

## **Articles of Incorporation and Bylaws of the Quittapahilla Highlanders, Inc.**

|                                       |      |   |
|---------------------------------------|------|---|
| Article I - Introduction              | 6.03 | Scope of Functionary Committees Responsibilities  |
| 1.01 Name                             |      |   |
| 1.02 Definition of Bylaws             |      | Article VII - Band Membership   |
| 1.03 Purposes and Power               |      |   |
| 1.04 Article II - Offices and Agency  | 7.01 | Definition of Band Membership   |
|                                       | 7.02 | Privileges of Band Members  |
|                                       |      | Article VIII - Operations   |
| 2.01 Principal and Branch Offices     | 8.01 | Fiscal Year   |
| Article III - Directors               | 8.02 | Financial Matters   |
| 3.01 Definition of Board of Directors | 8.03 | Execution of Documents  |
| 3.02 Qualification of Directors       | 8.04 | Books and Records   |
| 3.03 Number of Directors              | 8.05 | Inspection of Books and Records   |
| 3.04 Terms of Directors               | 8.06 | Audit   |
| 3.05 Directors' Regular Meetings      | 8.07 | Nonprofit Corporation   |
| 3.06 Special Meetings                 |      | Article IX - Limitation of Personality  |
| 3.07 Location of Directors' Meetings  |      | Liability of Directors, indemnification of Directors, Officers and Authorized Representatives |
| 3.08 Quorum of Directors              |      |   |
| 3.09 Removal of Directors             |      |   |
| 3.10 Vacancies of the Board           |      |   |
| Article IV - Informal Action          | 9.01 | Limitation of Personal Liability of Directors   |
| 4.01 Waiver of Notice                 | 9.02 | Standard of Care and Justifiable Reliance   |
| 4.02 Action by Consent                | 9.03 | Indemnification in Third party Proceedings  |
| Article V - Officers                  | 9.04 | Indemnification in derivative Actions   |
| 5.01 Roster of Officers               | 9.05 | Mandatory Indemnification   |
| 5.02 Election of Officers             | 9.06 | Determination Entitlement to Indemnification  |
| 5.03 Terms of Office                  | 9.07 | Advancing Expenses  |
| 5.04 Multiple Officeholders           | 9.08 | Indemnification of Former Representatives   |
| 5.05 President                        | 9.09 | Insurance   |
| 5.06 Vice President                   | 9.10 | Reliance on Provisions  |
| 5.07 Secretary                        |      | Article X - Amendment   |
| 5.08 Treasurer                        |      |   |
| 5.09 Band Manager                     |      |   |
| 5.10 Removal of Officers              |      |   |
| Article VI - Committees               |      |   |
| 6.01 Executive Committees             |      |   |
| 6.02 Appointment of Other Committees  |      |   |
|                                       |      | 10.01 Modification of Bylaws  |

## Articles of Incorporation

1. The name of the corporation is "The Quittapahilla Highlanders".
2. The address of this corporation's current registered office in the Commonwealth is 514 East Main Street, Annville, Lebanon County, Pennsylvania 17003 and the corporation's current mailing address is 514 East Main Street, Annville, Pennsylvania 17003.
3. The corporation is intended to provide for the continued operation of a Scottish Bagpipe and Drum Band, to promote the music of pipe and drum bands, to promote fellowship among members, and all lawful purposes permitted by the Non-Profit Corporation Law.
4. The corporation is organized exclusively for charitable, educational, religious or scientific purposes, with the meaning of Section S01(c)(3) of the Internal Revenue Code (or corresponding section of any future Federal tax code).
5. The corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and its Regulation as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and Regulations as they now exist or as they may hereafter be amended.
6. No part of the net earnings of the corporation shall inure to the benefit of any director of the corporation, officers of the corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation affecting one or more of its purposes) and no director or officer of the corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the corporation. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.
7. Upon dissolution of this corporation, its assets shall be distributed for one (1) or more exempt purposes with the **meaning** of Section 501(c)(3) of the Internal Revenue Code, i.e. charitable, educational, religious, or scientific, or corresponding section of any future Federal tax code, or shall be distributed to the Federal government or to a state or local government for a public purpose as the Board of Directors shall determine, and in default of such determination, as directed by the Court of Common Pleas of Lebanon County, Pennsylvania.
8. The term for which the corporation is to exist is perpetual.
9. The corporation is organized upon a non-stock basis.
10. The corporation shall have no members.

## Bylaws of the Quittapahilla Highlanders, Inc.

### Article I -- Introduction

1.01 **Name.** The name of this Corporation shall be The Quittapahilla Highlanders.

1.02. **Definition of Bylaws.** These Bylaws constitute the code of rules adopted by The Quittapahilla Highlanders for the regulation and management of its affairs.

1.03. **Purposes and Powers.** This Corporation will have the purposes or powers as stated in its Articles of Incorporation, particularly to provide continued operation of a Scottish Bagpipe and Drum Band, and whatever powers are or may be granted by the Nonprofit Corporation Law of 1988 of the Commonwealth of Pennsylvania or any successor legislation.

### Article II -- Offices and Agency

2.01. **Principal and Branch Offices.** The principal place of business of this Corporation in Pennsylvania will be located at 514 East Main Street, Annville, Pennsylvania 17003. In addition, the Corporation may maintain other offices either within or without the Commonwealth of Pennsylvania, as its business requires.

### Article III -- Directors

3.01. **Definition of Board of Directors.** The Board of Directors *is* that group of persons vested with the management of the business and affairs of this Corporation.

3.02. **Qualifications of Directors.** The qualifications for becoming and remaining a Director of this Corporation are as follows:

(a) Directors shall be adult individuals and be participating members of this organization, either as performers or as professional advisors to the band.

(b) Directors need not be residents of the Commonwealth of Pennsylvania.

3.03. **Number of Directors.** The number of Directors of this Corporation shall not be less than five or more than seven at any time. There may be one additional non-voting member, who, because of special qualifications and experience may sit as an advisory member.

3.04. **Terms of Directors.** The Directors shall be elected for a term of three years. Initially Directors shall be assigned in approximately equal numbers to a class to serve a period of one year, two years and three-year term. Thereafter, Directors will be elected for a term of three year by the general Band membership at least one month prior to the annual meeting. Each Director will hold office for the term for which the Director was elected and until a successor has been selected and qualified.

**3.05 Directors' Regular Meetings.** Directors' regular meetings will be held at the call of the President. There shall be one regular meeting of the Board of Directors which shall also be designated as the Annual Meeting of the Board of Directors. This meeting shall be held prior to March 31 of each calendar year at such time and place as determined by the Board of Directors.

**3.06 Special Meetings.** Special meetings may be called at any time by the Board of Directors. The President shall call a special meeting of the Board upon written request of a majority of the voting members of the Board. All members shall be notified at least fourteen days in advance of any such special meeting.

**3.07 Location of Directors' Meetings.** Meetings of the Board of Directors will be held at the registered office of the Corporation, or such place or places as the Board of Directors designates by resolution duly adopted.

**3.08 Quorum of Directors.** A majority of the whole Board of Directors will constitute a quorum. The act of a majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors unless a greater number is required under the provisions of the Nonprofit Corporation Law of 1988, the Articles of Incorporation of this Corporation, or any provision of these Bylaws.

**3.09 Removal of Directors.** A Director may be removed from office at an official meeting of the Board of Directors held at least fourteen days after notice of intended removal is given to all Board members. A Director may be removed from office for cause by unanimous vote of the remaining Directors.

**3.10 Vacancies on the Board.** Any vacancy occurring on the Board of Directors, and any Directorship to be filled by reason of an increase in the number of Directors, will be filled by appointment by a majority of the remaining Board of Directors at a regular or special meeting. The new Director appointed to fill the vacancy will serve for the unexpired term of the predecessor in office, or in the event there is no predecessor for such initial term of one, two, or three years as assigned by the Board of Directors.

#### **Article IV -- Informal Action**

**4.01. Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Nonprofit Corporation Law of 1988, the Articles of Incorporation of this Corporation or these Bylaws, a waiver of the notice, whether before or after the time stated in the waiver, will be deemed equivalent to the giving of the notice.

**4.82. Action by Consent.** Any action required by law or under the Articles of Incorporation of this Corporation or these Bylaws, or any action that otherwise may be taken at a meeting of the Board of Directors may be taken without a meeting if a consent in writing, setting forth the action taken, is signed by all the Directors in office, and filed with the Secretary of the Corporation.

Article V -- Officers

5.01 **Roster of Officers.** The Officers of this Corporation will consist of the following personnel, all of whom shall be members of the Board of Directors:

- (a) President.
- (b) Vice President.
- (c) Secretary.
- (d) Treasurer.
- (e) Band Manager.
- (f) Such other officers or assistant officers with such duties as the Board of Directors shall

from time to time establish.

5.02 **Election of Officers.** Each of the Officers of this Corporation will be elected by the Board of Directors at its annual regular meeting.

5.03 **Terms of Office.** Individuals shall serve as Officers of the Corporation commencing from their time of election by the Board of Directors until the next regular annual meeting, or until a successor to the office has been selected and qualified.

5.04 **Multiple Officeholders.** In any election of Officers, the Board of Directors may elect and appoint a single person to more than one office simultaneously except that the offices of President and Secretary must be held by separate individuals.

5.05 **President.** The President is the Chief Executive Officer of this Corporation and will, subject to the control of the Board of Directors or any Committees, supervise and control the affairs of the Corporation. The President will perform all duties incident to the office and any other duties that may be required by these Bylaws or prescribed by the Board of Directors.

5.06 **Vice President.** The Vice President will perform all duties and exercise all powers of the President when the President is absent or is otherwise unable to act. The Vice President will perform any other duties that may be prescribed by the Board of Directors.

5.07 **Secretary.** The Secretary, or his designated representative, will keep minutes of all meetings of the Board of Directors, be the custodian of the corporate records, give all notices as are required by law or by these Bylaws, and generally, perform all duties incident to the office of the Secretary and any other duties as may be required by law, by the Articles of incorporation, or by these Bylaws, or that may be assigned by the Board of Directors.

5.08 **Treasurer.** The Treasurer, or his designated representative, will have charge and custody of all funds of this Corporation and will deposit the funds as required by the Board of Directors, keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, render reports and accountings to the Directors as required by the Board of Directors or by law. The Treasurer, or his designated representative, will perform in general all duties incident to the office of Treasurer and any other duties as may be required by law, by the Articles of Incorporation or by these Bylaws, or that may be assigned by the Board of Directors.

5.09 **Band Manager.** The Band Manager provides the day to day administrative management, operational control and technical direction of the Corporation's activities, including receiving, depositing and disbursing funds from the Band account, placing orders for Band equipment, uniforms, and materials which are to be paid by the Band, maintaining contacts with clients before, during and after performances, and providing close coordination with the Pipe Major regarding the operational aspects of the Band's activities.

5.10. **Removal of Officers.** Any Officer elected or appointed to office may be removed by the persons authorized under these Bylaws to elect or appoint Officers whenever in their judgment the best interests of this Corporation will be served. However, any removal will be without prejudice to any contract rights of the Officers so removed.

Article VI -- Committees

6.01 **Executive Committee.** The Executive Committee will be composed of the Corporation President, Vice President, Secretary, Treasurer and Band Manager. The Board of Directors, by resolution duly adopted by a majority of the Directors in office, may delegate to the Executive Committee the specific and prescribed authority of the Board of Directors to exercise the day to day management of this Corporation between Board of Directors' meetings. However, the creation of an Executive Committee will not operate to relieve the Board of Directors, or any individual Director, of any responsibility imposed by law.

6.02 **Appointment of Other Committees.** The Board of Directors, by resolution duly adopted by a majority of the Directors in office, may designate and appoint one or more Functionary Committees designed to transact certain ministerial business of the Corporation or to advise the Board of Directors. These Committees will be chaired by an Officer or Director as designated by the Board. Members of Functionary Committees need not be members of the Board but shall be participating members and shall be selected in such manner as the Board shall determine. The Board may terminate any Committee by resolution.

6.03 **Scope of Functionary Committees Responsibilities.** Each Functionary Committee will have and will exercise some prescribed authority of the Board of Directors in the management of this Corporation. However, no Committee will have the authority of the Board in reference to affecting any of the following:

- (a) Filling of vacancies in the Board.
- (b) Adoption, amendment, or repeal of Bylaws.
- (c) Amendment or repeal of any resolution of the Board.
- (d) Action on matters committed by Bylaws or resolution of the Board to another Committee of the Board.

Article VII -- Band Membership

7.01. **Definition of Band Membership.** Membership in the Band shall be by invitation with approval of the Pipe Major, the Band Manager and the confirmation of the Board of Directors at its next regular meeting.

**7.02. Privileges of Band Members.** Band members may participate in the various activities of the Corporation and shall receive publications and information from the Corporation as from time to time determined by the Board of Directors. Band members may vote on matters concerning the business of the Corporation as may be determined by the Board of Directors on particular occasions.

Article VIII --Operations

**8.01. Fiscal Year.** The fiscal year of this Corporation shall commence on January 1 and end on the 31<sup>st</sup> day of December.

**8.02 Financial Matters.** The Board of Directors has the fiduciary responsibility for assuring that the activities of the Quittapahilla Highlanders do not make any financial commitments beyond the Corporation's ability to pay from current funds, excluding any funds contained in accounts such as may be reserved for educational or other specific purposes.

**8.03 Execution of Documents.** Except as otherwise provided by law, checks, drafts, promissory notes, order for the payment of money and other evidences of indebtedness of this Corporation will be signed by such one or more officers as the Board shall from time to time by resolution establish. Contracts, leases or other instruments executed in the name of and on behalf of the Corporation will be signed by the Secretary and countersigned by the President, or such one or more officers as the Board shall from time to time by resolution establish.

**8.04 Books and Records.** This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of its Board of Directors and Executive Committee. The Corporation will keep at its registered office the original or a copy of its Bylaws including amendments to date certified by the Secretary of the Corporation.

**8.05 Inspection of Books and Records.** All books and records of this Corporation may be inspected by any member of the Quittapahilla Highlanders at any reasonable time. Other parties may inspect Corporation books and records for any proper purpose at any reasonable time on written demand under oath stating the purpose of the inspection.

**8.06 Audit.** The accounts of the Corporation will be audited annually as of December 31. Such audit will be made by a competent certified or other public accountant of recognized standing, or by a member or members of the Board of Directors.

**8.07 Nonprofit Operations.** This Corporation will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Corporation will be distributed to its Directors or Officers. However, the Corporation may pay compensation in a reasonable amount to Directors, Officers, or other Band members for reimbursement for expenses incurred in the conduct of the Band's business, the amounts of which have been approved in advance by the Board of Directors, or for services rendered.

**7.02. Privileges of Band Members.** Band members may participate in the various activities of the Corporation and shall receive publications and information from the Corporation as from time to time determined by the Board of Directors. Band members may vote on matters concerning the business of the Corporation as may be determined by the Board of Directors on particular occasions.

Article VIII --Operations

**8.01. Fiscal Year.** The fiscal year of this Corporation shall commence on January 1 and end on the 31<sup>st</sup> day of December.

**8.06 Financial Matters.** The Board of Directors has the fiduciary responsibility for assuring that the activities of the Quittapahilla Highlanders do not make any financial commitments beyond the Corporation's ability to pay from current funds, excluding any funds contained in accounts such as may be reserved for educational or other specific purposes.

**8.07 Execution of Documents.** Except as otherwise provided by law, checks, drafts, promissory notes, order for the payment of money and other evidences of indebtedness of this Corporation will be signed by such one or more officers as the Board shall from time to time by resolution establish. Contracts, leases or other instruments executed in the name of and on behalf of the Corporation will be signed by the Secretary and countersigned by the President, or such one or more officers as the Board shall from time to time by resolution establish.

**8.08 Books and Records.** This Corporation will keep correct and complete books and records of account, and will also keep minutes of the proceedings of its Board of Directors and Executive Committee. The Corporation will keep at its registered office the original or a copy of its Bylaws including amendments to date certified by the Secretary of the Corporation.

**8.09 Inspection of Books and Records.** All books and records of this Corporation may be inspected by any member of the Quittapahilla Highlanders at any reasonable time. Other parties may inspect Corporation books and records for any proper purpose at any reasonable time on written demand under oath stating the purpose of the inspection.

**8.06 Audit.** The accounts of the Corporation will be audited annually as of December 31. Such audit will be made by a competent certified or other public accountant of recognized standing, or by a member or members of the Board of Directors.

**8.07 Nonprofit Operations.** This Corporation will not have or issue shares of stock. No dividend will be paid, and no part of the income of this Corporation will be distributed to its Directors or Officers. However, the Corporation may pay compensation in a reasonable amount to Directors, Officers, or other Band members for reimbursement for expenses incurred in the conduct of the Band's business, the amounts of which have been approved in advance by the Board of Directors, or for services rendered.

Article IX -- Limitation of Personal Liability of Directors,  
Indemnification of Directors, Officers and Authorized Representatives

9.01. **Limitation of Personal Liability of Directors.** A Director of the Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action, unless:

(a) The Director has breached or failed to perform the duties of his office as defined in Section 9.02; and

(b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

(c) The provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute.

9.02. **Standard of Care and Justifiable Reliance.** A Director of the Corporation shall stand in a bustling and confidential relationship to the Corporation, and shall perform his duties as Director, including his duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data. A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in question that would cause his or her reliance to be unwarranted.

(a) In discharging the duties of their respective positions, the Board, committees of the Board and individual Directors may, in considering the best interests of the Corporation, consider the effects of any action upon Band members, upon persons with whom the Corporation has business and other relations and upon communities which the offices or other establishments of or related to the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (a) of this section.

(b) Absent breach of trust or confidentiality, lack of good faith or self-dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Corporation.

9.03. **Indemnification in Third Party Proceedings.** The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another Corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by his or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceedings, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or 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 person did not act in good faith and in a manner which he or she reasonably believed to be or not opposed to, the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

9.04. **Indemnification in Derivative Actions.** The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another Corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be, or not opposed to, the best interest of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the complainant in the Court Common Pleas of Lebanon County or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Common Pleas or such other court shall deem proper.

9.05. **Mandatory Indemnification.** Notwithstanding any contrary provision of the Articles or Bylaws, to the extent that a representative of the Corporation has been successful on the merits or otherwise in defense of any action suit or proceeding referred to in either Section 9.03. or Section 9.04. above, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her or her in connection therewith.

9.06. **Determination Entitlement to Indemnification.** Unless ordered by a court, any indemnification under Section 9.03. or 9.04. above shall be made by the Corporation only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such paragraph. Such determination shall be made:

(a) By the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or

(b) If such a quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested Directors so direct, by Independent legal counsel in a written opinion,

9.07. **Advancing Expenses.** Expenses 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 as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.

9.08. **Indemnification of Former Representatives.** Each such indemnity may continue as to a person who has ceased to be a representative of the Corporation and may inure to the benefit of the heirs, executors and administrators of such person.

9.09. **Insurance.** The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a Director, officer, Band member, or agent of the Corporation or is or was serving at the request of the Corporation as a Director, officer, Band member or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's status as such,

4-Feb-00

whether or not the Corporation would otherwise have the power to indemnify such person against such liability.

9.10. **Reliance on Provisions.** Each person who shall act as an authorized representative of the Corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

Article X -- Amendment

10.01. **Modification of Bylaws.** The power to alter, amend or repeal these Bylaws, or to adopt new Bylaws, to the extent allowed by law, is vested in the Board of Directors, and shall be accomplished by the affirmative vote of not less than fifty percent of all Directors entitled to vote.

These Bylaws were adopted on this \_\_\_\_\_ day of \_\_\_\_\_, 2000

Attested for: \_\_\_\_\_ (Seal)  
President

Attested for: \_\_\_\_\_ (Seal)  
Secretary