

RESOLUTION #1996-1

§ It is hereby resolved that annual dues for Active and Associate members will continue to be \$75.00 per fiscal year. (Fiscal year remains July 1st through June 30th.) It is further resolved that Active and Allied members joining between July 1 and December 31 will pay the full \$75.00. Should they join POHMS between January 1 and June 30, their dues will be \$37.00 for that (current) fiscal year. Associate dues will be \$35.00 per fiscal year, regardless of when the Associate member joins.

RESOLUTION #1996-5

§ It is hereby resolved that Article IV, Section 4.02, C, Rights and Obligations, be amended to add an item (5), to wit, "members must attend at least 50% of all regularly scheduled meetings in a twelve month period. If a practice has multiple members, the attendance rule only applies to the practice being represented and not to each member."

§ Note: This resolution was amended on March 20, 1998. (see Resolution 1998-2)

RESOLUTION #1997-6

§ "Be it resolved that directors shall be in a management or other leadership position in a medical practice with a substantial focus on hematology or oncology. No medical practice can be represented on the Board of Directors by more than one individual".

RESOLUTION #1997-7

§ Be it resolved that the number of allied members in the Pennsylvania Hematology Oncology Managers' Society must never exceed the number of Active members in the membership roster.

RESOLUTION #1998-1

§ WHEREAS the current BY-LAWS of POHMS specify, in Section 1.101,..."in the Commonwealth of Pennsylvania", and WHEREAS these same BY-LAWS specify in Article IV, Section 4.01, ..."Pennsylvania Oncology Hematology Managers' medical Practices." And WHEREAS oncology hematology practices in other states which now and may sometime in the future wish to join POHMS and benefit from such membership, (GPO, etc.) and WHEREAS POHMS should encourage a growth strategy to meet it's goals, THEREFORE BE IT RESOLVED that the BY-LAWS of POHMS be amended to remove the specification that only a Pennsylvania medical practice may be a POHMS member.

RESOLUTION #1998-2

§ WHEREAS Resolution 1996-5 requires membership to attend 50% of regularly scheduled meetings over the course of a year, and, WHEREAS POHMS allows for medical practices from other states to join POHMS, and, WHEREAS these medical practices will incur some hardship meeting this attendance requirement, and, WHEREAS POHMS should encourage a growth strategy to meet its goals, THEREFORE BE IT RESOLVED that Resolution 1996-5 be amended to remove the specification that 50% attendance be required, and that the requirement of two (2) meetings per year replace it. The annual meeting and Fall Conference will count as one of these meetings.

RESOLUTION #1998-3

§ WHEREAS Resolution 1998-2 requires all Active POHMS members to attend at least two meetings per year, and, WHEREAS POHMS allows for medical practices from other states to join POHMS, and, WHEREAS these medical practices will incur some hardship meeting this attendance requirement, and, WHEREAS POHMS should encourage a growth strategy to meet its goals, THEREFORE BE IT RESOLVED that Resolution 1998-2 be amended to stipulate that if a POHMS member is first a member of another state hem-onc managers society, then our attendance requirement for such a member is that the respective state society be represented at

two (2) POHMS meetings per year. The annual meeting/ Fall Conference will count as one of these meetings.

BYLAWS

OF

PENNSYLVANIA ONCOLOGY HEMATOLOGY MANAGERS SOCIETY

(a Pennsylvania nonprofit corporation)

ARTICLE I

PURPOSE

Section 1.01. PURPOSE. The general purpose of Pennsylvania Oncology Hematology Managers Society (the "Corporation") shall be to improve the business conditions for private oncology hematology medical practices in the Commonwealth of Pennsylvania.

ARTICLE 11

OFFICES AND FISCAL YEAR

Section 2.01. REGISTERED OFFICE. The registered office of the Corporation in Pennsylvania shall be at Suite 220, 301 S. 7th Avenue, Reading, Pennsylvania 19611 until otherwise established by an amendment of the corporation's articles of incorporation (the "Articles") or by the board of directors and a record of such a change is filed with the Pennsylvania Department of State in the manner provided by law.

Section 2.02. OTHER OFFICES. The Corporation may also have offices at such other places, within or without Pennsylvania, as the board of directors may from time to time appoint or the business of the Corporation may require.

Section 2.03. FISCAL YEAR. The fiscal year of the Corporation shall begin the first day of July each calendar year, or on such other date as may be determined by subsequent resolution of the board of directors of the Corporation.

ARTICLE III

NOTICE - WAIVERS - MEETINGS GENERALLY

Section 3.01. MANNER OF GIVING NOTICE.

(a) General Rule. Whenever written notice is required to be given to any person under the provisions of Pennsylvania law, the Articles or these Bylaws, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, or by telegram or facsimile, charges prepaid, to his address appearing on the books of the Corporation, or, in the case of directors, supplied by him to the Corporation for the purpose of notice. If the notice is sent by mail or by telegraph, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office with transmission to such person. A notice of meeting shall specify the place, day and time of the meeting and any other information provided by any other provision of Pennsylvania law, the Articles or these Bylaws.

(b) Adjourned Meetings. When a 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.

Section 3.02. NOTICE OF MEETINGS OF BOARD OF DIRECTORS.

(a) Requirement.

- (1) Notice of a regular meeting of the board of directors need not be given, except by the adoption of a resolution by the board of directors establishing the places, dates and times of regular meetings.
- (2) Notice of a special meeting by the board of directors shall be given to each director by telephone, facsimile transmission or in writing at least forty-eight (48) hours before the time at which the meeting is to be held.

(b) Content. Every required notice of meeting shall state the place, date and time of the meeting. Unless otherwise provided by Pennsylvania law, neither the business to be transacted at, nor the purpose of, any special meeting of the board need be specified in a notice of such meeting.

Section 3.03. WAIVER OF NOTICE.

(a) Written Waiver. Whenever any written notice is required to be given under the provisions of Pennsylvania law, the Articles or these Bylaws, 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. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of such meeting.

(b) Waiver by Attendance. 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.

Section 3.04. MODIFICATION OF PROPOSAL CONTAINED IN NOTICE.

Whenever the language of a proposed resolution is included in a written notice of a

meeting, the meeting considering the resolution may, without further notice, adopt it with such clarifying or other amendments which do not enlarge its original purpose.

Section 3.05. EXCEPTION TO REQUIREMENT OF NOTICE.

Whenever any notice or communication is required to be given to any person under the provisions of Pennsylvania law, the Articles or these Bylaws, or by the terms of any agreement or other instrument or as a condition precedent to taking any corporate action, and communication with such person is then unlawful, the giving of such notice or communication to such person shall not be required.

Section 3.06. USE OF CONFERENCE TELEPHONE AND SIMILAR EQUIPMENT.

One or more persons may participate in a meeting of the board of directors, or any committee thereof, 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.

ARTICLE IV

MEMEBERSHIP AND MEMBERSHIP ACTION

Section 4.01. MEMEBERS. The Corporation shall have three classes of members with the designations, rights and obligations described below.

(a) Classification. All members shall be designated as either:

(1) Active Members. Individuals that are assigned representative who may or may not have management responsibilities within Pennsylvania Oncology Hematology Medical Practices.

(2) Associate Members. Individuals employed by Pennsylvania Oncology Hematology Medical Practices represented by at least one Active Member.

(3) Allied Members. Individuals not qualified for Active or Associate Membership who are interested in promoting the improvement of business conditions among Pennsylvania Oncology Hematology Medical Practices.

For purposes of this section the term "Pennsylvania Oncology Hematology Medical Practice" shall mean an organization of one or more Pennsylvania licensed physicians engaged in a practice which offers the diagnosis and treatment of hematologic and oncologic diseases.

(b) Election. All members shall be elected by an affirmative two-thirds vote then sitting and eligible to vote at a duly constituted regular of annual meeting.

(c) Rights and Obligations.

(1) Active and Associate members shall be entitled to one vote each on all matters submitted to the members for a vote; provided, however, that when two or more of such members are employed by the same Pennsylvania Oncology Hematology Medical Practice, then only one member from such practice may vote with respect to each matter.

- (2) Allied Members shall not vote.
- (3) Membership does not confer an individual ownership interest in the assets of the corporations.
- (4) Members shall be liable for dues and assessments as set forth in the special resolution adopted by the Members.

Section 4.02. ANNUAL AND SPECIAL MEETINGS. The Members shall undertake annual meeting activity once during each November for the purposes of electing directors and officers. The Members may, at any time, undertake any other activity, as would occur at a special meeting, by written consent as set forth in the notice of the special meeting.

Section 4.03. NOTICE; QUORUM; VOTING. To the extent procedural requirements regarding notice, quorum and voting are not inconsistent with the applicable law, the Members shall proceed in accordance with the following particular requirements.

(a) Written notice may be mailed or delivered (personally or by facsimile) at least five, but not more than 30 days, prior to the special meeting. Notice in a newsletter shall be sufficient for the Annual Meeting.

(b) A quorum consists of at least one-half of the Members of record (as defined by law) and entitled to vote.

(c) Voting may be by mail for officer and director elections.

(d) Written proxies are valid up to eleven months after their execution and delivery to the Secretary of the Corporation of written notice of the attorney in fact.

SECTION 4.04. UNANIMOUS CONSENT. Any action that may be taken at a duly constituted meeting of the members may be taken without a meeting upon unanimous written consent.

SECTION 4.05. CERTIFICATES. The Board of Directors may provide for the issuance of certificates evidencing Membership in the Corporation, which shall be in such form as may be determined by the Board of Directors. Such certificates shall be signed by the President and by the Secretary and shall be sealed with the seal of the Corporation. All certificates evidencing Membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefore upon such terms and conditions as the Board of Directors may determine. When a Member has been elected to Membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his or her name and delivered to the Secretary, if the Board of Directors shall have provided for the issuance of certificates of Membership under this provision.

SECTION 4.06. TRANSFERABILITY OF CERTIFICATES. Membership certificates shall not be transferable and each certificate shall bear a conspicuous legend on its front stating "NONTRANSFERABLE."

SECTION 4.07. SUSPENSION AND EXPULSION. Members may be suspended or expelled as set forth in the special resolution adopted by the Members.

ARTICLE V

BOARD OF DIRECTORS

SECTION 5.01. POWERS; STANDARD OF CARE.

(a) General Rule. Unless otherwise provided by Pennsylvania law, all powers vested by law in the Corporation shall be exercised by or under the authority of, and the business affairs of the Corporation shall be managed under the direction of, the board of directors, subject to the supervision of the Member.

(b) Standard of Care; Justifiable Reliance. A director shall stand in a fiduciary relation to the Corporation and shall perform his duties as a director, including duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner the director reasonably believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his duties, a director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(1) One or more officers or employees of the Corporation whom the director reasonably believes to be reliable and competent in the matters presented.

(2) Counsel, public accountants or other persons as to matters which the director reasonably believes to be within the professional or expert competence of such person.

(3) A committee of the board upon which the director does not serve, duly designated in accordance with law, as to matters within its designated authority, which committee the director reasonably believes to merit confidence.

A director shall not be considered to be acting in good faith if the director has knowledge concerning the matter in question that would cause his reliance to be unwarranted.

(c) Consideration of Factors. In discharging the duties of their respective positions, the board of directors, committees of the board and individual directors may, in considering the best interests of the Corporation, consider the effects of any action upon communities in which offices or other establishments of the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (b) above.

(d) Presumption. Absent breach of fiduciary duty, lack of good faith or self-dealing, any action taken as a director or any failure to take action shall be presumed to be in the best interests of the Corporation.

(e) Notation of Dissent. A director who is present at a meeting of the board of directors, or of a committee of the board, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent is entered in the minutes of the meeting or unless the director files a written dissent to the action with the secretary of the meeting before the adjournment thereof or transmits the dissent in writing to the secretary of the Corporation immediately after the adjournment of the meeting. The

right to dissent shall not apply to a director who voted in favor of the action. Nothing in this section shall bar a director from asserting that minutes of the meeting incorrectly omitted his dissent if, promptly upon receipt of a copy of such minutes, the director notifies the secretary in writing of the asserted omission or inaccuracy.

SECTION 5.02 QUALIFICATIONS AND SELECTION OF DIRECTORS

(a) Qualifications. Each director of the Corporation shall be a natural person of full age.

(b) Election of Directors. Except as otherwise provided in the Articles or these Bylaws, the Members shall elect all directors at the annual meeting upon affirmative vote of the members then present and voting. The board of directors or the Member may establish such nominating procedures for directors, consistent with these Bylaws, as they deem appropriate.

SECTION 5.03. NUMBER AND TERM OF OFFICE.

(a) Number. The board of directors shall consist of such number of directors, not fewer than six (6) nor more than eleven (11), as the Members may from time to time choose at their annual meeting.

(b) Directors shall not be classified.

(c) Term of Office. Each director shall hold office for two years from the date of the annual meeting of which such director was elected, or until the expiration of the term for which the director was selected and until a successor has been selected and qualified or until the earlier of death, resignation or removal. A decrease in the number of directors shall not have the effect of shortening the term of any incumbent director.

SECTION 5.04. RESIGNATION. Any director may resign at any time upon written notice to the Corporation. The resignation shall be effective upon receipt thereof by the Corporation or at such subsequent time as shall be specified in the notice of resignation.

SECTION 5.05. VACANCIES. If a vacancy occurs in the office of the director for any reason, including an increase in the number of directors, the Members shall select a successor, who shall hold office for the unexpired term for which the vacancy occurred.

SECTION 5.06. REMOVAL OF DIRECTORS. The Members may remove any director from office, with or without cause, at any time upon vote by members sufficient to elect such director.

SECTION 5.07. PLACE OF MEETINGS. Meetings of the board of directors may be held at such place, within or without Pennsylvania, as the board of directors may from time to time designate, or as may be designated in the notice of the meeting.

SECTION 5.08. ORGANIZATION OF MEETINGS. At every meeting of the board of directors, the chairman of the board, if there be one, or in the case of a vacancy in the office or absence of the chairman of the board, one of the following officers present, in the order stated, shall act as chairman of the meeting: the vice chairman of the Board, if there be one; the president; the vice president; or a person chosen by majority of the directors present. The secretary, or, in the absence of the secretary, an assistant secretary, or, in the

absence of the secretary or assistant secretaries, any person appointed by the chairman of the meeting, shall act as secretary of the meeting.

SECTION 5.09. REGULAR MEETINGS. Regular meetings of the board of directors shall be held at such places, dates and times as shall be designated from time to time by resolution of the board of directors.

SECTION 5.10. SPECIAL MEETINGS. Special meetings of the board of directors shall be held whenever called by the chairman or by three (3) or more members of the board of directors.

SECTION 5.11. QUORUM OF AND ACTION BY DIRECTORS.

(a) General Rule. At least three (3) directors in office shall be necessary to constitute a quorum for the transaction of business and, except as otherwise expressly provided in these Bylaws, the acts of a majority of the directors present at the meeting at which a quorum is present shall be the acts of the board of directors.

(b) Voting Rights. Each director shall be entitled to one vote.

(c) Action by Written Consent. Any action which may be taken at a meeting of the directors may be taken without a meeting of the directors if a consent or consents in writing setting forth the action so taken shall be signed by all the directors in office and shall be filed with the secretary of the Corporation.

SECTION 5.12. EXECUTIVE AND OTHER COMMITTEES.

(a) Establishment and Powers. The board of directors may, by resolution, adopted by a majority of the directors in office, establish one or more committees to consist of one or more directors of the Corporation. Any committee, to the extent provided in the resolution of the board of directors, shall have and may exercise all of the powers and authority of the board of directors, except that no such committee shall have any power or authority as to the following:

(1) The submission to the Members of any action requiring approval of the Members under Pennsylvania law.

(2) The filling of vacancies in the board of directors.

(3) The adopting, amendment or repeal of these Bylaws.

(4) The amendment or repeal of any resolution of the board.

(5) Action on matters committed by a resolution of the Board of directors to another committee of the board.

(b) Committee Quorum. Unless otherwise expressly provided in the resolution of the board of directors establishing any committee, a majority of the members of such committee shall be necessary to constitute a quorum for the transaction of business, and the acts of a majority of the committee members present at the meeting at which a quorum is present shall be the acts of such committee.

(c) Alternate Committee Members. The board may designate one or more directors as alternate members of any committee who may replace any absent or disqualified member at any meeting of the committee. 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 constituting a quorum, may unanimously appoint another director to act at the meeting in the place of the absent or disqualified member.

(d) Term. Each committee of the board shall serve at the pleasure of the board.

SECTION 5.13. COMPENSATION. The board of directors shall not have authority to fix compensation to the directors for their services as directors, but the directors may be reimbursed for all expenses incurred in attending any regular or special meeting. A director may, however, be a salaried officer of the Corporation.

ARTICLE VI

OFFICERS

SECTION 6.01. OFFICERS GENERALLY.

(a) Number, Qualifications and Designation. The officers of the Corporation shall be a president, vice president, a secretary, an assistant secretary, a treasurer, an assistant treasurer and such other officers as may be elected in accordance with the provisions of this Section 6.01 and Sections 6.02 and 6.03. The president, vice president, secretary and treasurer shall each be natural persons of full age. The board of directors may elect, from among the members of the board, a chairman of the board and a vice chairman of the board each of whom shall also be an officer of the Corporation. Any number of offices may be held by the same person.

(b) Resignations. Any officer may resign at any time upon written notice to the Corporation. The resignation shall be effective upon receipt thereof by the Corporation or at such subsequent time as may be specified in the notice of resignation.

(c) Bonding. The Corporation may secure the fidelity of any or all of its officers by bond or otherwise.

(d) Standard of Care. An officer shall perform his duties as an officer in good faith, in a manner he reasonably believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

SECTION 6.02. ELECTION AND TERM OF OFFICE. The officers of the Corporation, except those elected by delegated authority pursuant to section 6.03, shall be elected annually by the board of directors, and each such officer shall hold office for a term of one year and until a successor has been selected or until his earlier death, resignation or removal.

SECTION 6.03. SUBORDINATE OFFICERS, COMMITTEES AND AGENTS. The board of directors may from time to time elect such other officers and appoint such committees, employees or other agents as the business of the Corporation may require, including one or more assistant secretaries and one or more assistant treasurers, each of whom shall hold office for such period, have such authority, and perform such duties as are

performed in these Bylaws or as the board of directors from time to time may determine. The board of directors may delegate to any officer or committee the power to elect subordinate officers and to retain or appoint employees or other agents or committees thereof, and to prescribe the authority and duties of such subordinate officers, committees, employees, or other agents.

SECTION 6.04. NO CONTRACT RIGHTS. Election or appointment of an officer or agent shall not of itself create any contract rights in the officer or agent.

SECTION 6.05. REMOVAL OF OFFICERS AND AGENTS. Any officer or agent of the Corporation may be removed at any time from the board of directors, with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 6.06. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled by the board of directors or by the officer or committee to which the power to fill such office has been delegated pursuant to Section 6.03, as the case may be, and if the office is one for which these Bylaws prescribe a term, shall be filled for the unexpired portion of the term.

SECTION 6.07. AUTHORITY. All officers of the Corporation, as between themselves and the Corporation, shall respectively have such authority and perform such duties in the management of the property and affairs of the Corporation as are provided in these Bylaws or may be provided by or pursuant to resolutions or orders of the board of directors.

SECTION 6.08 THE CHAIRMAN AND VICE CHAIRMAN OF THE BOARD. The chairman of the board or, in the absence of the chairman, the vice chairman of the board, shall preside at all meetings of the board of directors and of the Member and shall perform such other duties as may from time to time be requested by the board of directors.

SECTION 6.09. THE PRESIDENT. The president shall be the chief executive officer of the Corporation and shall have general supervision over the business and operations of the Corporation, subject, however, to the control of the board of directors. The president shall sign, execute, and acknowledge, in the name of the Corporation, deeds, mortgages, contracts or other instruments authorized by the board of directors, except in cases where signing and execution thereof shall be expressly delegated by the board of directors, or by these Bylaws, to some other officer or agent of the Corporation; and, in general, shall perform all duties incident to the office of chief executive officer, and such other duties as form time to time may be assigned by the board of directors.

SECTION 6.10. THE VICE PRESIDENT. The vice president shall have general supervision over the business and operations of the Corporation in the absence of the president, subject, however to the control of the board of directors. The vice president, in the absence of the president, shall sign, execute, and acknowledge, in the name of the Corporation, deeds, mortgages, contracts or other instruments authorized by the board of directors, except in cases where signing and execution thereof shall be expressly delegated by the board of directors, or by these Bylaws, to some other officer or agent of the Corporation; and, in general, shall perform all duties incident to the office of chief executive officer, and such other duties as form time to time may be assigned by the board of directors.

SECTION 6.11. THE SECRETARY. The secretary shall attend all meetings of the board of directors and of the Member and shall record all votes of the directors and of the Member and the minutes of the meetings of the board of directors, committees of the board, and of the Member, in a book or books to be kept for that purpose; shall see that notices are given and records and reports properly kept and filed by the Corporation as required by law; shall be custodian of the seal of the Corporation and see that it is affixed to all document which are to be executed on behalf of the Corporation under its seal; and, in general, shall perform all duties incident to the office of secretary, and such other duties as may from time to time be assigned by the board of directors or the president.

SECTION 6.12. THE TREASURER. The treasurer shall have or provide for the custody of the funds or other property of the Corporation; shall collect and receive or provide for the collection and receipt of moneys earned by or in any manner due to or received by the Corporation; shall deposit all funds in his custody as treasurer in such banks or other places of deposit as the board of directors from time to time may designate; shall, whenever so required by the board of directors, render an account showing all transactions as treasurer and the financial condition of the Corporation; and, in general, shall discharge such other duties as may from time to time be assigned by the board of directors or the president.

ARTICLE VII

LIMITATION OF DIRECTORS' LIABILITIES AND INDEMNIFICATION

SECTION 7.01. LIMITATION OF LIABILITY. To the fullest extent permitted by Pennsylvania law, a director of the Corporation shall not be personally liable to the Corporation, the Members or others for monetary damages for any action taken or any failure to take any action, unless the director has breached or failed to perform the duties of his office and such breach or failure constitutes self-dealing, willful misconduct or recklessness. The provisions of this Section 7.01 shall not apply with respect to the responsibility or liability of a director under any criminal statute or liability of a director for the payment of taxes pursuant to local, state, or federal law.

SECTION 7.02. INDEMNIFICATION.

(a) Indemnification. The Corporation shall indemnify any person 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 a person is or was a director, officer, employee or agent of the Corporation, or is or was serving, at the request of the Corporation, as a trustee, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), amounts paid in settlement, judgments, and fines actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided, however, that no indemnification shall be made in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

(b) Advance of Expenses. Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding, upon receipt of an undertaking by or on behalf of the trustee, director, officer, employee or agent

to repay such amount if it shall be ultimately determined that he is not entitled to be indemnified by the Corporation as authorized in this Article VII.

(c) Indemnification Not Exclusive. The indemnification and advancement of expenses provided by this Article VII shall not be deemed exclusive of any other right to which persons seeking indemnification and advancement of expenses may be entitled under any agreement, vote of the Member or disinterested directors, or otherwise, both as to actions in such persons' official capacity and as to their actions in another capacity while holding office, and shall continue as to a person who has ceased to be a trustee, director, officer, employee or agent and shall inure to the benefit of the heirs, executors, and administrators of any such person.

(d) Insurance, Contract, Security. The Corporation may purchase and maintain insurance on behalf of any person, may enter into contracts of indemnification with any person, and may create a fund of any nature which may, but need not be, under the control of a trustee for the benefit of any person, and may otherwise secure, in any manner, its obligations with respect to indemnification and advancement of expenses, whether arising under this Article VII or otherwise, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VII.

SECTION 7.03. EFFECT OF AMENDMENT. Any repeal or modification of this Article VII shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation or any right of any person to indemnification from the Corporation with respect to any action accruing prior to the time of such repeal or modification.

ARTICLE VIII

MISCELLANEOUS

SECTION 8.01. SEAL. The corporate seal shall have inscribed thereon the name of the Corporation, the year of its organization, and the words "Corporate Seal, Pennsylvania."

SECTION 8.02. CONTRACTS.

(a) General Rule. Except as otherwise provided by Pennsylvania law, the board of directors may authorize any officer or agent to enter into any contract or to execute or deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

(b) Statutory Form of Execution of Instruments. Any note, mortgage, evidence of indebtedness, contract or other instrument in writing, or any assignment or endorsement thereof, executed or entered into between the Corporation and any other person, when signed by one or more officers or agents having actual or apparent authority to sign it, or by the chairman or vice chairman and secretary or assistant secretary or treasurer or assistant treasurer of the Corporation, shall be held to have been properly executed for and in behalf of the Corporation. Such fact will be without prejudice to the rights of the Corporation against any person who shall have executed the instrument in excess of his actual authority.

(c) Seal. Except as otherwise required by Pennsylvania law, the affixation of the corporate seal shall not be necessary to the valid execution, assignment or endorsement by the Corporation of any instrument in writing.

SECTION 8.04. INTERESTED DIRECTORS OR OFFICERS; QUORUM.

(a) General Rule. A contract or transaction between the Corporation and one or more of its directors or officers or between the Corporation and another corporation, partnership, association, or other organization in which one or more of its directors or officers are trustees, directors, or officers, or for that reason, or solely because that director or officer is present at or participates in the meeting of the board of directors which authorizes the contract or transaction, or solely because his or their votes are counted for that purpose, if :

(1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the board of directors, and the board in good faith authorizes the transaction by the affirmative votes of a majority of the disinterested directors even though the disinterested directors are less than a quorum; or

(2) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Members, and the contract or transaction is specifically approved in good faith by vote of the Members;

(3) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the board of directors of the Corporation or the Member.

(b) Quorum. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board which authorizes a contract or transaction specified in subsection (a) above.

SECTION 8.05. DEPOSITS. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the board of directors may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers or employees as the board of directors shall from time to time determine.

SECTION 8.06. CORPORATE RECORDS. The Corporation shall keep appropriate, complete and accurate books or records of account in accordance with generally accepted accounting principles consistently applied, minutes of the proceedings of the directors and the Members, and a copy of these Bylaws, including all amendments thereto to date, certified by the secretary of the Corporation. All such records shall be kept at the registered office of the Corporation in Pennsylvania or at its principal place of business. Any books, minutes or other records may be in written form or any other form capable of being converted into written form within a reasonable time.

SECTION 8.07. ANNUAL REPORT.

(a) Contents. The board of directors shall present annually to the Members a report, verified by the president and treasurer or by a majority of the directors, showing in appropriate detail the following:

(1) The assets and liabilities, including trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report.

(2) The principal changes in assets and liabilities, including trust funds, during the year immediately preceding the date of the report.

(3) The revenue or receipts of the Corporation, 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 Corporation.

(4) The expense or disbursements of the Corporation, 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 Corporation.

(b) Place of Filing. The annual report of the board of directors shall be filed with the minutes of the meetings of the board of directors and of the Members.

SECTION 8.08. INDEBTEDNESS. No indebtedness of the Corporation, other than in normal course of business, shall be incurred without approval of the board of directors by separate resolution.

SECTION 8.09. AMENDMENT OF BYLAWS. Except for matters that are reserved by applicable law to only be altered, amended, repealed or adopted by the Members, these Bylaws may be amended or repealed by the Corporation's board of directors. Any change in these Bylaws shall take effect when adopted, unless otherwise provided in the resolution effecting the change.

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