

BYLAWS
OF
SPORTS PHYSICAL THERAPY SECTION -
AMERICAN PHYSICAL THERAPY ASSOCIATION, INC.

ARTICLE I. NAME AND RELATIONSHIP TO AMERICAN PHYSICAL THERAPY ASSOCIATION

The name of the corporation is Sports Physical Therapy Section – American Physical Therapy Association, Inc. (the “Section”). The Section shall be a section of the American Physical Therapy Association (the “Association”).

ARTICLE II. OBJECTIVES

The objectives of the Section shall include:

- A. Assisting the Association in furthering its objectives as outlined in the Association’s Bylaws and by policy statements/actions taken by the Association’s House of Delegates;
- B. Meeting the needs of the Section’s membership through the development and improvement of sports physical therapy education, practice, and research;
- C. Promoting and developing the credibility of the physical therapist in the field of sports medicine, among other health care professionals, agencies, and professional associations, and to the public at large;
- D. Providing a forum for the identification of issues concerning the sports physical therapist and a mechanism to take coordinated action; and
- E. Fostering communication and fellowship among members.

ARTICLE III. MEMBERSHIP

Section 1: Categories and Qualifications of Members

The Section membership categories and qualifications shall be the same as those of the Association. At the time of the adoption of these Bylaws, there shall be three classes of members (collectively, the “Members”):

- A. Physical Therapist Members: : The following categories of members shall be referred to as the “Physical Therapist Members”: (i) Physical Therapist; (ii) Retired Physical Therapist; (iii) Post Professional Student; and (iv) Life Physical Therapist.
- B. Physical Therapist Assistant Members: The following categories of members shall be referred to as the “Physical Therapist Assistant Members”: (i) Physical Therapist Assistant; (ii) Retired Physical Therapist Assistant; and (iii) Life Physical Therapist Assistant.
- C. Student Members. The Following categories of members shall be referred to as the “Student Members”: (i) Student Physical Therapist; and (ii) Student Physical Therapist Assistant.

The Physical Therapist Members and the Physical Therapist Assistant Members shall be referred to as the “Voting Members”).

Section 2: Rights and Privileges of Members

The rights and privileges of the Members shall be identical to those established in the Association's Bylaws.

Section 3: Application for and Admission to Membership

The payment of Section dues by Members in good standing in the Association shall constitute application for and admission to Section membership.

Section 4: Good Standing

An individual Member is in good standing within the meaning of these Bylaws if the Member is in good standing with the Association.

Section 5: Disciplinary Action

- A. Any Member of the Section who is suspended by the Association shall have his or her membership privileges suspended in the Section. Any Member of the Section who is expelled from membership in the Association shall be expelled from Section membership.
- B. Any Member of the Section who fails to make timely payment of required Section dues shall be expelled from Section membership.

Section 6: Reinstatement

Any former member of the Section who is in good standing in the Association may be reinstated to membership in the Section by payment of the required Section dues.

Section 7: Annual Meeting

There shall be an annual meeting of the Members, which shall be held in connection with the annual Combined Sections Meeting of the Association (or such other time as designated by the Executive Committee), on such day and at such place and time as the Executive Committee shall specify. At the annual meeting, the Section's President, or his or her designee, shall report on the activities and the financial condition of the Section. In addition, the Members shall consider and act upon such other matters as may be raised consistent with the notice requirements of these Bylaws.

Section 8: Regular Meetings

The Section may hold regular meetings of the Members, at intervals and times to be fixed by these Bylaws or by resolution of the Executive Committee, for the purpose of considering and acting upon such matters as may be raised consistent with the notice requirements of these Bylaws.

Section 9: Special Meetings

Special meetings of the Members shall be called at any time by the Executive Committee of the Section upon receipt of a written petition signed by fifty percent (50%) or more of the Members of the Section and delivered to the Secretary of the Section or his or her designee. A special meeting shall be held at a time and place specified by the caller or callers of the special meeting. Notice of such special meeting and the purpose of such special meeting shall be given in accordance with the requirements of these Bylaws. No business other than that specified in the notice shall be transacted at the special meeting.

Section 10: Submission of Minutes

Minutes of the meeting of the Members shall be submitted to the Association within forty-five (45) days of the date of the meeting.

Section 11: Place of Meetings

Any meeting of the Members may be held on such date and at such time and place inside the State of Indiana or elsewhere, as stated in or fixed in accordance with these Bylaws. If no such designation is made, the place of the meeting shall be the principal office of the Section or such other location designated by the Section's Secretary or his or her designee.

Section 12: Notice of Meetings of the Members

The Section shall give oral, written, electronic, or telefaxed notice of meetings of the Members in a fair and reasonable manner. Such notice is fair and reasonable if the following occur:

- A. The Section (on its own or through the Association) notifies the Members of the place, date, and time of each annual, regular, and special meeting of the Members not less than ten days before the meeting date, if the notice is mailed by first class or registered mail, or if notice is mailed by other than first class or registered mail, sixty days before the meeting date;
- B. Notice of an annual or regular meeting includes a description of any matter or matters to be considered at the meeting that must be approved by the Members; and
- C. Notice of a special meeting includes a description of the purpose for which the meeting is called.

Oral notice of meetings of the Members shall be effective when communicated. Written, electronic, or telefaxed notice of such meetings, where applicable, shall be effective at the earliest of the following:

- D. When received;
- E. Five days after the notice is mailed, as evidenced by the postmark or private carrier receipt, if mailed correctly addressed to the address of the Member listed in the most current records of the Section;
- F. On the date shown on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or
- G. Thirty days after the notice is deposited with another method of the United States Postal Service other than first class, registered, or certified postage affixed, as evidenced by the postmark, if mailed correctly addressed to the address of the Member listed in the most current records of the Section.

Section 13: Waiver of Notice

Notice of a meeting of the Members may be waived by a Member in a writing signed by the Member entitled to notice and filed with the minutes of the proceedings of the Members or in the Section's records. Attendance at or participation in any meeting by a Member (a) waives objection to lack of notice or defective notice unless such Member, at the beginning of the meeting, objects to holding the meeting or transacting business at the meeting and (b) waives a Member's objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless such Member objects to considering the matter when the matter is presented.

Section 14: Voting List

After fixing a record date for a notice of a meeting of the Members, the Section's Secretary, or his or her designee, shall prepare a list of the names and addresses of each Member entitled to notice of such meeting, the address of each Member, and confirmation regarding the Member's applicable voting privileges, if any.

Section 15: Quorum

At all meetings of the Members, the presence of at least twenty-five (25) of the Voting Members in good standing with the Section, in person, shall constitute a quorum. After a vote is represented for any purpose at a meeting, the vote is considered present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting. Any meeting of the Members, including annual and special meetings or any adjournments thereof, may be adjourned to a later date although less than a quorum is present.

Section 16: Vote of Members

Each Physical Therapist Member in good standing with the Section shall be entitled to one vote upon each question to come before a meeting of the Members. Each Physical Therapist Assistant Member in good standing with the Section shall be entitled to one half of a vote upon each question to come before a meeting of the Members. Student Members shall not vote upon matters to come before a meeting of the

Members. Except as otherwise provided in these Bylaws or in the Section's Articles of Incorporation (the "Articles"), each question shall be determined by a majority of votes cast by the Voting Members in good standing present in person at a meeting at which a quorum is present.

Section 17: Action by Written Consent

Any action required or permitted to be approved by the Voting Members may be taken without a meeting of the Voting Members if the action is approved by Voting Members holding at least eighty percent of the votes entitled to be cast on the action. The action must be evidenced by at least one written consent describing the action taken that meets the following conditions:

- A. Is signed by the Voting Members representing at least eighty percent (80%) of the votes entitled to be cast on the action; and
- B. Is included in the minutes or filed with the Section's records reflecting the action taken.

Requests for written consents must be delivered to all Voting Members.

Section 18: Action by Written Ballot

Any action that may be taken at an annual, regular, or special meeting of the Members may be taken without a meeting if the Section delivers a written ballot to every Voting Member entitled to vote on the action. A written ballot must set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot is valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. A solicitation for votes by written ballot must (a) indicate the number of responses needed to meet the quorum requirements, (b) state the percentage of approvals necessary to approve each matter, and (c) specify the time by which a ballot must be received by the Section to be counted. A written ballot may not be revoked.

Section 19: Means of Communication

Members may participate in an annual, regular, or special meeting of the Members by or through the use of any means of communication by which all Members participating may simultaneously hear each other during the meeting. A Member participating in a meeting by such means shall be considered present in person at the meeting.

Section 20: No Proxy Voting

Voting Members of the Section may not vote by proxy.

ARTICLE IV. REGIONAL AND SPECIAL INTEREST GROUPS

Section 1: Regional Groups

The Executive Committee may establish groups based on the geographic location of Members (the "Regional Groups"). A Regional Group shall:

- A. Operate under bylaws or rules of order that shall not be inconsistent with the Bylaws of the Section or the Association, and that shall be approved by the Section's Executive Committee.
- B. Not levy special assessments that carry punitive action or loss of good standing.

Section 2: Special Interest Groups

The Executive Committee may establish groups based on special interest criteria (the "Special Interest Groups"). A Special Interest Group shall:

- A. Operate under bylaws or rules of order that shall not be inconsistent with these Bylaws or the Association's Bylaws, and that shall be approved by the Section's Executive Committee.
- B. Not levy special assessments that carry punitive action or loss of good standing.

Section 3: Limitations

Regional and Special Interest Groups are subject to the following limitations:

- A. The Bylaws and policies of the Association and the Section.
- B. No Regional or Special Interest Group shall profess or imply that it speaks for or represents the Section or Members other than those currently holding membership in the Regional and Special Interest Group unless authorized by the Section's Executive Committee.

ARTICLE V. OFFICERS and EXECUTIVE COMMITTEE

Section 1: Officers: Rights, Duties, and Responsibilities

The officers of the Section shall be a President, a Vice President, a Secretary, a Treasurer, a Representative-at-Large, a President Elect (if any), and such other officers as the Executive Committee may otherwise elect. Each officer, other than the initial officers, shall be elected by the Voting Members as described below in Article V, Section 2, and shall serve for a term of three years, or such other period as prescribed by the Voting Members at the time of such election, or until the officer's successor is elected and qualified (with the exception of the President Elect (if any), who shall serve for a term of one year). Each officer must be a Physical Therapist Member in good standing. An officer may serve two consecutive three-year terms before taking a mandatory leave of absence of six years from serving as an officer (except the President may not serve an additional consecutive term in such office if a President-Elect has been elected prior to the end of his or her term as President). Each officer shall be a member of the Section's Executive Committee.

- A. President. The President shall preside at all meetings of the Executive Committee of the Section and shall be responsible for implementation of policies established by the Executive Committee. The President shall perform the duties incident to the office of chair of the Executive Committee of the Section and such other duties as the Executive Committee may prescribe.
- B. Vice President. The Vice President shall perform such duties as may be assigned by the Executive Committee or the President. In the absence or disability of the President, the Vice President shall possess and may exercise the authority to perform the duties of the President.
- C. Secretary. The Secretary shall be the custodian of all papers, books, and records of the Section other than books of account and financial records. The Secretary shall prepare and enter in the minute book the minutes of all meetings of Members and of the Executive Committee. The Secretary shall authenticate records of the Section as necessary. The Secretary shall perform the duties usual to such position and such other duties as the Executive Committee or the President may prescribe.
- D. Treasurer. The Treasurer shall prepare and maintain correct and complete records of account showing accurately the financial condition of the Section. All notes, securities, and other assets coming into the possession of the Section shall be received, accounted for, and placed in safekeeping as the Treasurer may from time to time prescribe. The Treasurer shall furnish, whenever requested by the Executive Committee or the President, a statement of the financial condition of the Section and shall perform the duties usual to such position and such other duties as the Executive Committee or President may prescribe.
- E. Representative-at-Large. The Representative-at-Large will assist the Executive Committee in formulating the Section's annual strategic planning process. The Representative-at-Large shall perform the duties usual to such position and such other duties as the Executive Committee or the President may prescribe.
- F. President Elect. The President Elect will serve a one year term as President Elect prior to assuming the position of President for a three-year term. The President Elect shall perform the duties usual to such position and such other duties as the Executive Committee or the President may prescribe.

- G. Other Officers. Each other officer of the Section shall perform such duties as the Executive Committee or the President may prescribe.

Section 2: Executive Committee

The affairs of the Section shall be managed, controlled, and conducted by, and under the supervision of, the Executive Committee, subject to the provisions of the Articles and these Bylaws. The Executive Committee shall serve as the Corporation's Board of Directors for the purposes of Indiana law. The members of the Executive Committee shall serve as the Corporation's directors for the purposes of Indiana law. Members of the Executive Committee shall be the same individuals who serve as the Section's officers, and must (i) have been members of the Association in good standing for two years and (ii) be Physical Therapist Members in good standing. The term of each member of the initial Executive Committee shall be through the date set forth in the Articles, and until his or her successor is elected and qualified. Other than the initial members of the Executive Committee, members of the Executive Committee shall be elected by the Voting Members of the Section by written ballot following the Combined Sections Meeting of the Association for a term of three years, or such other period as prescribed by the Voting Members at the time of such election. An Executive Committee member may serve two consecutive three-year terms before taking a mandatory leave of absence of six years from service on the Executive Committee.

- A. Quorum and Voting. A majority of the members of the Executive Committee in office immediately before a meeting begins shall constitute a quorum for the transaction of any business properly to come before the Executive Committee. Unless otherwise provided in the Articles or these Bylaws, the act of a majority of the Executive Committee members present at a meeting at which a quorum is present shall be the act of the Executive Committee.
- B. Regular Meetings. The Executive Committee shall hold a minimum of two regular meetings each year, as fixed by these Bylaws or by resolution of the Executive Committee, for the purpose of transacting such business as properly may come before the Section's Executive Committee. Such regular meetings of the Executive Committee may be held without notice of the date, time, place, or purpose of the meeting.
- C. Special Meetings. Notwithstanding the provision for regular meetings, the Executive Committee shall hold special meetings for any lawful purpose upon not less than five days notice, as described in these Bylaws, upon call by the President of the Section or by not less than two members of the Executive Committee. A special meeting shall be held at such date, time, and place within or without the State of Indiana as is specified in the call of the meeting. The purpose of any such meeting need not be specified.
- D. Notice of Special Meetings and Waiver. Oral or written notice of the date, time, and place of each special meeting of the Executive Committee shall be communicated, delivered, or mailed by the Secretary of the Section, or by the person or persons calling the meeting, to each member of the Executive Committee so that such notice is effective (as provided in these Bylaws) at least five days before the date of the meeting. Such notice need not describe the purpose of the special meeting. Oral notice of such meetings shall be effective when communicated. Written, electronic, or faxed notice of such meetings, where applicable, shall be effective at the earliest of the following:
- i. When received;
 - ii. Five days after the notice is mailed, as evidenced by the postmark or private carrier receipt, if mailed correctly addressed to the address listed in the most current records of the Section;
 - iii. On the date shown on the return receipt, if sent by registered or certified United States mail, return receipt requested, and the receipt is signed by or on behalf of the addressee; or
 - iv. Thirty days after the notice is deposited with another method of the United States Postal Service other than first class, registered, or certified mail, as evidenced by the postmark, if

mailed correctly addressed to the address listed in the most current records of the Section.

Notice may be waived in a writing signed by the Executive Committee member entitled to the notice and filed with the minutes or the corporate records. Attendance at or participation in any meeting of the Section's Executive Committee shall constitute a waiver of notice of such meeting unless the Executive Committee member shall, at the beginning of the meeting or promptly upon the Executive Committee's arrival, object to holding the meeting and does not vote for or assent to action taken at the meeting.

- E. Means of Communication. The Executive Committee, or a committee thereof, may (i) permit an Executive Committee member or a committee member to participate in a meeting by or (ii) conduct a meeting through the use of any means of communication by which all Executive Committee members or committee members may simultaneously hear each other during the meeting. An Executive Committee member or committee member participating in a meeting by such means shall be considered present in person at the meeting.
- F. Action by Written Consent. Any action required or permitted to be taken at any meeting of the Executive Committee, or any committee thereof, may be taken without a meeting if a written consent describing such action is signed by each Executive Committee member or committee member and if such written consent is included in the minutes or filed with the Section's records reflecting the action taken. Action taken by written consent shall be effective when the last Executive Committee or committee member signs the consent, unless the consent specifies a prior or subsequent effective date. A consent signed as described in this section shall have the effect of a meeting vote and may be described as such in any document.
- G. Vacancies. With the exception of vacancies occurring during an Executive Committee member's first year of service, any vacancy on the Executive Committee, other than by normal expiration of an Executive Committee member's term, shall be filled by the Executive Committee of the Section until the next annual meeting of the Members. In the event that a vacancy occurs during an Executive Committee member's first year of service, a special election of the Members will be held to fill that position.

ARTICLE VI. COMMITTEES

Section 1: Nominating Committee

The Section shall have a Nominating Committee which shall prepare a list of nominees for service on the Executive Committee and the Nominating Committee. The Nominating Committee shall comprise three members. Members of the Nominating Committee will be elected at the same time and by the same method that members of the Executive Committee are elected. Nominating Committee members shall serve for a term of three years, or such other period as prescribed by the Voting Members at the time of such election, or until his or her successor is elected and qualified. A member of the Nominating Committee may not serve more than two consecutive terms. A vacancy on the Nominating Committee may be filled by the Executive Committee by appointment, and any individual so appointed by the Executive Committee shall serve only for the unexpired portion of such vacated term.

Section 2: Finance Committee

The Section shall have a Finance Committee which shall advise the Executive Committee on matters pertaining to the Section's financial status, present an annual budget to the Executive Committee, establish investment policies, and ensure compliance with financial obligations to the Association.

Section 3: Service Teams

The Executive Committee may establish service teams and appoint service team leaders, as needed. Such service teams may include: (a) Administrative Team; (b) Education Service Team; (c) Professional Development Team; (d) Governance Service Team; and (d) Membership Service Team.

Section 4: Other Committees

Such other committees, standing or special, may be appointed by the President, with the approval of the Executive Committee, as the Executive Committee deems necessary to carry on the work of the Section. Members of such committees may, but need not, be members of the Executive Committee. A committee member appointed by the President with approval by the Executive Committee may be removed by the Executive Committee with or without cause.

ARTICLE VII. DELEGATE TO THE ASSOCIATION’S HOUSE OF DELEGATES

The official representative of the Section to the Association’s House of Delegates shall be the President of the Section or a Member appointed by the President and approved by the Executive Committee (the “Appointed Delegate”). Any Appointed Delegate must be a Member of the Section in good standing for two years prior to his or her appointment, and shall serve for a term of one year, or such other period as prescribed by the Executive Committee at the time of such appointment, and until the Appointed Delegate’s successor is elected and qualified. The Appointed Delegate shall attend the annual and special meetings of the Association’s House of Delegates and present to the Association’s House of Delegates such matters as are approved by the Section’s Executive Committee.

1. The Appointed Delegate may not, in the same year, serve as a Chapter Delegate.
2. The Section shall notify Association headquarters of the name of the Appointed Delegate, as required by the Association and the Standing Rules of the House of Delegates.
3. The Section must be represented in the House of Delegates at least every third year.

ARTICLE VIII. FINANCE

Section 1: Fiscal Year

The fiscal year of the Section shall begin on the first day of January and end on the last day of December next succeeding.

Section 2: Limitation on Expenditures

No officer, employee, or committee shall expend any money not provided in the budget as adopted, or spend any money in excess of the budget allotment, except by order of the Section’s Executive Committee. The Executive Committee shall not commit the Section to any financial obligation in excess of its current financial resources.

Section 3: Dues

- A. Section dues shall be as follows:
 - Physical Therapist: \$60;
 - Physical Therapist Assistant: \$50;
 - Post-Professional Student: \$25;
 - Retired Physical Therapist: \$0
 - Retired Physical Therapist Assistant: \$0;
 - Life Physical Therapist: \$0;
 - Life Physical Therapist Assistant: \$0;
 - Student Physical Therapist: \$20; and
 - Student Physical Therapist Assistant: \$20.

- B. All dues shall be for the period specified in the Association's Bylaws, and shall be payable following the Association's schedule.
- C. All dues changes approved by the Section membership and approved by the Association's Executive Committee before the Association's deadline will become effective on the first of the Association's next fiscal year.

Section 4: Financial Statements

The Section shall submit their annual financial statements, tax returns, and audit report to the Association when and as directed by the Association's Headquarters.

ARTICLE IX. PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Section in all cases to which they are applicable and in which they are not inconsistent with these Bylaws, the Indiana Nonprofit Corporation Act of 1991, as amended, and any rules of order adopted by the Section.

ARTICLE X. AMENDMENTS

The power to make, alter, amend, or repeal these Bylaws is vested in the Executive Committee, subject to approval by the Section's Members. Notwithstanding the foregoing, any amendments to these Bylaws which are necessary to make these Bylaws consistent with the provisions of the Association's Bylaws may be made by the Section's President, acting alone, and shared with the Section's Executive Committee and Members. Except as otherwise provided for herein, all amendments to these Bylaws shall become effective upon the written approval of the Association's Executive Committee.

ARTICLE XI. ASSOCIATION AS HIGHER AUTHORITY

In addition to these Bylaws, the Section is governed by the Association's Bylaws and standing rules, and by Association's House of Delegates and Executive Committee policies.

ARTICLE XII. CONFLICTS OF INTEREST

Section 1: General Policy

It is the policy of the Section and its Executive Committee that the Section's Executive Committee members, officers, and employees carry out their respective duties in a fashion that avoids actual, potential, or perceived conflicts of interest. The Section's Executive Committee members, officers, and employees shall have the continuing, affirmative duty to report any personal ownership, interest, or other relationship that might affect their ability to exercise impartial, ethical, and business-based judgments in fulfilling their responsibilities to the Section. This policy shall be further subject to the following principles:

- A. Executive Committee members, officers, and employees of the Section shall conduct their duties with respect to potential and actual contractors, suppliers, agencies, grantees, and other persons transacting or seeking to transact business with the Section in a completely impartial manner, without favor or preference based upon any consideration other than the best interests of the Section.
- B. Executive Committee members, officers, and employees of the Section shall not seek or accept for themselves or anyone else, from any person or business entity that transacts or seeks to transact business with the Section, any gifts, entertainment, or other favors relating to their positions with the Section that exceed common courtesies consistent with ethical and accepted business practices.
- C. If an Executive Committee member, or an Executive Committee member's relative (the term "relative" includes spouses, ancestors, and descendants, whether by whole or half blood), directly

or indirectly owns a significant financial interest in, or is employed by, any business entity that transacts or seeks to transact business with the Section, the Executive Committee Member shall disclose that interest or position and shall refrain from voting on any issue pertaining to the transaction.

- D. Officers and employees of the Section shall not conduct business on behalf of the Section with a relative or a business entity in which the officer, employee, or his or her relative owns a significant financial interest or by which such officer, employee, or relative is employed, except where such dealings have been disclosed to, and specifically approved and authorized by, the Executive Committee of the Section.
- E. The Executive Committee may require the Section's Executive Committee members, officers, or employees to complete annually (or as otherwise scheduled by the Executive Committee) a disclosure statement regarding any actual or potential conflict of interest described in these Bylaws. The disclosure statement shall be in such form as may be prescribed by the Executive Committee and may include information regarding a person's participation as an Executive Committee member, officer, or employee of any other nonprofit organization. The Executive Committee shall be responsible for oversight of all disclosures or failures to disclose and for taking appropriate action in the case of any actual or potential conflict of interest transaction.

Section 2: Effect of Conflict Provisions

The failure of the Section, its Executive Committee, or any or all of its Executive Committee members, officers, or employees to comply with the conflict of interest provisions of these Bylaws shall not invalidate, cancel, void, or make voidable any contract, relationship, action, transaction, debt, commitment, or obligation of the Section that otherwise is valid and enforceable under applicable law.

ARTICLE XIII. INDEMNIFICATION

Section 1: Indemnification by the Section

To the extent not inconsistent with applicable law, every person (and the heirs and personal representatives of such person) who is or was an Executive Committee member, officer, member, employee, or agent of the Section shall be indemnified by the Section against all liability and reasonable expense that may be incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding (a) if such person is wholly successful with respect thereto or (b) if not wholly successful, then if such person is determined (as provided in this article) to have acted in good faith, in what he or she reasonably believed to be the best interests of the Section (or, in any case not involving the person's official capacity with the Section, in what he or she reasonably believed to be not opposed to the best interests of the Section), and, with respect to any criminal action or proceeding, is determined to have had reasonable cause to believe that his or her conduct was lawful (or no reasonable cause to believe that the conduct was unlawful). The termination of any claim, action, suit, or proceeding by judgment, settlement (whether with or without court approval), or conviction, or upon a plea of guilty or of nolo contendere or its equivalent, shall not create a presumption that a person did not meet the standards of conduct set forth in this article.

Section 2: Definitions

- A. As used in this article, the phrase "claim, action, suit, or proceeding" shall include any threatened, pending, or completed civil, criminal, administrative, or investigative action, suit, or proceeding and all appeals thereof (whether brought by or on behalf of the Section, any other corporation, or otherwise), whether formal or informal, in which a person (or his or her heirs or personal representatives) may become involved, as a party or otherwise:
 - (i) By reason of his or her being or having been an Executive Committee member, officer, member, employee, or agent of the Section or of any corporation where he or she served as such at the request of the Section, or

- (ii) By reason of his or her acting or having acted in any capacity in a corporation, partnership, joint venture, association, trust, or other organization or entity where he or she served as such at the request of the Section, or
 - (iii) By reason of any action taken or not taken by him or her in any such capacity, whether or not he or she continues in such capacity at the time such liability or expense shall have been incurred.
- B. As used in this article, the terms “liability” and “expense” shall include, but shall not be limited to, counsel fees and disbursements and amounts of judgments, fines, or penalties against, and amounts paid in settlement by or on behalf of, a person.
- C. As used in this article, the term “wholly successful” shall mean (i) termination of any action, suit, or proceeding against the person in question without any finding of liability or guilt against him or her, (ii) approval by a court, with knowledge of the indemnity provided in this article, of a settlement of any action, suit, or proceeding, or (iii) the expiration of a reasonable time after the making of any claim or threat of any action, suit, or proceeding without the institution of the same, without any payment or promise made to induce a settlement.

Section 3: Entitlement to Indemnification

Every person claiming indemnification under this article (other than one who has been wholly successful with respect to any claim, action, suit, or proceeding) shall be entitled to indemnification if (a) special independent legal counsel, which may be regular counsel of the Section or any other disinterested person or persons, in either case selected by the Executive Committee, whether or not a disinterested quorum exists (such counsel or person or persons being hereinafter called the “referee”), shall deliver to the Section a written finding that such person has met the standards of conduct set forth in this article and (b) the Executive Committee, acting upon such written finding, so determines. The person claiming indemnification shall, if requested, appear before the referee and answer questions that the referee deems relevant and shall be given ample opportunity to present to the referee evidence upon which he or she relies for indemnification. The Section shall, at the request of the referee, make available facts, opinions, or other evidence in any way relevant to the referee’s findings that are within the possession or control of the Section.

Section 4: Relationship to Other Rights

The right of indemnification provided in this article shall be in addition to any rights to which any person may otherwise be entitled.

Section 5: Extent of Indemnification

Irrespective of the provisions of this article, the Executive Committee may, at any time and from time to time, approve indemnification of Executive Committee members, officers, members, employees, agents, or other persons to the fullest extent permitted by applicable law, or, if not permitted, then to any extent not prohibited by such law, whether on account of past or future transactions.

Section 6: Advancement of Expenses

Expenses incurred with respect to any claim, action, suit, or proceeding may be advanced by the Section (by action of the Executive Committee, whether or not a disinterested quorum exists) prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount unless he or she is entitled to indemnification.

Section 7: Purchase of Insurance

The Executive Committee is authorized and empowered to purchase insurance covering the Section’s liabilities and obligations under this article and insurance protecting the Section’s Executive Committee members, officers, members, employees, agents, or other persons.

ARTICLE XIV. CONTRACTS, CHECKS, DEPOSITS, AND GIFTS

Section 1: Contracts

The Executive Committee may authorize one or more officers, agents, or employees of the Section to enter into any contract or execute any instrument on its behalf. Such authorization may be general or confined to specific instances. Unless so authorized by the Executive Committee, no officer, agent, or employee shall have any power to bind the Section or to render it liable for any purpose or amount.

Section 2: Checks

All checks, drafts, or other orders for payment of money by the Section shall be signed by such person or persons as the Executive Committee may from time to time designate by resolution. Such designation may be general or confined to specific instances.

Section 3: Deposits

All funds of the Section shall be deposited to its credit in such bank, banks, or depositories as the Executive Committee may designate. Such designation may be general or confined to specific instances.

Section 4: Gifts

The Executive Committee may accept on behalf of the Section any gift, bequest, devise, or other contribution for the purposes of the Section on such terms and conditions as the Executive Committee shall determine.