

BYLAWS  
OF  
VIRGINIA AMBULANCE ASSOCIATION

ARTICLE I

MEMBERSHIP

Section 1. Membership Criteria. Membership will be open to any person, organization or entity meeting the criteria established in Section 3 herein, and willing to abide by the By-Laws of the Association.

Section 2. Membership Privileges. All classes of members are entitled to all rights and privileges offered by the Association without limitation to the number of participants engaged in activities of the Association except that only the Active class of membership is eligible to vote and hold office as prescribed by the By-Laws.

Section 3. Classes of Membership. Membership in the Association shall be available to the following classes of individuals or entities:

- 3.1 Active Member (voting). Any company engaged in the business of providing fee for service, ground ambulance transportation and meeting the standards prescribed by the Board of Directors. Each company shall designate a single representative who shall remain the sole authority and privilege of the member for the purposes of voting on official business of the Association. Only Active members will vote for Directors and Officer Board positions.
- 3.2 Associate Member (non-voting). All other entities in the business of providing ground or air ambulance services determined by the American Ambulance Association to be any of the following: (1) Volunteer, (2) Fire Service, or (3) Governmental; and meeting the standards prescribed by the Board of Directors.
- 3.3 Affiliate Member (non-voting). Any person, partnership, corporation or other entity engaged in the manufacture, sale, rental or servicing of equipment or furnishing of services utilized in the provision of medical transportation.
- 3.4 Honorary Member (non-voting). Any person who has rendered distinguished service to the science and art of medical transportation may be elected to honorary membership in the Association for life by a 3/4 vote

of the voting membership at the annual meeting upon nomination of the Nominating Committee.

- 3.5. Individual Member (non-voting). Any person engaged in or interested in the medical transportation industry and meeting the standards prescribed by the Board of Directors.

Section 4. New Membership Application. Application for membership shall be made upon the proper form as prescribed by the Board of Directors and submitted with such fees as may be required, to the administrative offices of the Association.

Section 5. Application Process. Each application for membership in the Association shall be first reviewed by the Executive Vice President with the Directors from the applicant's region to ensure that the applicant meets the requirements for membership as defined within these by-laws.

- 5.1 The applicant will be considered for membership by the Board of Directors at the first regularly scheduled meeting of the Board following receipt of the application.
- 5.2 The Board of Directors will confirm all new members by an affirmative vote of the majority of the Board of Directors, present and voting.
- 5.3 No applicant shall be denied access to membership in the Association unless it has been determined by the Board of Directors that the applicant has violated standards of conduct referenced below.

Section 6. Standards of Conduct. In order to be considered for membership or retain membership in good standing, no person or organization can be found to have violated any of the provisions listed below:

- 6.1 Willful violation, resulting in a conviction, of any federal, state or local laws, including fraud, larceny, bribery or other egregious felonies, that would have an adverse effect on the ambulance industry.
- 6.2 Falsification of any information submitted to the Association.
- 6.3 Failure to meet any financial obligation justly due the Association.
- 6.4 Willful acts to discredit the Association.
- 6.5 Representing the Association or expressing an opinion in the name of the Association without official authority.
- 6.6 Theft or misappropriation of any property or any act to defraud the Association.

- 6.7 Engaging in any activity which may conflict with the interests, goals, and objectives of the Association.
- 6.8 Employee recruitment at any Association sponsored function.
- 6.9 Any inappropriate use of Association materials, resources, and information.
- 6.10 No member shall knowingly engage in any illegal self referral patterns. Illegal is meant to be any willful violation, resulting in a conviction of the federal anti-kickback statutes.

Section 7. Resignation. A member in good standing may tender their resignation, in writing, to the Secretary. No dues paid by the member for less than one year in advance of the date of resignation or for the current membership shall be refunded to the member. Such resignation shall not relieve the member so resigning of the obligation to pay all dues, assessments or other charges there-to-fore accrued and unpaid up to and including the date of resignation.

Section 8. Transferability. Upon change in operational control of an organization, membership may be transferred to a successor, subject to ratification by a majority vote of the Board of Directors.

Section 9. Membership Fee. The Board of Directors will have the authority to determine the amount of initiation fees, if any, annual dues payable by the members and policies and procedures for the assessment, payment and collection of any obligation due the Association.

## ARTICLE II

### GROUND FOR REJECTION, SUSPENSION & EXPULSION

Section 1. Rejection, Suspension, Expulsion. Any applicant, member, organization or member's representation can be rejected, suspended or expelled from the Association when it has been determined, after exhausting all procedures specified herein, that a violation has occurred specific to Article I, Section 6, inclusive.

Section 2. Charging Procedure. Alleged charges of violating the standards of membership can be brought against any proposed or current member by a majority vote of the Board or any member, in good standing, from the Active member class, conditioned that such charges are in writing with specific detail as to the nature and circumstances of the charge and duly signed and sworn by the complainant(s).

- 2.1 The President, upon receipt of written complaint properly filed shall immediately forward all materials to the chairperson of the Ethics Committee.

- 2.2 Upon receipt of all materials, a quorum of the Ethics Committee as defined in 3.1 shall convene to review the charges or complaints and determine whether or not a formal hearing should be held.
- 2.2A If after review of the Ethics Committee, it is determined that the charges or complaints are outside of the Association's standard of conduct or without sufficient merit, no hearing shall be held and the matter shall be discharged.
- 2.2B If after review of the Ethics Committee, it is determined that the charges or complaints are within the scope of the Association's standards of conduct and meet the charging procedures, then the chairperson shall schedule a formal hearing.
- 2.3 Notice of the hearing shall be mailed only to the members of the Ethics Committee and the member(s) against whom charges have been preferred at least thirty (30) days prior to the date set by the chairperson for such hearing. All mail shall be certified/return receipt requested.
- 2.4 Such notice shall fully describe the charges raised and shall state further the first date the committee will meet to consider the charges.
- 2.5 If a complaint is brought by the Board, all procedures herein described shall be followed except that the President, or his designee, shall represent the Board.
- 2.6 The member(s) upon receipt of notice of violation shall have the right to appear before the committee and present witnesses and such other evidence as the accused member(s) may desire.

Section 3. Hearing Procedure. All hearings shall be in closed session of the committee, restricting attendance to only the members of the committee, the applicant or member(s) charged, the complainant(s), any witnesses and counsel, if desired.

- 3.1 The quorum to act for this committee will consist of at least four members.
- 3.2 Upon conclusion of all testimony the committee shall conduct a ballot vote on the charges being considered. An affirmative vote of two-thirds (2/3) of the committee present and voting will be required to sustain the charge.

Section 4. Sanctions. The Ethics Committee will solely and exclusively retain the option of either rejecting any complaints or taking action up to and including expulsion of a member organization or member's designee who has been found guilty of violating the standards of conduct.

- 4.1 When it is determined by the committee that a party has committed a violation, the committee will be required to assess whether the act was committed with the knowledge and consent of the member's organization.
- 4.2 In the event the committee finds the act was condoned by the member's organization, then the action of the committee will be imposed on the member, individual and organization.
- 4.3 In the event the committee finds the violation was an act of the individual outside of the organization's knowledge and consent, then the action of the committee will be imposed only on the individual.
- 4.4 When actions are imposed on the individual, the organization will be required to withdraw the violating member and designate a new member to represent the organization.

Section 5. Appeal, Reconsideration or Reinstatement. The Board of Directors can overturn actions of the Ethics Committee, reconsider an applicant or reinstate a member or member's organization, upon such terms as deemed appropriate, when such requests are brought before the full board and are ratified by two thirds (2/3) vote of the Board of Directors at a closed meeting.

### ARTICLE III

#### MEETINGS

Section 1. Meetings Generally. Meetings of the members shall be held at the registered office or the principal office of the Association or at such other place, within or without the Commonwealth of Virginia, as the board of directors may designate from time to time. At least ten days before each meeting, the officer or agent having charge of the record of members of the Association shall prepare a complete list of the members, together with the address of each. The list shall be arranged by class of members and shall specify the voting rights of each class. For a period of ten days prior to the meeting, the list of members shall be kept on file at the registered office or the principal office of the Association and shall be subject to inspection by any member at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be the subject to the inspection of any member during the whole time of the meeting for the purposes thereof.

Section 2. Annual Meetings. An annual meeting of the members shall be held on the **second Friday of July** of each year (and if such day is a legal holiday, on the next business day) for the purpose of electing directors and transacting such other business as may properly come before the meeting. The failure to hold an annual meeting does not affect the validity of any corporate action.

Section 3. Special Meetings. A special meeting of the members shall be held on the call of the President, the Secretary or the board of directors or on the written demand, delivered to the Secretary, of at least twenty (20%) percent of the members entitled to vote as provided in Section 1 of this Article I (“Classes, Qualifications and Rights”).

Section 4. Notice. Written notice of the date, time and place of the meeting and, in the case of a special meeting (or if required by law, the articles of incorporation or these bylaws), the purpose or purposes for which the meeting is called shall be given to each member, whether or not entitled to vote, not less than 25 days before a meeting called to act on an amendment to the articles of incorporation, a plan of merger, a proposed sale, lease, exchange, mortgage or other disposition of all, or substantially all, of the property of the Association other than in the usual and regular course of business, or the dissolution of the Association, which notice shall be accompanied by a copy of the proposed amendment, plan of merger, agreement of sale or plan of dissolution, as the case may be). Notice to a member shall be deemed given when mailed postage prepaid, correctly addressed, to the member at his address as shown in the current record of the members of the Association.

In lieu of delivering notice as specified above, the Association, in its sole discretion, may publish such notice at least once a week for two successive calendar weeks in a newspaper published in the city or county in which the registered office is located, or having a general circulation therein, the first publication to be not more than 60 days, and the second not less than seven days, before the date of the meeting.

A member’s attendance at a meeting waives objection to: (i) lack of notice or defective notice of the meeting, unless at the beginning of the meeting he objects to holding the meeting or transacting business at the meeting; and (ii) consideration of a particular matter at the meeting that is not within the purpose or purposes described in the notice of the meeting, unless he objects to considering the matter when it is presented.

Section 6. Waiver of Notice. Notice of any meeting may be waived before or after the date and time of the meeting in a writing signed by the member entitled to notice and delivered to the Secretary for inclusion in the minutes of the meeting or filing with the corporate records.

Section 7. Action Without Meeting. Any action required or permitted by law to be taken at a members’ meeting may be taken without a meeting if the action is taken by all of the members entitled to vote on the action. The action shall be evidenced by one or more written consents describing the action taken, signed by all the members entitled to vote thereon and delivered to the Secretary for inclusion in the minutes or filing with the corporate records.

Section 8. Determination of Members of Record. The membership records may be closed by order of the board of directors for not more than 70 days for the purpose of determining members entitled to notice of or to vote at any meeting of the members or

any adjournment thereof (or to make a determination of members for any other purposes). In lieu of closing such records, the board of directors may fix in advance as the record date for any such determination a date not more than 70 days before the date on which such meeting is to be held (or other action requiring such determination is to be taken). If the records are not thus closed or the record date is not thus fixed, the record date shall be the close of business on the day before the effective date of the notice to members.

Section 9. Conduct of Meetings. The President, or in his absence a Vice President, if any, shall act as chairman of and preside over meetings of the members. In the absence of such officers, the meeting shall elect a chairman. The Secretary, or in his absence the Assistant Secretary, shall act as the secretary of such meetings. If no such officer is present, the chairman shall appoint a secretary of the meeting.

Section 10. Procedure at Meetings. The procedure at meetings of the members shall be determined by the chairman, and the vote on all questions before any meeting shall be taken in such manner as the chairman prescribes. However, upon the demand of the holders in the aggregate of at least twenty percent of all the members entitled to vote, such vote shall be by ballot.

Section 11. Quorum and Voting. A quorum at any meeting of members shall be twenty percent (20%) of members entitled to vote, represented in person or by proxy. If a quorum exists, action on a matter is approved by a majority of the votes cast, unless a greater vote is required by law or the articles of incorporation (except that in elections of directors those receiving the greatest number of votes shall be elected even though less than a majority).

Section 12. Adjournments. A majority of the members entitled to vote, represented in person or by proxy, even though less than a quorum, may adjourn the meeting to a fixed time and place. If a meeting of the members is adjourned to a date more than 120 days after the date fixed for the original meeting, notice of the adjourned meeting shall be given as in the case of the original meeting. If a meeting is adjourned for less than 120 days, no notice of the date, time or place of the adjourned meeting or, in the case of a special meeting, the purpose or purposes for which the meeting is called, need be given other than by announcement at the meeting at which the adjournment is taken, prior to such adjournment. If a quorum shall be present at any adjourned meeting, any business may be transacted if a quorum had been present at the meeting as originally called.

## ARTICLE IV

### DIRECTORS

Section 1. General Powers. Except as expressly provided in the articles of incorporation or these bylaws, all corporate powers shall be exercised by or under the

authority of, and the business and affairs of the Association managed under the direction of, the board of directors.

Section 2. Number and Qualifications. The board of directors shall consist of a minimum of three (3) and a maximum of nine (9) individuals. Directors need not be residents of Virginia. Directors shall be elected at each annual meeting of the members and may be elected at any special meeting of the members.

Section 3. Regular and Annual Meetings. Regular meetings of the board of directors may be held without notice at the registered office or principal office of the Association or at such other place, within or without the Commonwealth of Virginia, as the board of directors may designate from time to time. A regular meeting of the board of directors shall be held as soon as practicable after each annual meeting of the members for the purpose of appointing officers and transacting such other business as may properly come before the meeting, and such regular meeting shall be designated the annual meeting of the board of directors.

Section 4. Special Meetings. Special meetings of the board of directors may be called at any time by the President, the Secretary, a majority of the members or any two of the directors.

Section 5. Notice. Written notice of the date, time and place of special meetings shall be given to each director either by personal delivery or by mail, by or at the direction of the officer or director calling the meeting, to the address of such director as it appears in the records of the Association not less than ten days before the date of the meeting. Neither the business to be transacted at, nor the purpose of, any meeting of the board of directors need be specified in the notice or any waiver of notice of such meeting.

A director's attendance at or participation in a meeting waives any required notice to him of the meeting unless he at the beginning of the meeting or promptly upon his arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to the action taken at the meeting.

Section 6. Waiver of Notice. Notice of any meeting may be waived before or after the date and time of the meeting in a writing signed by the director entitled to notice and delivered to the Secretary of the Association for inclusion in the minutes of the meeting or filing with the corporate records.

Section 7. Action Without Meeting. Any action required or permitted by law to be taken at a meeting of the board of directors may be taken without a meeting if the action is taken by all of the members of the board of directors. The action shall be evidenced by one or more written consents stating the action taken, signed by each director either before or after the action taken, and included in the minutes or filed with the corporate records reflecting the action taken.



Section 8. Conduct of Meetings. The President shall act as chairman of and preside over meetings of the board of directors. In the absence of the President, the meeting shall elect a chairman. The Secretary, or in his absence the Assistant Secretary, shall act as secretary of such meetings. If no such officer is present, the chairman shall appoint a secretary of the meeting.

Section 9. Procedure at Meetings. The procedure at meetings of the board of directors shall be determined by the chairman, and the vote on all matters before any meeting shall be taken in such manner as the chairman may prescribe.

Section 10. Participation by Conference Telephone. The board of directors may permit any or all directors to participate in a meeting of the directors by or conduct the meeting through the use of, conference telephone or any other means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by such means shall be deemed to be present in person at the meeting. When a meeting is so conducted, a written record shall be made of the action taken at such meeting.

Section 11. Quorum. A quorum at any meeting of the board of directors shall be a majority of the number of directors fixed or prescribed by these bylaws or, if no number is prescribed, the number of directors in office immediately before the meeting begins. The affirmative vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

Section 12. Committees. The board of directors may create one or more committees and appoint two or more members of the board of directors to serve on them at the pleasure of the board of directors. Any such committee, to the extent specified by the board of directors, may exercise the authority that may be exercised by the board of directors except to the extent prohibited or restricted by law, the articles of incorporation or these bylaws.

The provisions of Sections 3 through 11 of this Article, which provide for, among other things, meetings, action without meetings, notice and waiver of notice, quorum and voting requirements of the board of directors, shall apply to committees and their members as well.

Section 13. Resignation. A director may resign at any time by delivering written notice to the board of directors, its chairman, the President or the Secretary. A resignation shall be effective when delivered, unless the notice specifies a later effective date.

Section 14. Removal. At a meeting of members called and noticed expressly for that purpose, any director may be removed, with or without cause, if the number of votes cast to remove him constitutes a majority of the votes entitled to be cast at an election of directors.

Section 15. Vacancies. Any vacancy in the board of directors (including any vacancy resulting from an increase in the number of directors) may be filled by the affirmative vote of a majority of the remaining directors, even though less than a quorum, unless sooner filled by the members.

## ARTICLE V

### OFFICERS

Section 1. Generally. The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, each of whom shall be appointed by the board of directors at a regular meeting of the directors held as soon as may be practical after each annual meeting of the members or, if a vacancy shall exist in any such office, at a special meeting of the directors held as soon as may be practical after the resignation death or removal of the officer theretofore holding the same. The board of directors or the President may also at any time appoint one or more Vice Presidents or other officers and assistant officers and fill any vacancy that may exist in any such office as a result of the resignation, death or removal of the officer holding the same. Any officer may hold more than one office and may, but need not be, a director. Each officer shall have the authority and perform the duties which pertain to the office held by him or as set forth in these bylaws or, to the extent consistent with these bylaws, such duties as may be prescribed by the board of directors or the President.

Section 2. President. The President shall be the chief executive officer of the Association. The President shall have general supervision over, responsibility for and control of the other officers, agents and employees of the Association. The President shall act as chairman of and preside over meetings of the members and directors and shall perform, to the extent consistent with these bylaws, such duties as may be conferred upon him by the board of directors.

Section 3. Vice Presidents. Each Vice President shall perform, to the extent consistent with these bylaws, such duties as may be prescribed by the board of directors or the President. In the event of and during the absence, disqualification or inability to act of the President, the Vice Presidents, in the order designated by the board of directors from time to time (and if no such designation is made, in the order of their appointment as Vice Presidents), shall have the authority and perform the duties of the President.

Section 4. Secretary. The Secretary shall have the responsibility for preparing and maintaining custody of minutes of meetings of the members and directors in a book or books kept for that purpose and the responsibility for authenticating records of the Association. The Secretary shall maintain a record of members of the Association, giving the names and addresses of all members and the class of membership of each member.

Section 5. Treasurer. The Treasurer shall be the chief financial officer of the Association. The Treasurer shall have the custody of all moneys and securities of the Association and shall deposit the same in the name and to the credit of the Association in such depositories as may be designated by the board of directors and, unless otherwise prescribed by the board of directors or the President, shall maintain the books of account and financial records.

Section 6. Delegation of Power. In the event of and during the absence, disqualification or inability to act of any officer other than the President, such other officers or employees as may be designated by the board of directors or by the President shall have the authority and perform the duties of such officer.

Section 7. Term of Office. Each officer shall be appointed to hold office until the first regular meeting of the board of directors held after each annual meeting of the members, or for such longer or shorter term as the board of directors may specify, and until his successor shall have been appointed or such earlier time as he shall resign, die or be removed.

Section 8. Resignation. An officer may resign at any time by delivering written notice to the board of directors, the President or the Secretary. A resignation shall be effective when delivered unless the notice specifies a later effective date.

Section 9. Removal. Any officer may be removed, with or without cause, at any time by the board of directors and any officer or assistant officer, if appointed by another officer, may likewise be removed by such officer.

## ARTICLE VI

### INDEMNIFICATION AND ELIMINATION OF LIABILITY

Section 1. Indemnification of Directors and Officers. Except as provided in Section 2 of this Article, the Association shall indemnify every individual made a party to a proceeding because he is or was a director or officer against liability incurred in the proceeding if: (i) he conducted himself in good faith; and (ii) he believed, in the case of conduct in his official capacity with the Association, that his conduct was in its best interests, and, in all other cases, that his conduct was at least not opposed to its best interests (or in the case of conduct with respect to an employee benefit plan, that his conduct was for a purpose he believed to be in the interests of the participants of and beneficiaries of the plan) and (iii) he had no reasonable cause to believe, in the case of any criminal proceeding, that his conduct was unlawful.

Section 2. Indemnification Not Permitted. The Association shall not indemnify any individual against his willful misconduct or a knowing violation of the criminal law or against any liability incurred by him in any proceeding charging improper personal benefit to him, whether or not by or in the right of the Association or involving action in

his official capacity, in which he was adjudged liable by a court of competent jurisdiction on the basis that personal benefit was improperly received by him.

Section 3. Effect of Judgment or Conviction. The termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth in Section 1 of this Article or that the conduct of such individual constituted willful misconduct or a knowing violation of the criminal law.

Section 4. Determination and Authorization. Unless ordered by a court of competent jurisdiction, any indemnification under Section 1 of this Article shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the individual is permissible in the circumstances because: (i) he met the standard of conduct set forth in Section 1 of this Article and, with respect to a proceeding by or in the right of the Association in which such individual was adjudged liable to the Association, he is fairly and reasonably entitled to indemnification in view of all of the relevant circumstances even though he was adjudged liable; and (ii) the conduct of such individual did not constitute willful misconduct or a knowing violation of the criminal law.

Such determination shall be made: (i) by the board of directors by a majority vote of a quorum consisting of directors not at the time parties to the proceeding; (ii) if such a quorum cannot be obtained, by a majority vote of a committee duly designated by the board of directors (in which designation directors who are parties may participate), consisting solely of two or more directors not at the time parties to the proceeding; or (iii) by special legal counsel selected by the board of directors or its committee in the manner heretofore provided or, if such a quorum of the board of directors (in which selection directors who are parties may participate). Authorization of indemnification, evaluation as to reasonableness of expenses and determination and authorization of advancements for expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those selecting such counsel.

Section 5. Advance for Expenses. The Association may pay for or reimburse the reasonable expenses incurred by any individual who is a party to a proceeding in advance of final disposition of the proceeding if: (i) he furnished the Association a written statement of his good faith belief that he has met the standard of conduct described in Section 1 of this Article and a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that indemnification of such individual in the specific case is not permissible; and (ii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. An undertaking furnished to the Association in accordance with the provisions of this Section shall be an unlimited general obligation of the individual furnishing the same

but need not be secured and may be accepted by the Association without reference to financial ability to make repayment.

Section 6. Indemnification of Employees and Agents. The Association may, but shall not be required to, indemnify and advance expenses to employees and agents of the Association to the same extent as provided in this Article with respect to directors and officers.

Section 7. Elimination or Limitation of Liability of Directors and Officers. Except as provided in Section 8 of this Article, in any proceeding brought by or in the right of the Association or brought by or on behalf of a member or members of the Association, the damages assessed against a director or officer arising out of a single transaction, occurrence or course of conduct shall be eliminated or limited as follows:

(1) A director or officer who does not receive compensation for his services as such shall have no liability for damages if, at the time of the transaction, occurrence or course of conduct giving rise to the proceeding, the Association was exempt from federal income taxation under Section 501(c) of the Internal Revenue Code of 1986, as amended (or any corresponding future Internal Revenue law of the United States), and the Regulations issued thereunder (the "Code and Regulations").

(2) The liability of a director or officer who does not receive compensation from the Association for his services as such shall not exceed the amount of \$100.00 if, at the time of the transaction, occurrence or course of conduct giving rise to the proceeding, the Association was not exempt from federal income taxation under Section 501(c) of the Code and Regulations.

(3) The liability of a director or officer who receives compensation from the Association for his services as such shall not exceed the amount of \$100.00.

Section 8. Liability of Directors and Officers Not Eliminated. The liability of a director or officer shall not be eliminated or limited in accordance with the provisions of Section 7 of this Article if the director or officer engaged in willful misconduct or a knowing violation of the criminal law.

Section 9. Definitions. In this Article:

"Director and "officer" mean an individual who is or was a director or officer of the Association, as the case maybe, or who, while a director or officer of the Association is or was serving at the Association's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. A director or officer shall be considered to be serving an employee benefit plan at the Association's request if his duties to the

Association also impose duties on, or otherwise involve services by, him to the plan or to participants in or beneficiaries of the plan.

“Individual” includes, unless the context requires otherwise, the estate, heirs, executors, personal representatives and administrators of an individual.

“Association” means the Association and any domestic or foreign predecessor entity of the Association in a merger or other transaction in which the predecessor’s existence ceased upon the consummation of the transaction.

“Expenses” includes but is not limited to counsel fees.

“Liability” means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

“Official capacity” means: (i) when used with respect to a director, the office of director in the Association; (ii) when used with respect to an officer, the office in the Association held by him; or (iii) when used with respect to an employee or agent, the employment or agency relationship undertaken by him on behalf of the Association. “Official capacity” does not include service for any foreign or domestic corporation or other partnership, joint venture, trust, employee benefit plan or other enterprise.

“Party” includes an individual who was, is or is threatened to be made a named defendant or respondent in a proceeding.

“Proceeding” means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal

Section 10. Provisions Not Exclusive. As authorized by the Virginia Nonstock Corporation Act, the provisions of this Article are in addition to and not in limitation of the specific powers of a corporation to indemnify directors and officers set forth therein. If any provision of this Article shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Association may have under the Virginia Nonstock Corporation Act or other laws of the Commonwealth of Virginia.

## ARTICLE VII

### AMENDMENTS

These bylaws may be amended or repealed by the board of directors except to the extent that: (i) this power is reserved exclusively to the members by law or the articles of

incorporation; or (ii) the members in adopting or amending particular bylaws provide expressly that the board of directors may not amend or repeal the same. These bylaws may be amended or repealed by the members even though the same also may be amended or repealed by the board of directors.

ADOPTED: J. A. President  
(DATE) | 6-26-98

#463057.2