing notice requirement shall not prohibit the Directors from adopting the proposed amendment, effecting the proposed repeal or adopting the proposed new bylaws, as the case may be, in a modified form which is not identical to that described or set forth in the notice of such meeting. Each person who becomes a Member of the Corporation hereby expressly acknowledges and agrees that the power to alter, amend or repeal this Code of Regulations, or to adopt new Code of Regulations, has been delegated to the Directors by the Members.