



The
Lancaster County
Wood Carvers INC.

**AMENDED AND RESTATED
BYLAWS**

OF

**LANCASTER COUNTY
WOODCARVERS**

(a Pennsylvania Non-Profit Corporation)

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OF
LANCASTER COUNTY WOODCARVERS**

(a Pennsylvania Nonprofit Corporation)

ARTICLE I. Name, Offices, Fiscal Year and Purpose

1.1 **Name.** The name of the Corporation is Lancaster County Woodcarvers ("Corporation").

1.2 **Registered Office.** The registered office of the Corporation in the Commonwealth of Pennsylvania shall be at 9 Thicket Lane, Lancaster, Pennsylvania 17602 until otherwise established by the board of directors, and a statement of such change is filed in the Department of State, or until changed by an appropriate amendment of the Articles of Incorporation ("Articles") of the Corporation.

1.3 **Other Offices.** The Corporation may also have offices at such other places within or without the Commonwealth of Pennsylvania as the board of directors may from time to time appoint or the business of the Corporation requires.

1.4 **Fiscal Year.** The fiscal year of the Corporation shall, unless otherwise decided by the board of directors, end on August 31.

1.5 **Purpose.** The corporation is incorporated exclusively for charitable and educational purposes as defined in Section 501(c)(3) of the Internal Revenue Code, including, without limitation: (i) to provide support through gifts, grants, and contributions of money and property as well as through other means to charitable organizations qualifying for exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code; and (ii) to promote, foster and encourage the arts of woodcarving, whittling and sculpturing. The Corporation is organized on a non-stock basis.

ARTICLE II. Members

2.1 **Membership.** Membership in the Corporation shall be open to any individual who: (i) is interested in promoting, fostering and encouraging the arts of woodcarving, whittling and sculpturing; and (ii) meets the qualifications, if any, adopted from time to time by the board of directors. If the conduct of any member or prospective member is considered detrimental to the Corporation, the board of directors shall have the right to terminate the membership of said member and/or deny membership to said prospective member.

2.2 **Honorary Membership.** A person may be appointed or removed as an honorary member of the Corporation by majority vote of the Planning Committee.

2.3 **Membership Dues.** Members shall pay annual membership dues. Membership dues shall be established each year by the board of directors. Honorary members shall not be required to pay membership dues. In no event shall membership dues or portions thereof be

refunded to a member.

2.4 **Annual Meeting of Members.** The annual meeting of the members shall be held in June of each year at the Corporation's office or at such other date, time and place as may be designated by the directors in order to elect directors and transact such business as may be properly brought before such meeting.

2.5 **Special Meetings of Members.** Special meetings of the members shall be held whenever called by the president or by twenty percent (20%) or more of the then existing members. Notice of each such meeting shall be given to each member by telephone or in writing at least five (5) days (in the case of notice by telephone, telex, e-mail or facsimile transmission) or forty-eight hours (in case of notice by telegraph, courier service or express mail) before the time at which the meeting is to be held. Every such notice shall state the time and place of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

2.6 **Notice of Meetings of Members.** Notice of the time, place, and object of any meeting of the members shall be sent in writing by first class mail, or delivered personally, to each member not fewer than five (5) nor more than forty-five (45) days prior to any such meeting. Attendance of a member at any meeting shall constitute waiver of notice for that meeting and no written waiver need be obtained from such member except when he or she attends the meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. All such waivers, consents, or approvals shall be filed with the Corporation's records.

2.7 **Quorum and Action by Members.** The presence in person or by proxy of a majority of the voting members shall comprise a quorum for the transaction of business. The majority vote of such members present at any meeting at which there is a quorum shall be the acts of the members unless a larger vote is required by these bylaws. If at any meeting of the Corporation's members a quorum is not present, a majority of the votes represented at such meeting may adjourn the meeting to a time not less than forty-eight (48) hours after the time the original meeting was called.

2.8 **Voting Rights of Members.** Each member in good standing and each honorary member shall have one vote on any matter presented for the approval of the members (collectively "voting members"). A member is not in good standing if he or she is delinquent in the payment of his or her annual membership dues. A vote may be cast in person or by proxy. Proxies shall be duly executed in writing and in a form approved by the board of directors, shall be valid only for the particular meeting designated therein and an adjourned session of such meeting, and must be filed with the secretary before the appointed time of the meeting. Such proxy shall be deemed revoked only upon actual receipt by the person holding such proxy of written notice of such revocation.

2.9 **Conduct of Meeting.** The president (or in his or her absence, the vice president) shall preside over all meetings of the members, and the secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting. The president may appoint a person to serve as a parliamentarian at any meeting of the members.

2.10 **Unanimous Consent of Members.** Any action required or permitted at any meeting of the members may be taken without a meeting, without prior notice and without a vote if all the voting members consent thereto in writing. Said written consent shall be filed with or entered upon the records of the Corporation and shall have the same effect as a vote for all purposes.

ARTICLE III. Board of Directors

3.1 **Powers.** Except when otherwise reserved to the members by law or these bylaws, the business of the Corporation shall be vested in the board of directors. The board of directors shall be responsible for establishing policy, approving budgets, selecting auditors for annual audits and establishing goals for the Corporation, and shall have full power to conduct, manage, and direct the business and affairs of the Corporation; and all powers of the Corporation are hereby granted to and vested in the board of directors.

3.2 **Number and Qualifications.** The board of directors shall consist of no more than seven (7) directors who are members in good standing.

3.3 **Initial Directors, Election and Terms.** The initial directors (“Initial Directors”) and their initial terms are set forth on Exhibit A attached hereto. The Initial Directors, as shown on Exhibit A, are and shall be divided into three classes (class I, class II and class III), each class having a term of three (3) years except as provided below. The term of office of class I Initial Directors shall continue until the date of the annual meeting of the members in 2008; the term of office of class II Initial Directors shall continue until the date of the annual meeting of the members in 2009; and the term of office of class III Initial Directors shall continue until the date of the annual meeting of the members in 2010, and in each case until their successors are elected and qualified. Upon expiration of the term of office of each class of directors as set forth above, directors shall be elected by the members for a term of three (3) years to succeed the directors in such class whose terms of office expire. At each subsequent annual election, the directors chosen to succeed those whose terms are expiring shall be identified as being of the same class as the directors whom they succeed, and shall be elected for a term continuing until the time of the third succeeding annual meeting of the members, or thereafter in each case until their respective successors are elected and qualified. The number of directors shall be apportioned among the classes so as to maintain the classes as nearly equal in number as possible.

3.4 **Re-Election.** A director shall not be eligible for re-election after serving two consecutive full terms of three years each; provided, however, that, notwithstanding prior service as a director, a member shall be eligible for re-election to the board of directors if such member has not been a director at any time during the 350 days prior to the date upon which such member is elected a director.

3.5 **Organization.** At every meeting of the board of directors, the president (or, in the case of a vacancy in the office or absence of the president, one of the following officers present in the order stated: the vice president, if there be one, the vice president chosen by a majority of the directors present), shall preside, and the secretary (or, in the absence of the secretary, an assistant secretary, or in the absence of the secretary and the assistant secretary, any person appointed by a majority of the directors present) shall act as secretary.

3.6 **Resignation, Removal, Death.** Any director may resign at any time by giving written notice to the chair or the secretary of the corporation. Such resignation shall take effect on the date of receipt of such notice or at any later date specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. All directors shall act in a manner that promotes the purpose of the Corporation and any director not acting in such a manner may be removed from the board of directors by a two-thirds vote of the members. All directors shall be required to attend a minimum of two thirds (66%) of all board of directors and committee meetings to which the director is assigned during the course of a full fiscal year to maintain directorship in good standing. Failure to comply with this attendance provision can result in removal from the board of directors upon two-thirds vote of the members.

3.7 **Vacancies.** Vacancies on the board shall be filled by the board of directors.

3.8 **Place of Meeting.** 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 appoint, or as may be designated in the notice of the meeting.

3.9 **Annual Meeting; Election of Officers.** The Annual Meeting shall be held in the month of June. Such meeting may be held at any time or place which shall be specified in a notice given as provided in Section 3.9 of this Article for special meetings of the board of directors.

3.10 **Regular Meetings.** Regular meetings of the board of directors shall be held at such time and place as shall be designated from time to time by resolution of the board of directors. If the date fixed for any such regular meeting be a legal holiday under the laws of the state where such meeting is to be held, then the same shall be held on the next succeeding business day, not a Saturday or Sunday, or at such other time as may be determined by resolution of the board of directors. At such meetings, the directors shall transact such business as may properly be brought before the meeting. Notice of regular meetings need not be given unless otherwise required by law or these bylaws.

3.11 **Special Meetings.** Special meetings of the board of directors shall be held whenever called by the president or by two or more of the directors. Notice of each such meeting shall be given to each director by telephone or in writing at least twenty-four (24) hours (in the case of notice by telephone) or five (5) days (in the case of notice by mail) before the time at which the meeting is to be held. Every such notice shall state the time and place of the meeting.

3.12 **Quorum, Manner of Acting and Adjournment.** Except as otherwise provided in these bylaws, a majority of the directors in office shall be present at each meeting in order to constitute a quorum for the transaction of business. Except as otherwise specified in the Articles or these bylaws, or provided by statute, the acts of a majority of all votes cast by directors then in office shall be the acts of the board of directors.

Except as otherwise provided by law, in the absence of a quorum, a majority of the directors present and voting may adjourn the meeting from time to time until a quorum is

present. The directors shall act only as a board and the individual directors shall have no power as such, except that any action which may be taken at a meeting of the directors may be taken without a meeting if a consent or consents in writing setting forth the action so taken shall be signed by all of the directors in office and shall be filed with the secretary of the Corporation.

3.13 **Compensation.** The board of directors shall not be compensated for their services as such. Directors shall be reimbursed for actual expenditures incurred while acting on behalf of the corporation upon presentation of receipts of such expenditures to the treasurer.

ARTICLE IV. Notice, Waivers and Meetings

4.1 **What Constitutes Notice.** Whenever written notice is required to be given to any person under the provisions of the articles, these bylaws, or the Pennsylvania Nonprofit Corporation Law of 1988, as amended from time to time, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, or by facsimile transmission, to the address of the person (or to his facsimile number) appearing on the books of the Corporation, or in the case of directors, supplied by the director to the Corporation for the purpose of notice. If the notice is sent by mail, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail. A notice of a meeting shall specify the place, day and hour of the meeting and any other information required by law or these bylaws.

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.

4.2 **Waivers of Notice.** Whenever any written notice is required to be given under the provisions of the articles, these bylaws, or the Pennsylvania Nonprofit Corporation Law of 1988, as amended from time to time, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except as otherwise required by this Section 4.2, neither the business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting. In the case of a special meeting of the members, such waiver of notice shall specify the general nature of the business to be transacted.

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.

4.3 **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 as do not enlarge its original purpose.

4.4 **Exception to Requirement of Notice.** Whenever any notice or communication is required to be given to any person under the provisions of the Articles or these bylaws, or the Pennsylvania Nonprofit Corporation Law of 1988, 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.

4.5 **Conference Telephone Meetings.** One or more persons may participate in a meeting of the board of directors, of a committee of the board of directors or of the members 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 4.5 shall constitute presence in person at such meeting.

4.6 **Proxy Votes.** A director or member who is unable to attend a meeting may, by written notice to the secretary, vote on any matter of business other than an amendment to the articles or bylaws or any fundamental change to the Corporation. If the written direction to the secretary is clear, the Secretary may act as proxy for the absent director pursuant to Section 5759 of the Pennsylvania Nonprofit Corporation Law of 1988 and may cast a vote on behalf of the absent member or director, and such vote shall be treated as if the director was present at the meeting and voted on such matter.

ARTICLE V. Officers and Committees

5.1 **Number and Qualifications.** The officers of the Corporation shall be a President, Vice President, Secretary, Treasurer, Editor, Librarian, Membership Chairperson and such other officers as may be elected in accordance with the provisions of Section 5.2. Any number of offices may be held by the same person. Officers may, but need not, be directors of the Corporation. The officers shall, however, be members in good standing and natural persons of majority age.

5.2 **Election and Term of Office.** The officers of the Corporation shall be elected every other year by the board of directors and each such officer shall hold office until a successor shall have been elected and qualified, or until his or her earlier death, resignation, or removal.

5.3 **Planning Committee.** The Planning Committee shall consist of not more than 15 members which shall include all of the officers of the corporation and such other members in good standing as may be appointed from time to time by the board of directors. The Planning Committee shall be responsible for reviewing, planning and approving the activities of the Corporation. All actions taken by the Planning Committee shall be reported to the board at the first meeting following such action. The Planning Committee shall meet at least quarterly. Regular meetings of the Planning Committee shall occur at least quarter-annually and shall be held at such time and place as shall be designated from time to time by the president of the corporation. A special Planning Committee meeting may be called at any time by a majority of the members of the Planning Committee. Notice of the special meeting shall be given to the president.

5.4 **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 provided in these bylaws, or as 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 officers, committees, employees or other agents.

5.5 **Resignation.** Any officer, committee member, employee or other agent of the Corporation may resign at any time by giving written notice to the president or the secretary of the Corporation. Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.6 **Removal.** Any officer, committee member, employee or other agent of the Corporation may be removed, either for or without cause, by the board of directors or other authority which elected, retained or appointed such officer, committee or other agent whenever in judgment of such authority the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights of any person so removed.

5.7 **Vacancies.** If the office of any officer becomes vacant for any reason, the board of directors may appoint a successor or successors, who shall hold office for the unexpired term in respect of which such vacancy occurred.

5.8 **General Powers.** 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 may be determined by resolutions or orders of the board of directors, or, in the absence of controlling provisions in resolutions or orders of the board of directors, as may be provided in these bylaws.

5.9 **President.** The president shall be the chief executive officer of the Corporation, and shall preside at all meetings of the members, the board of directors and of the Planning Committee. The president shall lead the development of the board of director's programs and policies, represent the board of directors on ceremonial occasions, make committee appointments and perform any duties incident to the office that may occur during his or her term of office. The president shall be an ex-officio member of all committees. The president shall sign, execute, and acknowledge, in the name of the corporation, deeds, mortgages, bonds, contracts or other instruments, authorized by the board of directors, except in cases where the 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 president and such other duties as from time to time may be assigned by the board of directors.

5.10 **Vice President.** The vice president shall in the absence or disability of the president assume all duties, responsibilities and powers of that office and shall perform all other duties of such person's respective office as set forth in these bylaws or as directed by the board of directors.

5.11 **Secretary.** The secretary or an assistant secretary shall attend all meetings of the

members and of the board of directors and shall record all the votes of the members and of the directors and the minutes of the meetings of the members and of the board of directors and of committees of the board of directors 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; and, in general, shall perform all duties incident to the office of the secretary, and such other duties as may from time to time be assigned by the board of directors or the president.

5.12 **Treasurer.** The treasurer or an assistant 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 monies earned by or in any manner due to or received by the Corporation; shall deposit all funds in his or her custody as treasurer in such banks or other places of deposit as the board of directors may from time to time 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.

5.13 **Editor.** The editor shall be responsible for Lancaster County Woodcarvers publications, announcements and general publicity.

5.14 **Librarian.** The librarian shall be responsible for securing, maintaining, organizing, issuing books, patterns, documents and other items available for loan to the members.

5.15 **Membership Chairperson.** The membership chairperson shall be responsible for collecting membership dues.

ARTICLE VI. Indemnification of Directors, Officers and Other Authorized Representatives

6.1 Scope of Indemnification.

(a) The Corporation shall indemnify an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise, by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except where such indemnification is expressly prohibited by applicable law; or, where the conduct of the indemnified representative has been finally determined:

(i) To constitute willful misconduct or recklessness within the meaning of Section 5746(b) of Title 15 of the Pennsylvania Statutes or any superseding provision of law sufficient in the circumstances to bar indemnification against liabilities arising from the conduct; or

(ii) To be based upon or attributable to the receipt by the indemnified representative from the Corporation of a personal benefit to which the indemnified representative is not legally entitled; or

- (iii) To constitute liability pursuant to any criminal statute; or
- (iv) To constitute liability for the payment of taxes pursuant to Federal, State or local law; or
- (v) To the extent such indemnification has been finally determined in a final adjudication pursuant to Section 6.6 to be otherwise unlawful.

(b) If an indemnified representative is entitled to indemnification in respect of a portion, but not all, of any liabilities to which such person may be subject, the Corporation shall indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

(c) The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the indemnified representative is not entitled to indemnification.

(d) For purpose of this Article:

(i) "indemnified capacity" means any and all past, present and future service by an indemnified representative in one or more capacities as a director, officer, or agent of the Corporation, or, at the request of the Corporation, as a director, officer, employee, agent or fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise;

(ii) "indemnified representative" means any and all directors, officers and committee persons and any other person expressly designated as an indemnified representative by the board of directors of the Corporation (which may, but need not, include any person serving at the request of the Corporation, a director, officer, agent, fiduciary or trustee of another corporation, partnership, joint venture, trust, employee benefit plan or other entity or enterprise);

(iii) "liability" means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense of any nature (including, without limitation, attorneys' fees and disbursement); and

(iv) "proceeding" means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil, criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation or otherwise.

6.2 **Proceedings Initiated by Indemnified Representatives**. Notwithstanding any other provision of this Article, the Corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counterclaims or affirmative defenses) or participated in as an intervenor or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after its commencement, by the affirmative vote of

a majority of the directors in office who were not parties to the action or proceeding. This Section 6.2 does not apply to reimbursement of expenses incurred in successfully prosecuting or defending an arbitration under Section 6.6 or otherwise successfully prosecuting or defending the rights of an indemnified representative granted by or pursuant to this Article.

6.3 **Advancing Expenses.** The Corporation shall pay the expenses (including attorneys' fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of a proceeding described in Section 6.1 or 6.2 upon the receipt of an undertaking by or on behalf of the indemnified representative to repay such amount if it shall ultimately be determined pursuant to Section 6.6 that such person is not entitled to be indemnified by the Corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

6.4 **Securing of Indemnification Obligations.** To further effect, satisfy or secure the indemnification obligations provided herein or otherwise, the Corporation may maintain insurance, obtain a letter of credit, act as self-insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant as security interest in any assets or properties of the Corporation, or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the board of directors shall deem appropriate. Absent fraud, the determination of the board of directors with respect to such amounts, costs, terms and conditions shall be conclusive and shall not be subject to voidability.

6.5 **Payment of Indemnification.** An indemnified representative shall be entitled to indemnification within forty-five (45) days after a written request for indemnification has been delivered to the secretary of the Corporation.

6.6 **Arbitration.** Any dispute related to the right to indemnification or advancement of expenses as provided under this Article shall be decided only by arbitration in the metropolitan area in which the principal executive offices of the Corporation are located, in accordance with the commercial arbitration rules of the American Arbitration Association then in effect, before a panel of three (3) arbitrators, one of whom shall be selected by the Corporation, the second of whom shall be selected by the indemnified representative and the third of whom shall be selected by the other two (2) arbitrators. In the absence of the American Arbitration Association, or if for any reason arbitration under the arbitration rules of the American Arbitration Association cannot be initiated, and one of the parties fails or refuses to select an arbitrator, or the arbitrators selected by the Corporation and the indemnified representative cannot agree on the selection of the third arbitrator within thirty (30) days after such time as the Corporation and the indemnified representative have each been notified of the selection of the other's arbitrator, the necessary arbitrator or arbitrators shall be selected by the presiding judge of the court of general jurisdiction in such metropolitan area. The party or parties challenging the right of an indemnified representative to the benefits of this Article shall have the burden of proof. The Corporation shall reimburse an indemnified representative for expenses (including attorneys' fees and disbursements) incurred in successfully prosecuting or defending such arbitration. Any award entered by the arbitrator shall be final, binding and non-appealable and judgment may be entered thereon by any party in accordance with applicable law in any court of competent jurisdiction, except that the Corporation shall be entitled to interpose as a defense in

any such judicial enforcement proceeding any prior final judicial determination adverse to the indemnified representative under Section 6.1(b) in a proceeding not directly involving indemnification under this Article. This arbitration provision shall be specifically enforceable.

6.7 **Contribution.** If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Corporation shall contribute to the liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

6.8 **Discharge of Duty.** An indemnified representative shall be deemed to have discharged such person's duty to the Corporation if he or she has relied in good faith on information, advice or an opinion, report or statement prepared by:

(a) One or more officers or employees of the Corporation whom the indemnified representative reasonably believes to be reliable and competent with respect to the matter presented;

(b) Legal counsel, public accountants or other persons as to matters that the indemnified representative reasonably believes are within the person's professional or expert competence; or

(c) A committee of the board of directors on which he or she does not serve as to matters within its area of designated authority, which committee he or she reasonably believes to merit confidence.

6.9 **Mandatory Indemnification of Directors, Officers, Employees and Agents.** To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 5741 or Section 5742 of Title 15 of the Pennsylvania Statutes or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

6.10 **Contract Rights; Amendment or Repeal.** All rights under this Article shall be deemed a contract between the Corporation and the indemnified representative pursuant to which the Corporation and each indemnified representative intend to be legally bound. Any repeal, amendment or modification hereof shall be prospective only and shall not affect any rights or obligations then existing.

6.11 **Scope of Article.** The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of members or disinterested directors or otherwise, both as to action in an official capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to a person who has ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

6.12 **Reliance on Provisions.** Each person who shall act as an indemnified

representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided by this Article.

6.13 **Interpretation.** The provisions of this Article are intended to constitute bylaws authorized by Sections 5741 through 5750 of Title 15 of the Pennsylvania Statutes.

ARTICLE VII. Miscellaneous

7.1 **Checks.** All checks, notes, bills of exchange or other orders in writing shall be signed by such person or persons as the board of directors may from time to time designate.

7.2 **Contracts.** Except as otherwise provided in these bylaws, the board of directors may authorize any officer or officers, agent or agents, to negotiate and/or 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.

7.3 **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.

7.4 **Amendment of Bylaws.** These bylaws may be amended or repealed, or new bylaws may be adopted by the vote of a majority of the voting members of the Corporation. Such proposed amendment, repeal or new bylaws, or a summary thereof, shall be set forth in any notice of such meeting, whether annual, regular or special.

7.6 **Conflict of Interest.** Any member, director, officer, employee or committee member having a personal or business interest in a contract or other transaction presented to the board of directors or a committee thereof for authorization, approval or ratification shall give prompt and full disclosure of his or her interest to the board or committee prior to its acting on such contract or transaction. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interest exists or can be reasonably construed to exist. If a conflict is deemed to exist, such person shall not vote on, nor use his or her personal influence on, nor participate (other than to present factual information or to respond to questions) in the discussions or deliberations with respect to such contract or transaction. Such person may not be counted in determining the existence of a quorum at any meeting where the contract or transaction is under discussion or is being voted upon. The minutes of the meeting shall reflect the disclosure made, the vote thereon, and where applicable, the abstention from voting and participation, and whether a quorum is present.

7.7 **Amended and Restated Bylaws.** These Amended and Restated Bylaws supersede any previous bylaws of Lancaster County Woodcarvers.

EXHIBIT A
Board of Directors

Class I

(Term expires June 30, 2008)

Terry L. Keemer

George Reinfried

Class II

(Term expires June 30, 2009)

James R. Adams

Frank Peter Kovarovic, Jr.

Class III

(Term expires June 30, 2010)

W. Kent Kise, Jr.

Robert E. Lehr

Ronald Tomey