



**Village School Parent School Association**

**EIN#: 223-383-375/000**

**ADOPTED BYLAWS**

**ARTICLE I – NAME OF ORGANIZATION**

The name of this organization is “Village School Parent School Association” and shall be commonly referred to as “Village School PSA” or “PSA.” The PSA’s address is 67 McCampbell Rd, Holmdel, NJ 07733

The PSA is a nonprofit organization and is organized exclusively for charitable, religious, educational, and scientific 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 the corresponding section of any future federal tax code.

**ARTICLE II – PURPOSE OF ORGANIZATION**

The mission of the Village School Parent School Association (“PSA”) is to provide volunteer and financial support for academic, enrichment and philanthropic activities that benefit Village School and its students.

**ARTICLE III – POLICIES OF ORGANIZATION**

Section 1 - The program of this organization shall be educational and shall be implemented through committees, projects, and events.

Section 2 - This organization shall be non-commercial, non-sectarian. No commercial enterprise shall be endorsed by it. Neither the name of the organization nor the names of its officers in their official capacities shall be used in any connection with a commercial concern or for any purpose other than the regular work of the organization.

Section 3 - This organization shall not seek to direct the administrative activities of the school or to control its policies.

Section 4 - This organization may cooperate with other organizations and agencies active in child welfare, provided they make no financial nor manpower commitments which bind their members.

Section 5 - General membership meetings shall occur in each month of the school year. The date and time of those meetings shall be established annually by the Executive Board.

## ARTICLE IV – FINANCIAL POLICIES OF ORGANIZATION

Section 1 - Bank Accounts: The PSA shall maintain the appropriate bank accounts for all PSA funds at a local banking institution in the name of the Village School PSA. The PSA shall maintain, at the very least, a checking account and gaming accounts so that all monies raised pursuant to raffles are segregated from the PSA's general checking/business account. The PSA Executive Board may decide, in its discretion, to maintain additional banking accounts if funds received by the PSA must be segregated from its general business account (i.e., grant money segregated into a separate account for a specific purpose). The President and the Treasurer shall be signatories to all PSA bank accounts. All payments made on behalf of the PSA shall be made by the President or the Treasurer.

Section 2 - PSA Budget: The President shall prepare an annual budget for review by the Executive Board prior to the first PSA meeting of the school year. The Executive Board shall provide the President with any and all feedback so that the budget can be finalized by the September PSA meeting. The Treasurer shall provide a reconciliation report to the Executive Board on a month-to-month basis. All members of the Executive Board and Appointed Board (Including committee chairpersons) shall adhere to the PSA budget. All budget adjustments must be brought to the attention of the PSA President as soon as possible so that it may be reviewed and approved by the Executive Board.

Section 3 - Contracts: Contract signing authority is limited to the President or the President's designee and Vice-Presidents; however, Vice Presidents are authorized to sign contracts not exceeding \$1,000. Any contract exceeding \$1,000 must be signed by the President.

Section 4 - Reimbursement Requests: All reimbursement requests shall be forwarded to the Treasurer, with a copy to the President, within 30 days of expenditure. The failure to submit reimbursements requests in a timely manner may preclude reimbursement. Further, the Executive Board reserves the right to deny a reimbursement request for failure to adhere to any budget restrictions.

Section 5 -Policies for Collection of Money: The PSA sponsors a number of events throughout the year at which time money is collected both before and during the event. For those events, all chairpersons and volunteers shall adhere to the following rules to ensure that all funds are appropriately safeguarded:

- a. The Chairperson of an event shall be permitted to coordinate the presale of tickets prior to a PSA fundraiser; however, the Chairperson shall provide the Treasurer with all money collected prior to a PSA fundraiser as soon as possible following its collection.
- b. The Chairperson shall maintain records of ticket sales and money collected prior to the event. On the day of the event, the Chairperson shall provide the President and Treasurer with a report of all funds collected so that a Summary of Funds can be prepared at the conclusion of the event.
- c. On the day of a PSA event, the handling of ticket sales, raffles and/or money at a PSA event shall be limited to Executive Board members only; however, if necessary, the President and/or the Treasurer shall have the authority to designate a member of the Appointed Board to handle ticket sales and/or money collection, so long as two

individuals are present during any such transaction (i.e., Appointed Board member accompanied by an Executive Board member).

- d. A report of all funds collected prior to a major fundraiser shall be prepared by the Chairperson of the event and provided to the President and Treasurer at the event.
- e. Immediately following a PSA event, all money collected for the fundraiser shall be counted by the President and the Treasurer (including any funds collected prior to the event) in the presence of a third member of the Executive Board. No funds shall leave the premises unless and until the President and the Treasurer complete their count of the money. If the President or the Treasurer is not able to be present at such an event, the President and/or the Treasurer shall designate another member of the Executive Board to count funds. All funds collected shall be segregated appropriately (i.e., ticket sales vs. raffle sales). Further, the President and the Treasurer may designate a third member of the Executive Board to recount the money if there is a discrepancy. Once the count is complete, the President and the Treasurer shall sign off on a summary of funds collected and seal the funds raised in an envelope for deposit. The summary of funds shall also be provided to the chairperson of the event so that a Statement of Financial Activities can be created.
- f. The Treasurer shall deposit any and all money collected in connection with a PSA event within the next business day, if possible, but no less than 3 days after receipt of those funds. Any and all reimbursement requests shall be submitted to the Treasurer in accordance with these bylaws so that a Final Statement of Financial Activities can be prepared.

Section 6 - The organization shall leave a minimum of \$5,000.00 in the treasury at the end of each fiscal year.

Section 7 - Annual Report: The Treasurer shall prepare a financial statement at the end of each year.

#### **ARTICLE V - FISCAL YEAR**

The fiscal year of the Village School PSA shall be from August 1 through July 31 of the following year. Thus, all tax forms shall be filed in accordance with the applicable time periods provided by the Internal Revenue Code (i.e., initial return date of December 15, first extended due date of March 15 and last extended due date of June 15).

#### **ARTICLE VI - MEMBERSHIP & DUES**

Section 1 - Membership is open to the faculty of our School and all parents or guardians of children attending Village School; there shall be one vote per membership, one membership per household, per year. Membership is open all year.

Section 2 - The Executive Board shall set the annual dues, which are payable to the PSA.

Section 3 - Only members of the PSA who have paid dues and/or submitted a membership form for the current school year may vote on any issue presented to the General Membership by the Executive Board. The Vice President of Membership shall maintain the list of members.

## ARTICLE VII -EXECUTIVE BOARD

Section 1 - Composition: The Executive Board shall consist of the following officers: President, Vice President of Communications, Vice President of Membership, two Vice Presidents of Fundraising, Recording Secretary, Corresponding Secretary, Treasurer and Financial Officer. Each officer shall be limited to a two-year term. If, upon the conclusion of a two-year term, no one expresses an interest to take over that position, then a person shall have an option to serve one final year in that position.

### Section 2 - General Duties of the Executive Board:

- To transact necessary business in the intervals between general membership meetings, including the approval of routine bills;
- To approve the plans of the Appointed Board committees;
- To actively participate at PSA sponsored activities and fundraisers;
- To present a report at all PSA meetings;
- To facilitate an annual audit of the Treasurer's records after fiscal year end, and before the first general membership meeting of each school year;
- To collaborate in the preparation of an annual budget;
- To fill any vacancies on the Executive Board that occur during a school year;
- To oversee the fundraising activities of the PSA;
- To establish annual gifting goals and objectives.

### Section 4 - Executive Board Meetings

The Executive Board shall meet prior to the beginning of the school year to review the PSA calendar and budget. Thereafter, the Executive Board may meet on a monthly basis, prior to the general membership meeting. Special meetings may be called by the President or by a majority of the members of the board.

### Section 5 - Election of Officers

- a. An officer of the PSA Executive Board must be a parent or guardian of a Village School student within the year that they serve as a member of the Executive Board. If a person is interesting in serving in this capacity, they shall advise the Corresponding Secretary no later than March 1.
- b. If it is anticipated that there will be an opening on the Executive Board for the following school year (i.e., a person's term will expire or the person will no longer be a Village School parent in the following school year), the Executive Board shall decide by the January General Business how to proceed with the nomination process. The Executive Board could either send a general notice to all parents requesting Notices of Intent to participate in the April elections (which shall be due to the Recording Secretary no later than March 1) OR it may convene a Nominating Committee. If the Executive Board decided to convene a Nominating Committee, it shall proceed as follows:
  - i. The Nominating Committee shall be composed of at least five (5) members, two of whom are current Executive Board members, as selected by the Executive Board, 2 Appointed Board members and at least 1 volunteer from active members.

- ii. The Nominating Committee shall nominate at least one eligible person for each office to be filled and report its nominees at the March General Membership meeting. Members may run for office by completing a "PSA Executive Board Nomination Notice of Intent" form and submit no later than the last business day of the month of February.
  - iii. Nominations for all open Executive Board PSA positions will enter the "freeze date" following the deadline set forth. Nominees who meet the deadline will appear on the ballot and will be publicly announced. Nominees who come forward after the freeze date will receive no public announcement and may not be eligible for a position if all positions have been filled by at least one interested member.
  - iv. The consent of each nominee shall be secured before his/her name is presented.
  - v. All nominations will be publically announced at the March (for April election) or April (for May election) meeting.
- c. Any open position of the Executive Board shall be voted on at the April or May meeting. Each position shall be voted upon independently (i.e., slates of candidate are not permitted). Only PSA members are participate to vote for officers. A person shall secure a majority vote to be elected to the PSA Executive Board.
- d. There shall be a combined meeting of all newly elected members of the Executive Board prior to the end of the school year. Further, all officers will take all steps necessary to work with their successor to ensure a smooth transition from year-to-year.
- e. Any newly elected Executive Board members, with the exception of the Treasurer, shall assume their duties effective the first day following the last day of the school year and shall serve for a term of no more than two years (unless no one expresses an interest in the open position following the expiration of that term; under those limited circumstances, a person may elect to serve one additional year in that position).

Section 6 – Vacancy: A vacancy occurring in any office shall be filled by a majority vote of all remaining members of the Executive Board. If the office of President becomes vacant, a Vice President (elected by the Executive Board) shall assume the duty for the remainder of the school year.

Section 7 - Removal of Executive Board Member: By a two-thirds (2/3) or majority vote (whichever is greater) of the entire Executive Board, an Executive Board member may be removed from office for failure to perform duties or improper conduct as determined by the remaining Executive Board.

Section 8 – Membership Recession: By two-thirds (2/3) vote of the Executive Board, a general PSA member may be removed from membership for improper conduct as determined by the Executive Board.

## ARTICLE VIII - DESCRIPTION OF EXECUTIVE BOARD POSITIONS

### Section 1 - President Duties & Responsibilities

- a. Presiding officer for all PSA meetings, requiring the preparation of the agenda for all Executive Board and General Membership meetings;
- b. Official spokesperson for the organization at all school-related events;
- c. Custodian of records for the organization (which shall be provided to successor at the end of the fiscal year);
- d. Primary point of contact with school administration regarding the PSA;
- e. Shared responsibility with the Treasurer regarding the payment of PSA bills;
- f. Responsible for the facilitation of gifting process by engaging in regular communications with the Executive Board and Village School administration regarding the PSA's gifting goals and objectives;
- g. Appointment authority for Appointed Board and committee chairpersons for all PSA events;
- h. Shared responsibility with the Financial Officer for establishing a PSA budget to present to Executive Board prior to the first general membership meeting of each school year;
- i. Responsible for establishing PSA calendar so that it may be presented at the first general membership meeting of each school year, and revised thereafter;
- j. Shall help facilitate a smooth transition for successor President;
- k. Shall provide an annual report to the Executive Board;
- l. Contract signing authority;
- m. Coordinate with the PSA Treasurer regarding the renewal of all annual/biannual State and Federal filings (i.e., tax forms, state incorporation forms, state raffle license).

### Section 2 – Vice Presidents 1<sup>st</sup> and 2<sup>nd</sup> Fundraising Duties & Responsibilities

- a. Oversee the fundraising events throughout the fiscal year;
- b. Determine new fundraising opportunities and present to the Executive Board for final approval;
- c. Implement and recruit committee and project chairs to facilitate new fundraising opportunities;
- d. Maintain a Statement of Accounts for all major fundraising events, and provide regular reports to Executive Board and General Membership regarding same, to ensure adherence with the PSA budget;
- e. Ensure the timely preparation and filing of all paperwork for all raffle activity.

### Section 3 – Vice President Communications – Duties & Responsibilities

- a. Primary point-of-contact for publicity of all PSA events;
- b. Prepare and maintain all PSA Executive and Appointed Board member email address accounts.
- c. Facilitate and administer the PSA website and Facebook page (as well as any other communication platform);
- d. Prepare "Back To School Packet" in advance of the new school year with the assistance of all Executive Board members;
- e. Coordinate with Corresponding Secretary the transmission of PSA information/news via email communication.

#### Section 4 – Vice President of Membership Duties & Responsibilities

- a. Recruit volunteers and be responsible for all PSA membership drives;
- b. Facilitate non-fundraising events;
- c. Keep updated list of all members and assist VP of Communications with email or contact information;
- d. Responsible for maintaining meeting attendance records;
- e. Facilitate all membership raffles.

#### Section 5 – Corresponding Secretary Duties & Responsibilities

- a. Prepare communications on behalf of the PSA, including but not limited to thank you letters, quarterly newsletter, weekly communications;
- b. Coordinate communication with Appointed Board announcements in advance of the general PSA meetings;
- c. Prepare a list of class parents and provide regular communications with class parents regarding PSA events;
- d. Assist the President in obtaining approvals of all flyers/notices.

#### Section 6 – Recording Secretary Duties & Responsibilities

- a. Take minutes at Executive Board and General Membership meetings;
- b. Finalize minutes, obtain necessary approvals, and post minutes on the PSA website in a timely manner;
- c. Maintain the PSA's meeting minutes and agenda;
- d. Organize the PSA breakfasts for the December and June meetings; and,
- e. Coordinate all elections.

#### Section 6 – Treasurer – Duties & Responsibilities

- a. Custodian of the PSA's funds;
- b. Authorized to dispense funds on behalf of the PSA and ensure the payment of any and all bills of the PSA;
- c. Reconcile all bank accounts on a monthly basis;
- d. If there is no Financial Officer, reconcile PSA budget on a monthly basis;
- e. Provide monthly financial reports at all PSA meetings;
- f. Provide a monthly cash-flow report at Executive Board Meetings;
- g. Coordinate with the Financial Officer for the preparation of a year-end financial report;
- h. Ensuring the timely filing of PSA's tax returns;
- i. Deliver all records to successor by fiscal year end;
- j. Coordinate with the PSA President regarding the renewal of all annual/biannual State and Federal filings (i.e., tax forms, state incorporation forms, raffle license);
- k. Shared responsibility with the Financial Officer regarding the annual audit during the summer of each year.

#### Section 7 – Financial Officer Duties & Responsibilities

- a. Work with the PSA President in the preparation of the budget over the summer;
- b. Assist the Treasurer in duties and responsibilities as designated by the Treasurer and/or President (which shall include but shall not be limited to monthly reconciliation of PSA bank accounts with the PSA budget; preparation of any financial reports or records; assist with filing of tax forms; preparation of annual audit of financial records and practices of the PSA);

- c. Provide monthly budget status report to the Executive Board and provide recommendations regarding same;
- d. Coordinate with all chairpersons regarding event budgets;
- e. Maintain copies of all raffle license paperwork;

### **ARTICLE IX –Appointed Board Committees**

Section 1: The Appointed Board shall consist of the primary chairpersons of all PSA committees. The Executive Board shall review the Appointed Board list on an annual basis to determine which are necessary to promote the purpose and interests of the organization. The Appointed Board shall be comprised of parents/guardians of Village School students, who have joined the PSA.

Section 2: The Appointed Board members and/or chairpersons shall first present their plans to the Executive Board by communicating directly with the President. No committee work shall be undertaken without the approval of the Executive Board. Once an event is approved by the Executive Board and a budget is provided, the Appointed Board members and/or chairpersons shall:

- a. Ensure all work of the committee conforms with the budget established by the Executive Board;
- b. Coordinate all volunteers required for their event;
- c. Prepare all flyers/notices in a timely manner and provide to the President and VP of Communication (if the flyer is to be backpacked, it must be first approved by the Superintendent, in accordance with Board policy);
- d. Provide monthly status reports of activities of the committee to the President, as well as to the General Membership, as necessary;
- e. Ensure the timely submission of all reimbursement requests to the Treasurer in accordance with the time period provided by these bylaws.

### **ARTICLE X – MEETING QUORUM**

Section 1 - General Membership Meetings: 15 members of the PSA shall constitute a quorum for the transaction of business at any general membership meeting.

Section 2 - Executive Board Meetings: 4 Executive Board members shall constitute a quorum for the transaction of necessary business and/or approval of routine bills in the intervals between general membership meetings.

### **ARTICLE XI - DISSOLUTION**

#### Section 1 - Procedure

- a. The organization, by majority vote in a general membership meeting, shall authorize the appointment of a committee to consider the reasons for disbanding and the necessary steps to be taken.
- b. Notice of intent to disband shall be given to all members, in writing, at least 30 days prior to the general membership meeting.
- c. The committee shall submit a report at the next general membership meeting.
- d. A quorum for the purpose of dissolution shall be two-thirds (2/3) vote of the current year's total membership.



Section 2 – Funds: The funds remaining in the treasury at the time of dissolution shall be submitted to the School Board for the benefit of Village School students.

## **ARTICLE XII - PARLIAMENTARY AUTHORITY**

The authority for this organization shall be "Robert's Rules of Order".

## **ARTICLE XIII - REVISION OF BYLAWS**

### **Section 1 - Revision Procedure**

- a. The Executive Board may review the bylaws to determine revisions or changes.
- b. Bylaw revision or changes will be reviewed and approved by a two-thirds (2/3) majority vote of the Executive Board.
- c. Approved bylaw revisions or changes will be presented at the next general membership meeting following the adoption of those revisions or changes by the Executive Board.
- d. Amendments and/or revisions must be posted in the PSA Bulletin Board once adopted by the Executive Board within 7 business days of the adoption.

### **Section 2 - Revision Schedule**

- a. These bylaws will be reviewed annually by the Executive Board prior to the beginning of the upcoming school year.
- b. Any amendments passed by the Executive Board while the school year is not in session will be posted on the PSA Bulletin Board no later than the first day of the new school year with an announcement made at the first general membership meeting.

## **Article XIV – Conflict of Interest Policy**

Section 1. Purpose. The purpose of the conflict of interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

### **Section 2. Definitions.**

- a. Interested Person. Any director, principal officer, or member of a committee with governing board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - i. An ownership or investment interest in any entity with which the organization has a transaction or arrangement;
  - ii. A compensation arrangement with the organization or with any entity or individual with which the organization has a transaction or arrangement; or
  - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the organization is negotiating a transaction or arrangement.

"Compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 3b, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

### Section 3. Procedures.

- a. Duty To Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board-delegated powers who are considering the proposed transaction or arrangement.
- b. Determining Whether a Conflict of Interest Exists. 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 whether a conflict of interest exists.
- c. Procedures for Addressing the Conflict of Interest.
  - An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
  - The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
  - After exercising due diligence, the governing board or committee shall determine whether the organization can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
  - If a more advantageous transaction or arrangement is not reasonably 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 organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- d. Violations of the Conflict of Interest Policy. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines that the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest; the nature of the financial interest; any action taken to determine whether a conflict of interest was present; and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement; the content of the discussion; including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection with the proceedings.

Section 5. Compensation.

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6. Annual Statements. Each director, principal officer, and member of a committee with governing board-delegated powers shall annually sign a statement which affirms that such person:

- Has received a copy of the conflict of interest policy;
- Has read and understood the policy;
- Has agreed to comply with the policy; and
- Understands that the organization is charitable and that in order to maintain its federal tax exempt status it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews. To ensure that the organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, are based on competent survey information, and are the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or an excess benefit transaction.

Section 8. Use of Outside Experts. When conducting the periodic reviews as provided for in Section 7, the organization may, but need not, use outside advisers. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring that periodic reviews are conducted.

## **Article XV - INDEMNIFICATION**

### Section 1. General

To the full extent authorized under the laws of the State of New Jersey, the PSA shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the corporation, or any person who may have served at the corporation's request as a director or officer of another corporation (each of the foregoing members, directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

### Section 2. Expenses

Expenses (including reasonable attorneys' fees) 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, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

### Section 3. Insurance

The corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the corporation would have the power or obligation to indemnify such person against such liability under this Article.

*Please take notice* that on December 8, 2015, the PSA Bylaws, which had been last adopted on January 8, 2013, were amended by the Executive Board of the PSA.