

Section 6.11 No Excess Business Holdings—The Council shall not retain any excess business holdings, as defined in Section 4943 (c) of the Code.

Section 6.12 No Jeopardizing Investments—The Council shall not make any investments in such manner as to subject it to tax under Section 4944 of the Code.

Section 6.13 No Taxable Expenditures—The Council shall not make any taxable expenditures, as defined in Section 4945 (d) of the Code.

Section 6.14 Dissolution—The Council may be dissolved by a three-fourths vote of the entire Board of Directors. In the event of dissolution of the Council, all assets remaining after the payment of all authorized indebtedness shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Code. A majority vote of the Board of Directors shall determine the distribution in accordance with the preceding sentences.

Section 6-15 Sustaining Corporate Affiliates—To support its work, the Council welcomes corporations and other organizations with interests in Graphic Communications education to become Sustaining Corporate Affiliates (SCAs). SCAs contribute a minimum of \$5,000 to the Council, either in a lump sum or in annual installments. Additional annual contributions of any amount may be made by SCAs. SCAs are not members of the Council. However, representatives from SCAs may be invited by the Nominating Committee to stand for election to the Board of Directors.

ARTICLE VII

Limitation of Personal Liability of Directors

Section 7.1 Limitation of Directors' Personal Liability—A Director of the Council shall not be personally liable for monetary damages for any action taken unless the Director has breached or failed to perform the duties of his office under Chapter 57, Subchapter B, of the NPCL as in effect at the time of the alleged action by such Director and the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. Such limitation on liability does not apply to the responsibility or liability of a Director pursuant to any criminal statute or for payment of taxes pursuant to any federal, state, or local law.

Section 7.2 Preservation of Rights—Any repeal or modification of this Article by the Council shall not adversely affect any right or protection existing at the time of such repeal or modification to which any Director or former Director 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 of the Council and shall inure to the benefit of the heirs, executors, and administrators of such person.

ARTICLE VIII

Indemnification

Section 8.1 Mandatory Indemnification of Directors and Officers—The Council shall indemnify, to the fullest extent now or hereafter permitted by law (including but not limited to the indemnification provided by Chapter 57, Subchapter D of the NPCL), each Director and/or officer (including each former Director or officer) of the Council who was or is or is threatened to

be made a party to or a witness in any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative other than an action by or in the right of the Council. By reason of the fact that the Director or officer is or was an authorized representative of the Corporation, or is or was serving at the request of the Council as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise, against all expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by the Director or officer in connection with such action, suit or proceeding if such Director or officer acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Council and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

Section 8.2 Mandatory Advancement of Expenses to Directors and Officers—The Council shall pay expenses (including attorneys' fees) incurred by a Director or officer of the Council referred to in Section 7.1 hereof in defending or appearing as a witness in any civil or criminal action, suit or proceeding described in Section 7.1 hereof in advance of the final disposition of such action, suit, or proceeding. The expenses incurred by such Director or officer shall be paid by the Council in advance of the final disposition of such action, suit, or proceeding only upon receipt of an undertaking by or on behalf of such Director or officer to repay all amounts advanced if it shall ultimately be determined that the Director or officer is not entitled to be indemnified by the Council as provided in Section 8.4 hereof.

Section 8.3 Permissive Indemnification and Advancement of Expenses—The Council may, as determined by the Board of Directors from time to time, indemnify, in full or in part, to the fullest extent now or hereafter permitted by law, any person who was or is threatened to be made a party to or a witness in, or is otherwise involved in, any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Council), by reason of the fact that such person is or was an authorized representative of the Council or is or was serving at the request of the Council as a representative of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust or other enterprise, both as to action in his official capacity and as to action in another capacity while holding such office or position, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in conjunction with such action, suit, or proceeding if such Director or officer acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Council and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The Council may, as determined by the Board of Directors from time to time, pay expenses incurred by any such person by reason of such person's participation in an action, suit or proceeding referred to in this Section 8.3 in advance of the final disposition of such action, suit, or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Council as provided in Section 8.4 hereof.

Section 8.4 Scope of Indemnification—Indemnification under this article shall not be made by the Council in any case where a court determines that the alleged act or failure to act giving rise to the claim for indemnification is expressly prohibited by Chapter 57, Subchapter D, of the NPCL or any successor statute as in effect at the time of such alleged action or failure to take

action.

Section 8.5 Miscellaneous—Each Director and officer of the Council shall be deemed to act in such capacity in reliance upon such rights of indemnification and advancement of expenses as are provided in this Article. The rights of indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which any person seeking indemnification or advancement of expenses may be entitled under any agreement, vote of disinterested Directors, statute or otherwise, both as to action in such person’s official capacity and as to action in another capacity while holding such office or position, and shall continue as to a person who has ceased to be an authorized representative of the Council and shall inure to the benefit of the heirs, executors and administrators of such person. Indemnification and advancement of expenses under this Article shall be provided whether or not the indemnified liability arises or arose from any threatened, pending or completed action by or in the right of the Council. Any repeal or modification of this Article by the Board of Directors of the Council shall not adversely affect any right or protection existing at the time of such appeal or modification to which any person may be entitled under this Article.

Section 8.6 Definition of Authorized Representative—For the purposes of this Article, the term “authorized representative” shall mean a Director, Officer, or Employee of the Council or of any corporation controlled by the Council, or a trustee, custodian, administrator, committee member, or fiduciary of any employee benefit plan established and maintained by the Council or by any corporation controlled by the Council, or person serving another corporation, partnership, joint venture, trust, or other enterprise in any of the foregoing capacities at the request of the Council or a consultant to the Council, as designated by the Board as an authorized representative. The term “authorized representative” shall not include money managers or investment advisors (or any employees thereof) hired by the Council, and shall not include agents of the Council unless indemnification thereof is expressly approved by the Board of Directors.

Section 8.7 Procedure for Effecting Indemnification—Unless ordered by a court, any indemnification under this Article VIII or of the NPCL shall be made only following a determination that the indemnification is proper in the circumstances because the person seeking indemnification has met the applicable standard of conduct. Such determination shall be made:

- (a) By the Board of Directors by a majority vote of a quorum consisting of Directors who were not party to the action or proceeding.
- (b) If such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion.
- (c) By the Directors.

ARTICLE IX

Bylaw Amendments

Section 9.1 Authority—These Bylaws may be altered, amended and/or repealed from time to time by the affirmative vote of a majority of the Directors entitled to vote.

Section 9.2 Notice—The Directors of the Council shall be given at least thirty (30) days prior writ-