



EASTERN CENTER FOR ARTS AND TECHNOLOGY FOUNDATION
BY-LAWS

ARTICLE I - PURPOSE

1.1 The purpose of the Eastern Center for Arts and Technology Foundation (hereinafter "Foundation") exists for the sole purpose to raise money, invest it and then disburse funds for student scholarships and awards.

1.2 Said Foundation is organized exclusively for charitable and educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

1.3 No part of the net earnings of the Foundation shall inure to the benefit of, or be distributable to its Trustees, officers, or other private persons, except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and expenses incurred and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the Foundation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Foundation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the Foundation shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or, (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

1.4 Upon the dissolution of the Foundation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or

corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the Foundation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE II - OFFICES

2.1 Registered Office. The registered office of the Foundation shall be at 3075 Terwood Road, Willow Grove, Pennsylvania, 19090, or such other location in Pennsylvania as the Trustees may from time to time determine.

ARTICLE III – SEAL

3.1 Corporate Seal. The corporate seal shall have inscribed thereon the name of the Foundation.

ARTICLE IV - MEMBERS

4.1 Membership Corporation. There shall be no members, as such, of the Foundation.

ARTICLE V - TRUSTEES

5.1 The business and affairs of this Foundation shall be managed by its Board of Trustees. The initial Board of Trustees shall be formed from those individuals who were involved with the creation of the Foundation and shall be known as the Founding Trustees. This initial group shall approve the bylaws and elect the officers and conduct such other business as may be needed to operate the Foundation. The Founding Trustees shall serve an initial term of

one year from the initial date of incorporation of the Foundation. As a final order of business, the Founding Trustees shall elect a Board of Trustees with staggered terms in accordance with Section 5.3 to govern the Foundation into the future.

5.2 The Board of Trustees shall have from nine (9) to fifteen (15) members. Four (4) of the members shall hold office by virtue of their position with the Eastern Center for Arts and Technology. They shall be the Joint Committee President, Superintendent of Record, Executive Advisory Committee Chair person and Director, or their designees. Each Trustee shall serve so long as he or she shall hold the office indicated and his or her successor in said office shall automatically become a Trustee hereof upon his or her appointment to said office.

5.3 The remaining members shall be elected by the majority vote of the other members of the Board of Trustees at the annual meeting of the Board of Trustees of the Foundation and shall serve so long as he or she shall hold the office indicated and his or her successor in said office shall automatically become a Trustee hereof upon his or her election to said office. With the exception of the first term, Trustees shall be elected for a three year term. The first term of the Trustees will be staggered (one third each for one year, two year and three year terms) so that all of the Trustees' terms do not expire concurrently.

5.4 Qualification of Trustees. In addition to the four (4) members specified in 5.2, Trustees shall include at least two Eastern Center for Arts and Technology alumni and be elected at-large.

5.5 Powers and Duties. The Trustees shall have all powers and duties for the conduct of the activities of the Foundation except as otherwise required by the Bylaws or a resolution duly adopted by the Board.

5.6 Vote. Each Trustee shall be entitled to one (1) vote.

5.7 Removal. The Board of Trustees, by affirmative vote of two-thirds of all other voting members of the Board, may suspend or expel a member of the Board after an appropriate hearing, provided that written notice of the intention to consider removal of such Trustee has been included in the notice of the meeting.

5.8 Vacancy. Except as otherwise stated in these Bylaws, any vacancy occurring among Trustees of the Board shall be filled by a majority vote of all voting members of the Board then in office.

ARTICLE VI - MEETINGS

6.1 Notice of Meeting. Written or personal notice of every meeting of the Board of Trustees shall be given to each Trustee at least five (5) days prior to the day named for the meeting.

6.2 Annual Meeting. An annual meeting of the Board of Trustees shall be held on a date established in October in each year to elect a Board of Trustees and transact such other business as may properly be brought before the meeting. If the annual meeting shall not be called and held within six (6) months after the designated time, any member of the Board may call such meeting.

6.3 Regular Meetings. Meetings of the Board of Trustees may be held at such times and at such place or places within this Commonwealth, or elsewhere, as a majority of the Trustees may from time to time appoint.

6.4 Special Meeting. Special meetings of the Trustees may be called by the President at any time.

6.5 Quorum. A majority of all voting Trustees in office shall constitute a quorum for the transaction of business and, except as otherwise provided herein, the acts of a majority of all

voting Trustees present at a meeting at which a quorum is present shall be the acts of the Board of Trustees.

6.6 Unanimous Consent of Trustees in Lieu of Meeting. Any action which may be taken at a meeting of the Trustees may be taken without a meeting, if consent or consents in writing setting forth the action so taken shall be signed by all of the Trustees in office and shall be filed with the Secretary of the Foundation.

ARTICLE VII - NOTICES

7.1 Notice. Whenever written notice is required to be given to any person, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, to his or her address appearing on the books of the Foundation, or supplied by him or her to the Foundation for the purpose of notice. The notice shall be deemed to have been given to the person entitled thereto when deposited in the United States mail. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by statute or these Bylaws. When a board meeting is adjourned it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

7.2 Waiver of Notice. Whenever any written notice is required to be given under the provisions of the state or the Articles of Incorporation or the Bylaws of this Foundation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except as otherwise required by statute, neither the business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE VIII - COMMITTEES

8.1 Establishment. The Board of Trustees may establish one or more committees to consist of one or more Trustees of the Foundation. Any such committee, to the extent provided in the resolution of the Board of Trustees or in the Bylaws, shall have and may exercise all of the powers and authority given to them by the Board of Trustees. All committees should have a specific charge and specific timeline.

8.2 Appointment of Members. Unless otherwise determined by the Board, the President shall appoint members of all committees. The Board may, in its discretion, include as members persons who are not members of the Board.

8.3 Appointment of Alternates. The President may designate one or more Trustees as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. If the President does not designate an alternate in the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or she or they constitute a quorum, may unanimously appoint another Trustee to act at the meeting in the place of any such absent or disqualified member. Each committee of the Board shall serve at the pleasure of the Board.

8.4 Quorum. A majority of the members of a Committee shall constitute a quorum at each Committee meeting, except as otherwise provided by the Bylaws, for all actions of a Committee present and voting at each meeting.

ARTICLE IX - OFFICERS

9.1 Positions, Election, Term. The executive officers of the Foundation shall be members of the Board of Trustees, shall be chosen by the Trustees, and shall consist of a President, Vice President, Secretary, Treasurer, and such other officers and assistant officers as the needs of the Foundation may require. They shall hold their offices for a term of three years

and shall have such authority as shall from time to time be prescribed by resolution of the Board. The same Trustee may hold any number of offices. The Board of Trustees may secure the fidelity of any or all such officers by bond or otherwise.

9.2 Consecutive Terms. Officers may be elected for 2 (two) consecutive terms.

9.3 Duties. The duties of the officers shall include the following:

- (a) President. The President shall be the chief executive officer of the Foundation; he or she shall preside at all meetings of the Trustees; he or she shall have general and active management of the affairs of the Foundation; shall see that all orders and resolutions of the Board are carried into effect, subject, however, to the right of the Trustees to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Foundation. He or she shall execute bonds, mortgages and other documents requiring a seal, under the seal of the Foundation. He or she shall be *ex-officio* a member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President.
- (b) Vice President. The Vice President shall act for and as the President, in all cases, of the latter's absence or incapacity, and shall perform such other duties as he or she may be required to do from time to time.
- (c) Secretary. The Secretary shall attend all sessions of the Board and act as clerk thereof, and record all the votes of the Foundation and the minutes of all its transactions in a book to be kept for that purpose; and shall perform like duties for all committees of the Board of Trustees when required. He or she shall give, or cause to be given, notice of all meetings of the Board

of Trustees, and shall perform such other duties as may be prescribed by the Board of Trustees or President, under whose supervision he or she shall be. He or she shall keep in safe custody the corporate seal of the Foundation, and when authorized by the Board, affix the same to any instrument requiring it.

- (d) Treasurer. The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Foundation, and shall keep the moneys of the Foundation in a separate account to the credit of the Foundation. He or she shall disburse the funds of the Foundation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Trustees, at the regular meetings of the Board, or whenever they may require it, an account of all his or her transactions as Treasurer and of the financial condition of the Foundation.

9.4 Removal. The Board of Trustees, by affirmative vote of two-thirds of all other voting members of the Board, may suspend or expel a member of the Board after an appropriate hearing, provided that written notice of the intention to consider removal of such Trustee has been included in the notice of the meeting.

9.5 Vacancies. Any vacancy occurring in any office shall be filled by a majority vote of all voting members of the Board of Trustees then in office. An Officer appointed to fill a vacancy shall serve the unexpired term of the predecessor Officer.

ARTICLE X - BOOKS AND RECORDS

10.1 Retention of Records. The Foundation shall keep an original or duplicate record of the proceedings of the Trustees, the original or a copy of its By-laws, including all amendments thereto to date, certified by the Secretary of the Foundation, and an original or a

duplicate register, giving the names of the members of the Board of Trustees, and showing their respective addresses. The Foundation shall also keep appropriate, complete and accurate books or records of account. The records provided for herein shall be kept at either the registered office of the Foundation in this Commonwealth or at its principal place of business wherever situated.

10.2 Access to Records. Every member of the Board of Trustees shall, at their own expense and upon written demand 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, the register, books and records of account, and of the proceedings of the Trustees, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of such person as a member of the Board of Trustees. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the member of the Board of Trustees. The demand shall be directed to the Foundation at its registered office in this Commonwealth or at its principal place of business wherever situated.

ARTICLE XI - TRANSACTION OF BUSINESS

11.1 The Foundation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by a vote of two-thirds of the members in office of the Board of Trustees. If the real property is subject to a trust, the conveyance away shall be free of trust and the trust shall be impinged upon the proceeds of such conveyance.

11.2 Whenever the lawful activities of the Foundation involve among other things the charging of fees or prices for its services or products, it shall have the right to receive such income and, in so doing, may make an incidental profit. All such incidental profits shall be applied to the maintenance and operation of the lawful activities of the Foundation, and in no case shall be divided or distributed in any manner whatsoever among the Trustees or officers of the Foundation.

11.3 All checks or demands for money and notes of the Foundation for \$500 or less shall be signed by such officer or officers as the Board of Trustees may from time to time designate. Any check or demands for money over \$500 shall be signed by the board President and Treasurer.

11.4 Expenses associated with administration of the Foundation activities consistent with its purpose may be paid with foundation funds.

11.5 It is the duty of the Foundation Board members to disclose the existence of any financial conflict of interest. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists. If a more advantageous transaction or arrangement is not reasonable possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable.

ARTICLE XII – ANNUAL REPORT

12.1 Annual Report. The President and Treasurer shall present periodically, but at least annually, to the Board of Trustees a written report, showing in appropriate detail, the following:

- (a) The assets and liabilities, including the trust funds, of the Foundation as of the end of the fiscal year immediately preceding the date of the report.
- (b) The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report.
- (c) The revenue or receipts of the Foundation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the

report, including separate data with respect to each trust fund held by or for the Foundation.

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

12.2 Filing of Annual Report. This report shall be filed with the minutes of the annual meeting of the Board of Trustees.

12.3 Audit Committee. Two non-office holding Trustees shall be appointed annually to review and certify the annual report and associated transactions.

ARTICLE XIII - AMENDMENTS

13.1 Bylaws may be adopted, amended or repealed by a 2/3's vote of all the voting members of the Board of Trustees at any regular or special meeting duly convened after notice of that purpose.

ARTICLE XIV - LIMITED LIABILITY OF TRUSTEES

14.1 General Rule. A Trustee shall not be personally liable for monetary damages as Trustee for any action taken, or any failure to take action, unless:

- (a) The Trustee has breached or failed to perform the duties of Trustee in accordance with the standard of conduct contained in 15 Pa. C.S.A. 5712 and any amendments and successor legislation thereto; and,
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness;

Provided, however, the foregoing provision shall not apply to (a) the responsibility or liability of a Trustee pursuant to any criminal statute or (b) the liability of a Trustee for the payment of taxes pursuant to local, state or federal law.

14.2 Indemnification. The Foundation shall indemnify any officer or Trustee who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that such person is or was a representative of the Foundation, against expenses, judgment, fines and amounts paid in settlement actually and reasonably incurred in connection with such action or proceedings if such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Foundation, and with respect to any criminal proceedings, had no reason to believe such conduct was illegal, provided, however, that no persons shall be entitled to indemnification pursuant to this Article in any instance in which the action or failure to take action giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness; and provided, further, in instances of a claim by or in the right of Foundation, indemnification shall not be made under section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the Foundation unless and only to the extent that the Court of Common Pleas of the judicial district embracing the county in which the registered office of the Foundation is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Common Pleas or other court shall deem proper.

14.3 Procedure. Unless ordered by a court, any indemnification under section 14.2 or otherwise permitted by law shall be made by the Foundation only as authorized in the specific case upon a determination that indemnification is proper in the circumstances because the Trustees have met the applicable standard of conduct set forth under that section. Such determination shall be made:

- (a) By the Board of Trustees by a majority vote of a quorum consisting of the voting Trustees who were not parties to the action or proceeding; or
- (b) If such quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested voting Trustees so directs, by independent legal counsel in a written opinion.

14.4 Liability Insurance. The Board shall provide liability insurance for all Trustees, officers and employees of the Foundation in such amounts as the Board deems necessary for the position and function of the individual insured. Such insurance shall only cover said individuals from potential pecuniary losses sustained in performing duties within their respective capacity as determined by the Board.

14.5 Bonds. The Board shall obtain bonds for the President and Treasurer, and other Trustees for the faithful discharge of his or her duties in such sums and with such surety as the Board shall determine.

ARTICLE XV- GIFTS AND DONATIONS

15.1 Designated Gifts and Donations. Any gift or donation to the Foundation by any person, business or corporation may be designated for a particular program or activity currently managed or supported by the Foundation. Any designated gift or donation, if accepted, shall be used only for the purpose for which it is designated unless mutually agreed to by both parties. The Board is empowered to reject any gifts or donation which it deems inappropriate.

15.2 Undesignated Gifts and Donations. Any gift or donation received by the Foundation that is not designated for a specific purpose shall be used by the Foundation as the Board deems fit. Undesignated gifts or donations may be merged by the Foundation with other undesignated gifts or donations and used as a single unrestricted fund.

ARTICLE XVI - MISCELLANEOUS PROVISIONS

16.1 Teleconference Meetings. As permitted by the Board of Trustees, one or more persons may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

16.2 Fiscal Year. The fiscal year shall begin on the first day of July.

16.3 Resignations. Any Trustee or officer may resign such position at any time, such resignation to be made in writing and to take effect from the time of its receipt by the Foundation, unless some later time may be fixed in the resignation, and then that date. The acceptance of resignation shall not be required to make it effective.

16.4 Severability. In the event that any paragraph is found invalid it will not invalidate this entire set of by-laws. Furthermore, the Board of Trustees will review and revise the By-Laws to reflect the removal of the invalidated paragraph.

ADOPTED this 31st day of January, 2005.

EASTERN CENTER FOR ARTS AND TECHNOLOGY FOUNDATION

By Joseph J. ...
Joseph J. ... Secretary

By George Marin
George Marin Foundation Founding Member

By Mark M. Mevesky
Mark M. Mevesky Foundation Founding Member

By Laren Wity Sandler
Laren Wity Sandler Foundation Founding Member

By Gay E. Rizzo
Gay E. Rizzo Foundation Founding Member

By Carol A. Macrone
Carol A. Macrone Foundation Founding Member