

BYLAWS OF CENTRE COUNTY PAWS, INC.

A NONPROFIT CORPORATION

Article I. Purpose

The purposes of Centre County PAWS, Inc. (hereinafter, "PAWS") are as set forth in its Articles of Incorporation and Mission Statement.

Article II. Offices

The principal office of PAWS shall be located at 1401 Trout Road, State College, PA 16801.

Article III. Members

All PAWS members shall have the right to vote. Members shall be required to pay to the Treasury of PAWS annual dues as determined by the Board of Directors (hereinafter, the "Board" or "Board of Directors"). Any member who has failed to pay his/her annual dues on or before the date they are payable shall not have the right to vote, nor be a member in good standing until such time as the dues are paid in full.

Article IV. Meetings of Members

Section 1. The meeting of the members of PAWS for the transaction of business authorized to be transacted by the members shall be held annually at such time and place as shall be specified by the Board of Directors. The Board of Directors may call other meetings of members or cancel a meeting as deemed necessary.

Section 2. Meetings of the Board of Directors may be called at any time by the President or a majority of the Board of Directors.

Section 3. Advance notice of all meetings of members shall be given by the Board of Directors. Notice shall be given of any canceled meeting.

Section 4.1. The presiding officer shall appoint, with the consent of the Board of Directors, a Nominating Committee composed of at least three (3) people and at most six (6) people. At least two (2) members of the Nominating Committee shall be on the Board of Directors. The Nominating Committee shall be charged with soliciting qualified candidates for the Board of Directors from the members of PAWS and from the community at large, and with nominating qualified candidates for membership onto the Board of Directors.

Section 4.2. The Nominating Committee shall nominate for membership onto the Board of Directors of PAWS, a number of candidates not more than the number of open slots on the Board of Directors in the ensuing election. This Nominating Committee will give the Board of Directors reasonable time to act on said nomination(s).

Section 4.3. Any member may submit a timely request to be considered as a nominee to the Nominating Committee and shall be considered a prospect for nomination onto the Board of Directors upon submission of said request.

Section 4.4. The Nominating Committee shall notify the members of PAWS, in the manner prescribed by the Board of Directors, of the final list of individuals nominated for membership onto the Board of Directors. This notification shall occur reasonably in advance of the annual meeting.

Section 5. Voting for the Board of Directors opening(s) shall take place at the annual meeting in accordance with the following guidelines:

- (1) Prior to the votes being cast, the President shall appoint (3) Judges of Election, one (1) of whom shall be the Secretary;
- (2) All voting shall be by secret ballot, and votes shall be cast for each nominee individually;
- (3) Cumulative voting shall not be permitted, nor shall voting by proxy be permitted;
- (4) In order to be elected, a nominee must receive the affirmative votes of a majority of those members present and voting at the annual meeting;
- (5) The results of the election shall be determined by the three (3) Judges of Election;
- (6) The results of the election will be announced immediately upon determination of the election results by a suitable member with knowledge of the election results.

Article V. Directors

Section 1. The direction and management of the affairs of PAWS shall be vested in the Board who shall pursue such policies and principles as shall be in accordance with the provisions of the Articles of Incorporation, the Mission Statement, the Euthanasia Policy and these Bylaws.

Section 2. The Board shall be composed of not less than seven (7) members nor more than fourteen (14) members, as shall be determined from time to time by the Board. To be eligible to serve as a Director, a person must be at least twenty-one (21) years of age and be designated by the Board as a member in good standing of PAWS at the time of the election; provided however, any person who is the spouse, partner, brother, sister, child, grandchild, parent or grandparent of a Director shall not be eligible to serve on the Board at the same time. To be eligible to vote for members of the Board, a person must be at least eighteen (18) years of age and be

designated by the Board as a member in good standing of PAWS at the time of the election. Any Director not having or maintaining eligibility for the office of Director as provided by these Bylaws shall forthwith be removed from such office by the Board. At any meeting of members of PAWS, the members may remove from the Board any member thereof for violation of the purposes of PAWS or of the Bylaws of PAWS. The Board may terminate the membership of any member of PAWS for violation of the purposes of PAWS or of the Bylaws of PAWS, or for conduct which the Board determines, in its sole discretion, is of such a nature that the member's continued association with PAWS is detrimental to the best interests of PAWS.

Section 3. The members of the Board shall be elected for three (3) year terms. Any member of the Board may only serve three (3) consecutive three (3) year terms. Any further service by a member of the Board shall require at least a one (1) year break between service.

Section 4. In case any Director shall by death, resignation, incapacity to act, or otherwise cease to be a Director of PAWS during his or her term, his or her successor shall be chosen by the Board to serve for the unexpired term of the predecessor in office and until a successor is duly elected. The choice of whether or not to select a successor shall lie entirely with the Board.

Section 5. Directors shall be entitled to reimbursement for necessary expenses incurred in fulfilling their duties as a Director, provided said reimbursements are for a necessary expense that has been customarily reimbursed in the usual course of practice of PAWS. All reimbursements are subject to approval by the Executive Director.

Section 6. A majority of the Board shall 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 unless a greater number is required under the provisions of the Pennsylvania Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws.

Section 7. If any Director shall be absent from three (3) consecutive regular meetings, unless such absence is approved by the Board, he/she shall be deemed to have resigned from office and the vacancy so caused shall be filled as herein provided for the filling of vacancies in the membership of the Board.

Section 8. The Board may appoint a Director Emeritus for special service to PAWS. A Director Emeritus shall have none of the obligations of membership on the Board, but shall be entitled to all the privileges except those of making motions, voting and holding office.

Article VI. Committees

Section 1. The Board may provide for any committee that it shall deem necessary, including but not limited to, the Facilities Committee, Governance Committee, Executive Committee, Finance Committee, and Nomination and Board Engagement Committee. The Board may delegate duties to such committees as it shall deem necessary.

Section 2. Any Committee member shall be entitled to reimbursement for necessary expenses incurred in fulfilling their duties as a committee chairperson, provided said reimbursements are for a necessary expense that has been customarily reimbursed in the usual course of practice of PAWS. All reimbursements are subject to approval by the Committee Chairperson. If the Committee Chairperson is submitting for reimbursement, then that reimbursement shall be subject to approval by the President.

Article VII. Officers

Section 1. At each annual meeting of the Board, or in default of the election at such meeting, then and at an adjournment thereof, or at any meeting of the Board duly called for the purpose of election of officers, the Board shall elect a President, Vice President, Secretary, Treasurer, and any other such officers as the business of PAWS may require. The officers are required to be members of the Board and shall hold office at the pleasure of the Board but in no case beyond the time when their respective successors shall be elected and shall qualify. Any officer may be removed from office by the Board at any time.

Section 2. Whenever any vacancy shall occur in any office created by these Bylaws, or by the Board, the vacancy may be filled by the Board for the unexpired term.

Section 3. The Executive Director shall be responsible for day to day operations of PAWS and is responsible to carry out the directives of the Board. As part of leading day to day operations the Executive Director shall have the ability to designate Staff Led Teams and their specific tasks and charges. The Staff Led Teams will report to the Executive Director. In the event there is no Executive Director or the Executive Director is unable to perform his/her duties, the President shall be responsible for day to day operations of PAWS and is responsible to carry out the directives of the Board. The President shall run all meetings. All other officers shall report to the President.

Section 4. The Vice President shall fill all functions of the President when the latter is incapacitated, is unavailable, or for any other reason cannot serve.

Section 5. The Secretary shall take and preserve minutes of all meetings of the members of PAWS and of the Board, shall notify all members and Directors of meetings, and shall perform other duties assigned by the Board. He/she shall record all actions taken at all membership and Board meetings. In the absence of the Secretary from any meeting, the presiding officer shall appoint a temporary secretary to record the minutes and such minutes shall be transmitted to the Secretary.

Section 6. The Treasurer shall have custody of all funds and securities of PAWS and shall be responsible for the funds and securities in such banks or depositories as required by the Board, shall submit to the Executive Director and Board, as appropriate, a balance statement and/or budget comparison abbreviation, and shall submit to the members present at the annual meeting of the members of PAWS a report of the assets and liabilities of PAWS as of the end of the fiscal year immediately preceding the date of the report. The Treasurer may authorize other persons to sign checks and perform other functions of his/her office subject to the approval of the Board.

Article VIII. Indemnification and Insurance

Section 1. Indemnification of Directors and Officers.

Section 1.1. Each Indemnitee (as defined below) shall be indemnified and held harmless by PAWS for all actions taken by him or her and for all failures to take action (regardless of the date of any such action or failure to take action) to the fullest extent permitted by Pennsylvania law against all expense, liability and loss (including without limitation attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Indemnitee in connection with any proceeding (as defined below). No indemnification pursuant to this paragraph shall be made, however, in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

Section 1.2. The right to indemnification provided in this paragraph shall include the right to have the expenses incurred by the Indemnitee in defending any proceeding paid by PAWS in advance of the final disposition of the Proceedings to the fullest extent permitted by Pennsylvania law; provided that, if Pennsylvania law continues to so require, the payment of such expenses incurred by the Indemnitee in advance of the final disposition of a proceeding shall be made only upon delivery to PAWS of an understanding, by or on behalf of the Indemnitee, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified under this paragraph or otherwise.

Section 1.3. Indemnification pursuant to this paragraph shall continue as to an Indemnitee who has ceased to be a director or officer and shall inure to the benefit of his or her heirs, executors and administrators.

Section 1.4. For purposes of this Article (a) "Indemnitee" shall mean each director or officer of PAWS who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any proceeding by reason of the fact that he or she is or was a director or officer of PAWS or is or was serving in any capacity at the request or for the benefit of PAWS as a director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, another corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise; and (b) "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of PAWS), whether civil, criminal, administrative or investigative.

Section 2. Indemnification of Employees and Other Persons. PAWS may, by action of its Board and to the extent provided in such action, indemnify employees and other persons as though they were Indemnitees. To the extent that an employee or agent of PAWS has been successful on the merits or otherwise in defense of any proceeding or in defense of any claim, issue or matter therein, PAWS shall indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith.

Section 3. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in this Article shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute, provision of PAWS' Articles of Incorporation or Bylaws, agreement, vote of directors, or otherwise.

Section 4. Insurance. PAWS may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania law against any expense, liability or loss, whether or not the corporation would have the power to indemnify such person under Pennsylvania or other law. PAWS may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

Section 5. Fund for Payment of Expenses. PAWS may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise may secure in any manner its indemnification obligations, whether arising hereunder, under the Articles of Incorporation, by agreement, vote of directors, or otherwise.

Section 6. Amendment. The provisions of this Article relating to the limitation of directors' and officers' liability, to indemnification and to the advancement of expenses shall constitute a

contract between PAWS and each of its directors and officers which may be modified as to any director or officer only with that person's consent or as specifically provided in this paragraph. Notwithstanding any other provision of these Bylaws relating to their amendment generally, any repeal or amendment of this Article which is adverse to any director or officer shall apply to such director or officer only on a prospective basis, and shall not reduce any limitation on the personal liability of a director of PAWS, or limit the rights of an Indemnitee to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such repeal or amendment. Notwithstanding any other provision of these Bylaws, no repeal or amendment of these Bylaws shall affect any or all of this Article so as either to reduce the limitation of directors' liability or limit indemnification or the advancement of expenses in any manner unless adopted by the unanimous vote of the directors of PAWS when serving; provided that no such amendment shall have retroactive effect inconsistent with the preceding sentence.

Section 7. Changes in Pennsylvania Law. References in this Article to Pennsylvania law or to any provision thereof shall be to such law (including without limitation to the Directors' Liability Act) as it existed on the date this Article was adopted or as such law thereafter may be changed; provided that (a) in the case of any change which expands the liability of directors or limits the indemnification rights or the rights to advancement of expense which PAWS may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article shall continue as theretofore to the extent permitted by law; and (b) if such change permits PAWS without the requirement of any further action by directors to limit further the liability of directors or limit the liability of officers or to provide broader indemnification rights or rights to the advancement of expenses then PAWS was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

Article IX. Use of Funds

All available funds of PAWS shall be used for the vigorous advancement of PAWS' purposes except as otherwise provided by law or the specific terms of a gift or mandate of a donor. Nothing in this section shall, however, be construed so as to prevent the Board from establishing prudent reserves for the operating expenses of PAWS or from prudently investing any surplus funds of PAWS to produce additional income. In connection with any investment made on behalf of PAWS, members of the Board and officers shall use the same degree of care and skill in making investments as a prudent person would use under the circumstances in the conduct of his/her own affairs, provided that no investment of funds of PAWS shall be made in any business, organization, or enterprise which is engaged in or promoting animal research activities, or commerce in or exploitation of animals for profit, and further provided that no

member of the Board or officer shall be liable for any action taken or omitted in good faith and in accordance with the decision of the Board. Nothing contained herein shall be construed as relieving a member of the Board or officer from liability for his/her negligent failure to act or his/her own willful misconduct.

Article X. Transfer of Securities

The Executive Director, Treasurer and the President shall have the joint authority, and authority to delegate same to an assignee of their choice, to execute, under seal, such form of transfer and assignment as may be customary or necessary to constitute a transfer of any funds, stocks, or other registered securities standing in the name of PAWS. Any transfer must be by unanimous consent or by direction of the Board. They may from time to time execute and deliver on behalf of PAWS, proxies on any and all stock owned by PAWS.

Article XI. Miscellaneous

Section 1. A meeting of the members of PAWS, its Board and its committees shall be conducted pursuant to *Robert's Rules of Order* as set forth in the last published revision thereof.

Section 2. The order of business at all meetings of the Board shall typically be as follows: (a) roll call, (b) approval of minutes of preceding meeting of the Board, (c) report of the President, (d) reports of other officers, (e) reports of Committees, (f) unfinished business, and (g) new business.

Section 3. The fiscal year of PAWS shall be as fixed by the Board from time to time.

Section 4. No member of the Board shall for personal gain, or for the gain of others, use any information not available to the public at large and obtained as a result of service to PAWS. No member of the Board shall solicit or accept for personal use, or for the use of others, any gift, loan, gratuity, reward, promise of future employment or any other thing of monetary value based on any understanding that the vote, official action or judgment of the member would be influenced thereby. Members of the Board shall exercise the utmost good faith in all transactions touching upon their duties to PAWS and its property. In their dealings with and on behalf of PAWS, members of the Board shall be held to a strict rule of honest and fair dealings between themselves and PAWS. Members of the Board shall not use their positions, or knowledge gained therefrom, in such a way that a conflict of interest might arise between the interests of PAWS and that of the individual. Members of the Board shall disclose to the Board as a whole any potential conflict of interest of which they are aware before a contract or a transaction is consummated.

Section 5. No part of the net earnings of PAWS shall inure to the benefit of, or be distributable to, its directors, officers or other private persons, except that PAWS shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of PAWS.

Section 6. All resolutions of the Board inconsistent with these Bylaws are hereby repealed.

Article XII. Amendments

These Bylaws may be amended or repealed by a two-thirds vote of the Board, provided written notice and copy of the proposed change or changes have been given to the members of PAWS for their input or comment at least thirty (30) days in advance of the meeting at which the proposed change or changes will be voted upon. The Mission Statement of PAWS and the Euthanasia Policy of PAWS may be amended or repealed in the same manner as the Bylaws of PAWS.