

**AMENDED AND RESTATED
BYLAWS OF WORKSOURCE MONTGOMERY, INC.**

ARTICLE I - NAME

The name of this organization is and shall continue to be WorkSource Montgomery, Inc. (hereinafter referred to as the "Corporation"). From its formation on September 23, 2013, until September 11, 2015, the Corporation's name was The Montgomery County Workforce Investment Board, Inc.

ARTICLE II - PREAMBLE

The Montgomery County Workforce Investment Board (the "WIB") was established as an unincorporated association pursuant to the Agreement between the WIB and the County Executive of Montgomery County, Maryland (the "County"), as described in the WIB-LEO Agreement of May 2007, in connection with and to fulfill the requirements of the federal Workforce Investment Act of 1998 (P.L. 105-220). The name of the WIB was changed to Workforce Development Board (the "WDB") and the mission was expanded to include implementation of programs authorized by the Workforce Innovation and Opportunity Act, effective as of July 1, 2015 (the "WIOA"), as implemented by Policy Issuances 2015-01 and 2017-01 of the Governor's Workforce Development Board (as amended or superseded from time to time, the "GWDB Policy"). The WDB has operated with a board of directors appointed by the County Executive in accordance with the GWDB Policy (the "County-Appointed Directors") and has been responsible for performing the functions specified in the GWDB Policy, including holding quarterly public meetings, developing and implementing workforce improvement strategies and preparing plans and reports with respect to the foregoing local workforce development board.

The Corporation was formed and has existed as a Maryland nonstock, nonprofit corporation for the purpose of assisting the WDB in expanding the public workforce development system in the County, as set forth in the Articles of Incorporation of the Corporation. The operation of the Corporation is governed by its Articles of Incorporation and by its Bylaws, adopted on September 23, 2013, which provide for governance of the Corporation by its Board of Directors.

On September 11, 2018, the Corporation Amended and Restated its Bylaws to reflect that the "County-Appointed Directors and the Corporation's Board of Directors [have] determined that the operations of the Workforce Development Board and the Corporation should be united by the reorganization of the governance structure in the manner set forth in the[se] Amended and Restated Bylaws. The[se] Amended and Restated Bylaws make other changes to address several matters that may not have been adequately covered by the prior Bylaws."

On October 9, 2019, the Montgomery County Council amended the laws governing workforce development. The amendments reaffirm the responsibility of the Corporation's Board of Directors to direct the program, management, and finances of the Corporation. The amendments also reaffirm the Corporation's obligation and responsibility to support the County's workforce development policy objectives and to meet with the County Executive, the County Council, and the Workforce Development Board at least annually regarding the Corporation's activities and finances. The amendments also direct that the Corporation's bylaws may contain any provision necessary to govern and manage the Corporation that does not conflict with Montgomery County Code, Section 15A8 through 15A14.

Therefore, since the County's amended laws governing workforce development separated the roles and responsibilities of the Corporation's Board of Directors from the functions of the Workforce Development Board, the Corporation's bylaws must be amended so that they do not

conflict with the amended laws governing workforce development.

ARTICLE III – NONPROFIT STATUS

SECTION 1: The Corporation is dedicated to and is organized and operated exclusively for charitable, civic and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) (reference herein to sections or provisions of the Code shall be deemed to include and refer to, to the extent applicable, any similar sections or provisions of any subsequent Federal tax laws). The Corporation shall receive contributions, grants and fees, and shall apply its funds for civic, charitable and/or educational purposes, as set forth in its Articles of Incorporation. In carrying out its corporate purposes, the Corporation shall have all the powers allowed corporations by the Maryland General Corporation Law, which applies to both stock and nonstock corporations, unless a specific provision or the context of a provision clearly provides or suggests otherwise; provided, however, that the Corporation shall not have or exercise any power inconsistent with or prohibited by its Articles of Incorporation or inconsistent with Section 501(c)(3) of the Code.

SECTION 2: As limited by Section 501(c)(3) of the Code, it is expressly not the purpose of the Corporation, and the Corporation is not empowered, to participate or intervene in (including the publication or distributing of statements) any political campaign on behalf of, or in opposition to, any candidate for public office, nor to devote more than an insubstantial part of its activities to carrying on propaganda. The Corporation may only act to influence legislation to the extent permitted by the provisions of the Code for organizations exempt from Federal income taxes pursuant to Section 501(c)(3) of the Code.

SECTION 3: No part of the net earnings of the Corporation shall inure to the benefit of any individual, and the Corporation shall not carry on any activities denied to a corporation described in Section 501(c) of the Code, including activities to the extent prohibited by Section 501(m) of the Code.

ARTICLE IV – FUNCTIONS, RESPONSIBILITIES AND POWERS OF THE CORPORATION

Among its responsibilities, the Corporation shall be responsible to perform the following:

- (i) To conduct and carry on its work exclusively for charitable and educational purposes within the meaning of Section 501(c)(3) of the Code;
- (ii) To implement the WIOA, consistent with the strategic priorities established by the WDB;
- (iii) To promote and implement workforce investment systems and workforce investment activities beyond those required under the WIOA;
- (iv) To develop and implement integrated workforce development strategies and systems;
- (v) To support Montgomery County residents and workers, including its vulnerable communities, through workforce services that result in: increases in the employment, retention, and earnings of employees in the County; successful business operations; improvements in the occupational skills and quality of the workforce; and reductions in welfare dependency.
- (vi) To solicit and accept, aid, support and assistance, grants, donations and gifts by contributions or otherwise, by governmental entities, other corporations and

entities of all nature, individuals, community chests, funds and foundations and enter into contracts or memoranda of understanding with any and all such entities, no part of the net earnings of which injures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation;

- (vii) To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations or government bureaus, departments or agencies;
- (viii) To direct disbursement of funds for workforce investment activities;
- (ix) To employ staff;
- (x) To coordinate workforce investment activities in the County with economic development strategies and develop other employer linkages with such activities;
- (xi) To enable the Workforce Development Board to perform the functions specified in the GWDB Policy; and
- (xii) To promote in the County the participation of private sector employers and ensure the effective provision of connecting, brokering and coaching activities, through intermediaries such as one-stop operators or through other organizations, and to assist such employers in meeting hiring needs.

ARTICLE V – BOARD OF DIRECTORS

SECTION 1: Designation. As the designated County Workforce Development Organization, the activities, responsibilities and affairs of the Corporation shall be managed and governed by its Board of Directors (the “Board”), comprised as set forth in this Article V and in accordance with Montgomery County Code, Sec. 15.

The Corporation was designated as the County Workforce Development Organization. This designation is conditioned upon the satisfaction of the organizational requirements set forth in Montgomery County Code, Sec. 15A-9 thru 15A-11. The Corporation’s Board of Directors have the authority to direct the program, management and finances of the Corporation, and to exercise all powers that are consistent with Sec. 15A. In addition, the Corporation is subject to all requirements which apply to non-stock corporations under the Corporations and Associations Article of the Maryland Code.

SECTION 2: Term.

- (a) Each member of the Board will serve a three (3)-year term.
- (b) Terms of Board members can be renewed upon approval of the entire Board.

SECTION 3: Selection of New Directors.

- (a) Any Board member can recommend individuals to serve as Directors.
- (b) Vetting of new Board members is the responsibility of the Executive Committee,

which may delegate such responsibility to a work group, a designated officer, or other Board member(s). Vetting will take into consideration whether the new member is representative of a stakeholder group (Community-based organizations that provide employment or adult education or other services to vulnerable communities; Employers [particularly high growth or high demand sectors]; Educational institutions; Labor organizations;) and/or brings particular expertise and experience in subject matter and/or fund raising, as required by the Board for the fulfillment of its duties.

(c) The recommendations for those individuals who shall serve on the Corporation's Board of Directors shall be considered and voted upon by the entire Board. Directors shall be elected by majority vote of the Directors then in office at a meeting at which more than fifty percent (50%) of all Directors are present, with notice of such meeting having been provided at least ten (10) days in advance of the meeting date and with such notice to identify the individuals who were recommended, and alternates, if any. If approved in advance by the Executive Committee, a Director may vote by mail for the election of new Directors instead of attending the meeting at which the election is held.

SECTION 4: Removal; Resignation.

(a) The Directors may remove any Director, with or without cause, but only at a meeting called for that purpose, and the notice of the meeting must state that the purpose or one of the purposes of the meeting is the removal of the specified Director. Removal shall require the affirmative vote of a majority of all Directors at a meeting at which a quorum is present. The Director(s) subject to removal may not vote and shall not be counted in determining the existence of a quorum, on this matter.

(b) Any Director may resign by notice to the Chair, Vice Chair or Secretary, with resignation to become effective at the time notice is given unless the notice specifies that it will not become effective until a specified later date.

SECTION 5: Vacancies. If there shall occur a vacancy on the Board, including a vacancy resulting from the removal of a Director or an increase in the number of Directors, any Director shall recommend an individual to fill such vacancy. The replacement shall be elected by the Board of Directors.

SECTION 6: Meetings. The annual meeting of the Board shall be held during the month of June each year. At each annual meeting, the annual budget shall be approved, and the Board may take such other actions as it deems appropriate. The Board may provide by resolution the time and place for the holding of regular meetings without any notice other than such resolution. Special meetings shall be held at such time and place, as may be provided in the notice of the meeting and approved by the Chair, the Vice Chair or at least twenty-five percent (25%) of the members of the Board. All meetings shall be held virtually or in the County and, if no place is designated in the notice of a meeting, it shall be held at the principal office of the Corporation.

SECTION 7: Notice of Meetings. Notice of annual and special meetings of the Board shall be given in compliance with the laws of Maryland and shall be given to each Director not less than ten (10) days before the meeting, by delivering the same to the Director in person or to the Director's residence or business address (or such other place as the Director may have directed in writing) by mail, messenger, email or other means of written communication. Any such notice shall set forth the time and place of the meeting.

SECTION 8: Waiver of Notice. A Director may waive any notice required by law, the Articles of Incorporation or these Bylaws before or after the date and time stated in the notice, and such

waiver shall be equivalent to the giving of such notice. Except as provided in the next sentence of this section, the waiver shall be in writing, signed by the Director entitled to the notice and filed with the minutes or corporate records. A Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless the Director at the beginning of the meeting or promptly upon the Director's arrival objects to the holding of the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

SECTION 9: Quorum; Voting.

(a) Directors entitled to cast more than one-half (1/2) of the votes shall constitute a quorum for the transaction of business at a meeting of the Board.

(b) A Director who has a conflict of interest with respect to a proposed action may not vote. Any Director who is present at a meeting when corporate action is taken shall be counted in determining the presence of a quorum and shall be deemed to have assented to the action taken unless the Director either (i) prior to the voting on such matter objects to the holding of the vote or (ii) votes against, or abstains from voting on, the proposed action.

SECTION 10: Voting. Each member of the Board shall be entitled to one vote during any duly called meeting of the Board at which such member is present and at which a quorum is present. Proxy voting shall not be allowed. Except as otherwise provided in these Bylaws, any action presented to the Board for approval shall be approved if a majority of the votes cast at a meeting at which a quorum is present are in favor of such action.

SECTION 11: Conflicts. The Board has approved a Conflict of Interest Policy (Policy Number: 2016-04). The Conflict of Interest Policy may be revised and amended from time to time if approved by a majority of the members of the Board present at a meeting at which a quorum is present. Each Director shall comply fully with such policy, as it may be amended and in effect from time to time.

SECTION 12: Attendance by Telephone. Any Director may participate in a meeting by means of a conference telephone or similar communications equipment by means of which all Directors participating in the meeting can hear each other at the same time. Participation in a meeting by such means shall constitute presence at such meeting.

SECTION 13: Informal Action by Directors. Any action required or permitted to be taken at any meeting of the Board may be taken without a meeting if a unanimous written consent which sets forth the action is (i) signed by each member of the Board and (ii) filed with the minutes of proceedings thereof.

SECTION 14: Delegates. Any Director who will not attend a meeting will be counted as absent. A Director may not designate another individual to attend the meeting in his or her place.

SECTION 15: Executive Session. A majority of the Directors present at a meeting at which a quorum is present may, in their discretion, determine that any meeting, or portion thereof, shall be held in executive session. Upon any such determination, all persons other than Executive Committee members shall be excluded from the meeting.

SECTION 16: Minutes. Minutes of each Board meeting shall be kept by the Secretary and distributed to all Board members.

SECTION 17: Duty. Each Director shall stand in a fiduciary relation to the Corporation and shall

perform his or her duties as a Director, including his or her 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. Absent a breach of fiduciary duty, 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. In performing his or her duties, each 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.

SECTION 18: Compensation. An individual shall receive no compensation for serving as a Director but may be reimbursed for out-of-pocket expenses incurred consistent with Board approved policies.

ARTICLE VI- OFFICERS

SECTION 1: Specified Officers. The Board shall elect from among its membership a Chair, a Vice Chair, a Treasurer, a Secretary and, in the discretion of the Board, such other officers as may be deemed necessary or advisable to carry on the business of the Corporation. Any two (2) or more offices may be held by the same person with the exception of the Chair.

SECTION 2: Election; Term; Resignation. Officers shall be elected by a majority of all Directors present at a meeting at which a quorum of all Directors is present. Each officer shall hold office, unless removed, for a term of one (1) year, except that the Treasurer shall serve for a term of two (2) years. Officers may be re-elected to additional terms by the majority of Directors at a meeting at which a quorum is present. Any officer may resign at any time upon written notice to the Board, with resignation to become effective at the time notice is given unless the notice specifies that it will not become effective until a specified later date. No acceptance of a resignation shall be necessary to make it effective.

SECTION 3: Removal of Officers. The Board may remove any officer at any time, with or without cause.

SECTION 4: Duties of Chair and Vice Chair. The Chair shall have general oversight authority over the Corporation, be charged with the duty of supervision of the business of the Corporation, shall preside at all meetings of the Board and shall perform such other duties as the Board shall assign from time to time. The Vice Chair shall, at the request of, or in the absence of, the Chair preside at meetings of the Board and, when requested to do so by the Board, shall perform all of the functions of the Chair during the absence or incapacity of the latter.

SECTION 5: Treasurer. The Treasurer shall have the custody of the corporate funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and credit of the Corporation in such depositories as shall be designated by the Board or Executive Committee, as applicable. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board or Executive Committee, as applicable, and shall render to the Chair and Directors, at the annual meetings, or whenever they may require, an account of all transactions as Treasurer and of the financial condition of the Corporation.

SECTION 6: Secretary. The Secretary shall make or cause to be made minutes of all meetings of the Executive Committee and the Board. The Secretary shall be responsible for the timely mailing and delivery of all notices of meetings of the Board, and, generally, will perform all duties incident to the office of the secretary of a corporation and such duties as may be required by law, the Articles of Incorporation or these Bylaws.

SECTION 7: Duties of Other Officers. The other officers of the Corporation shall have such authority and perform such duties as may be prescribed by the Board or by officers authorized by the Board to appoint them to their respective offices. To the extent that such duties are not so stated, such officers shall have such authority and perform the duties which generally pertain to their respective offices, subject to the control of the Chair, the Vice Chair or the Board.

SECTION 8: Authority to Speak on Behalf of Corporation. The Chair and the Executive Director of the Corporation shall be the only persons authorized to speak to parties outside of the Corporation, including but not limited to the media, for and on behalf of the Corporation, unless otherwise specifically so authorized by the Board.

ARTICLE VII – Executive Director

SECTION 1: The Corporation may employ an Executive Director, who shall be hired by and serve at the pleasure of the Board. Notwithstanding any other provision in these Bylaws to the contrary, the Corporation may compensate the Executive Director, and in the event that the Executive Director also holds office as an officer of the Corporation, he or she shall not be barred from receiving compensation in the position of Executive Director. The Board, or a duly authorized Committee of the Board, shall evaluate the performance of the Executive Director annually and make recommendations to the Executive Committee for adjustment of his or her compensation. The Executive Committee shall consider such recommendations and make its own recommendation to the Board, which shall then determine in executive session whether to adjust the Executive Director's compensation.

SECTION 2: The Executive Director shall serve as chief operating officer and have responsibility for the day-to-day operations and affairs of the Corporation, including supervision of all staff. He or she shall, in the execution of approved corporate plans and programs, represent and assist the Chair and the Board in carrying out the purpose and objectives of the Corporation.

SECTION 3: The Executive Director shall be ex officio, a non-voting member of the Board, the Executive Committee and all committees.

ARTICLE VIII – COMMITTEES

All standing Committees are required to comply with TEGl 27-14

SECTION 1: Executive Committee.

(a) The Board shall appoint an Executive Committee which shall include the Chair, Vice Chair, Treasurer, Secretary and Operations Officer. The Executive Director shall attend and participate in meetings of the Executive Committee as a non-voting member. The Chair shall serve as the chairperson of the Executive Committee. The Executive Committee shall meet at least quarterly, and may meet more often as determined by the Chair.

(b) The Executive Committee shall have and may exercise all the powers of the Board when the Board is not in session and shall meet at such time and upon such cause as the Executive Committee shall prescribe. Notwithstanding the foregoing, the Executive Committee shall not take any of the following actions without the approval of the Board:

- (i) fill any vacancy on the Board;
- (ii) amend the Bylaws or the Articles of Incorporation;
- (iii) amend any resolution of the Board;
- (iv) create any standing committee;
- (v) approve any self-dealing transaction;
- (vi) hire, fire or materially change the terms of employment of the Executive Director;
- (vii) cause the Corporation to incur any indebtedness;
- (viii) take any action inconsistent with any Board policy or any action approved by the Board; or
- (ix) take any other action for which the Board has restricted the authority of the Executive Committee.

SECTION 2: Other Committees.

(a) The Board or Executive Committee may appoint additional standing or ad hoc committees as warranted.

(b) The number of Board members serving on each committee, and the Chair of each committee, shall be determined by the Board at such time as any such committee is formed. The duties, powers and authority of each committee shall be as specified by the Board and the Executive Committee, and each committee shall follow any applicable strategic plan or directives from the Board or Executive Committee. The Executive Committee shall appoint the chairperson of any committee or sub-committees. If the Board deems it to be appropriate and in the best interests of the Corporation, any committee other than the Executive Committee may include, in addition to Directors whom the Board appoints to the committee, individuals who are not Directors but who are active in businesses and workforce-related activities in the County, who shall serve as non-voting committee members.

(c) Only the Executive Committee may exercise the authority of the Board, as limited in this Article.

ARTICLE IX – ARTICLES OF INCORPORATION

All references in these Bylaws to the Articles of Incorporation shall be deemed to refer to the Articles of Incorporation of the Corporation as amended and in effect from time to time. In the event of any conflict between the provisions of the Articles of Incorporation and these Bylaws, the provisions of the Articles of Incorporation shall control.

ARTICLE X – NET REVENUES AND DISSOLUTION

The net revenues of the Corporation shall be devoted exclusively to civic, charitable and educational purposes. Subject to the requirements of law, in the event of the dissolution of the Corporation, the Board shall designate, as recipient of the Corporation's property remaining after paying or making provision for payment of all liabilities of the Corporation, any organization or organizations which are exempt from taxation under Section 501(c)(3) of the Code and which, in the sole discretion of the Board, most nearly furthers the purposes for which the Corporation is organized.

ARTICLE XI – FISCAL MATTERS: CONTRACTS, LOANS, CHECKS, DEPOSITS AND EMPLOYMENT

SECTION 1: Contracts. The Board may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or limited to specific instances.

SECTION 2: Loans. No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board. Such authority may be general or limited to specific instances.

SECTION 3: Checks, Drafts, Etc. All checks, drafts or other orders of payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation as authorized by vote and resolution of the Board.

SECTION 4: Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time in the name of the Corporation in such banks or other depositories as the Board may designate.

SECTION 5: Financial Dealings Generally. All purchases or expenditures for supplies, equipment or services, for the benefit of the Corporation, whether by contract or not, shall adhere to laws, policies and standards governing purchases and expenditures by a not-for-profit organization, subject in all instances to laws and requirements deemed by the Board, upon the advice of counsel, to be applicable to the Corporation, including the provisions of the WIOA Grant Agreements between the state of Maryland and Montgomery County, dated July 1, 2013, and any amendments or renewals thereof. No Director, officer, employee, servant or agent of the Corporation shall have any interest, financial or otherwise, direct or indirect, in any purchase or sale of goods or services by the Corporation, without timely and full disclosures thereof to the Board.

SECTION 6: Agents, employees, consultants, professional service persons or firms other than officers of this Corporation may from time to time be engaged or employed to assist the Corporation in carrying out its program and purposes. Any such employment must be in accordance with the Corporation's Board-approved procurement policy as then in effect.

ARTICLE XII – CORPORATE RECORDS

True and complete copies of the Articles of Incorporation, Bylaws and records of all meetings of the Board and committees shall be kept at the principal office of the Corporation and shall be open at all reasonable times to inspection by any interested party.

ARTICLE XIII – MISCELLANEOUS PROVISIONS

SECTION 1: Corporate Seal. The corporate seal of the Corporation shall be circular and shall have inscribed thereon, within and around the circumference, "WorkSource Montgomery, Inc." In the center shall be the word "SEAL".

SECTION 2: Liability. The Board is authorized to seek and obtain liability insurance policies for its Directors, officers, employees and volunteers, with legal defense of claims thereunder to be provided in accordance with the terms of the policies of insurance.

SECTION 3: Fiscal Year. The fiscal year of the Corporation shall be as approved by the Board.

SECTION 4: Interpretation. For the purpose of construing these Bylaws, unless the context indicates otherwise, words in the singular number shall be deemed to include words in the plural and vice versa, and words in one gender shall be deemed to include words in other genders.

SECTION 5: Amendments. These Bylaws may be altered, amended, restated or repealed and new Bylaws may be adopted at an annual, regular or special meeting of the Board, provided that notice of the proposed change is given at least ten (10) days prior to the meeting and provided further that no such action shall be taken if it would (i) in any way adversely affect the Corporation's qualification under Section 501(c)(3) of the Code or (ii) adversely affect the Corporation's qualifications as the County's designated Workforce Development Organization under

Montgomery County Code, Sec. 15A.

ARTICLE XIV – DIRECTOR AND OFFICER EXCULPATION AND INDEMNIFICATION

SECTION 1: To the extent permitted by law, no Director or officer of the Corporation will be personally liable for monetary damages for any action taken, or any failure to take any action.

SECTION 2: The Corporation shall indemnify and hold harmless each Director and officer (all of whom are collectively, individually, jointly and severally referred to in this Article as the “Indemnitees”) of, from and against any and all actions, suits, proceedings, liabilities, damages, interest, fines, penalties, losses, costs and expenses (including court costs, costs of investigation, reasonable attorneys’, paralegals’ and experts’ fees, printing costs, discovery costs, and court costs at all levels from trial court through all appellate courts) resulting from or relating to his or her capacity, actions or omissions as a Director or officer (as the case may be) or arising from or relating to the business or activities undertaken on behalf of the Corporation, as authorized by the Board, including any demands, claims or lawsuits initiated by third parties (collectively, “Losses”); provided, however, that a Director or officer, as applicable, shall be liable for any act or omission constituting fraud, gross negligence or a violation of applicable law. The Corporation’s covenant to pay all Losses shall survive any final judgment rendered in favor of any of the Indemnitees and shall continue in full force and effect and remain valid and enforceable, and none of the Losses shall be merged with or into any final judgment rendered in favor of any of the Indemnitees, the intent of the parties being that the Indemnitees shall be entitled to all Losses if, as and when paid or incurred by the Indemnitees, after any of the Indemnitees having obtained any final judgment rendered in its or their favor and against the Corporation.

SECTION 3: Any repeal or modification of this Article XIV shall not adversely affect any right or protection existing at the time of such repeal or modification to which any Director or officer may be entitled under this Article. The rights conferred by this Article shall continue as to any person who has ceased to be a Director or officer, as applicable, and shall inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE XV – EFFECTIVE DATE

These restated Bylaws were duly approved by the majority of the Directors present at a duly convened meeting at which a quorum was present. The Bylaws heretofore in effect are hereby replaced and superseded in their entirety.