

# LEHIGH-NORTHAMPTON AIRPORT AUTHORITY

## BYLAWS

Revised and Adopted  
Effective as of October 29, 2024

### **ARTICLE I - OFFICES**

1. The registered office of the Lehigh-Northampton Airport Authority (hereinafter “Authority”) is located at the Lehigh Valley International Airport, Hanover Township, Lehigh County, Commonwealth of Pennsylvania.

2. The Authority may also have offices at such other places as the Board of Governors (hereinafter “Board”) may from time to time appoint or the business of the Authority may require.

### **ARTICLE II - SEAL**

The corporate seal includes the name of the Authority, the year of its incorporation and the word “Pennsylvania.”

### **ARTICLE III - BOARD OF GOVERNORS**

1. The powers of the Authority are vested in and exercised by the Board, which oversees the business of the Authority. The Board establishes all policies of the Authority and performs a review of the policies every three years.

2. In addition to the powers and authorities by these Bylaws expressly conferred upon them, the Board may exercise all such powers of the Authority and do all such lawful acts and things that are not forbidden by statute, the Articles of Incorporation, or these Bylaws.

3. The Board consists of up to 15 adult citizens of the United States of America, appointed in accordance with Article IV (1).

### **ARTICLE IV - APPOINTMENT OF BOARD OF GOVERNORS**

1. The Board consists of appointees from both the County of Lehigh and the County of Northampton, known as the Member Municipalities. The governing body of the County of Lehigh appoints eight members to the Board. The governing body of the County of Northampton appoints seven members to the Board. Appointees are selected by the Member Municipalities based upon qualifications that conform with the requirements for members of the governing Board of Municipal Authorities as established by statute pertaining thereto.

2. On or before December 31st of each year, each Member Municipality must appoint at least one but not more than two members to the Board who will serve for a term of five years, or until their qualified successors are appointed.

3. Vacancies occurring by reason of death, disqualification, resignation or removal of any member of the Board will be filled by appointment for the remainder of the term by the proper officers of the Member Municipality in whose representation the vacancy occurs.

4. The term of office of a member of the Board of Governors commences on the effective date of his or her appointment. Appointment to the Board may be proven in either of the following manners:

1. By written notice from the Member Municipality to the Recording Secretary of the Lehigh-Northampton Airport Authority under the seal of the municipality stating the appointee's name, appointee's residence, a statement that the appointee is a United States citizen, the manner in which the appointment was made, the date of the appointment, and the effective date of the appointment; or
2. By confirmation of the appointment by a member of the legislative body of the appointing Member Municipality given at a scheduled meeting of the Board of Governors, or by other evidence deemed sufficient by a majority of the members of the Board of Governors then in office.

#### **ARTICLE V - REMOVAL OF MEMBERS OF THE BOARD OF GOVERNORS**

1. Members of the Board may be removed for cause by the Court of Common Pleas of Lehigh County, after first having been served with a copy of the charges against them for at least 10 full days and after a full hearing and determination made by the Court.

2. Such removal proceedings must be instituted upon petition to the Court praying for a Rule to Show Cause why the member should not be removed.

3. Members may also be removed for failure to attend meetings. Unless excused by the Board, a member of the Board who fails to attend three consecutive regular meetings of the Board may be removed by the Appointing Member Municipality, up to 60 days after the date of the third meeting of the Board which the member failed to attend.

#### **ARTICLE VI - MEETINGS OF THE BOARD**

1. The Board holds its annual Reorganizational Meeting at the Lehigh Valley International Airport on the last Tuesday of April, or such other date in April as may be fixed by the Chair or by Resolution of the Board, at which meeting the Board will elect its officers and conduct such other business as may be brought before the meeting.

2. Regular meetings of the Board are held at the Lehigh Valley International Airport on the last Tuesday of each month at noon, or at such other times and places as may be fixed by the Chair or by resolution of the Board.

3. Special meetings may, at any time, be called by the Chair, Vice Chair, Secretary/Treasurer, or by any three members of the Board. The date, time and place of a special meeting is to be fixed by the officer or members of the Board who call for a special meeting.

## **ARTICLE VII - NOTICE OF MEETINGS**

1. Annual Reorganizational Meeting. The Recording Secretary is required to give 10 days' advance notice to each Board member of the time and place of the annual reorganizational meeting. No notice is required for regular meetings held at the time and place specified in Article VI, Section 2, hereof.

2. Special Meetings; Change of Time or Place. The Recording Secretary is required to give at least 48 hours' advance notice to each Board member of the time and place of any special meeting or regular meeting to be held at a time or place different from that specified in Article VI, Section 2, and will endeavor to provide at least five days' advance notice of such meeting. Where a meeting is required as a result of an emergency situation, the Recording Secretary will provide reasonable notice as determined, in good faith, by the Chair, or in the Chair's absence by the Vice Chair, or Secretary/Treasurer.

3. Meetings Amending Bylaws. A meeting of the Board at which a vote to amend these Bylaws will be taken requires at least 21 days' advance written notice. Such notice must include a statement of the proposed amendment.

4. Means of Notice. As referenced in this Article, notice may be effected in writing by email or regular mail to the Board member's designated address, or oral notice, either by in-person conversation or by way of a person-to-person telephone communication. Oral notice is deemed effective as of the date of the oral communication. Written notice is deemed effective upon successful email transmission or on the fifth day following mailing, as applicable. All notices must specify the place, day and hour of the meeting and, in the case of a special meeting, the general nature of the business to be transacted.

5. Waiver of Notice. Whenever any written notice is required by statute, or by the Articles of Incorporation or Bylaws of this Authority, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, will be deemed equivalent to the giving of such notice. Except in the case of a special meeting or a meeting at which amendment of the Bylaws will be voted on, neither the business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meetings. Attendance of a person at any meeting constitutes a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

6. Change of Address. It is the sole responsibility of each member to advise the Recording Secretary to the Authority of any temporary or permanent change in address.

7. Public Notice. Public notice of all meetings must be provided in accordance with the laws of the Commonwealth of Pennsylvania including, but not limited to, the Pennsylvania Sunshine Act.

### **ARTICLE VIII - QUORUM**

1. A majority of the Board members in office constitutes a quorum of the Board for the purpose of organizing the Authority and conducting the business thereof and for all other purposes, and all action may be taken by a vote of a majority of the members present, except for the amendment, alteration or repeal of these Bylaws, which requires a 2/3 majority vote of the Board members in office.

2. A majority of the members of each committee in office constitutes a quorum of such committee for the purpose of conducting the business of the committee.

3. Board members must endeavor to attend all meetings in person, however, attendance by teleconference or videoconference is permitted if such Board member can reasonably hear and be heard at such meeting.

### **ARTICLE IX - VOTING**

1. Voting on all matters will be by voice, but the Chair, or any Board member may require a vote by hand or roll call.

2. Voting in all matters will be publicly cast.

3. Voting by proxy is not permitted.

### **ARTICLE X - MEETING PROCEDURE**

1. All meetings of the Board are to be called together by the Chair, or in the Chair's absence the Vice Chair, or in the absence of the Chair and Vice Chair by the Secretary/Treasurer, and the business of the meetings conducted substantially in the following order, which may be revised by the Chair or the Board:

1. Pledge of Allegiance.
2. Roll call.
3. Public comment.
4. Approval of the minutes of the prior meeting.
5. Reports of committees, officers and staff.
6. Director's Report.
7. Solicitor's Report.
8. New Business.

9. Election of officers (at the Annual Meeting).
10. Executive Session (as needed).
11. Adjournment.

2. The Chair must permit a reasonable period for public comment, which may be limited to three minutes per speaker at the discretion of the Chair. Public comments are also permitted on individual agenda items, as those agenda items are discussed upon the request of an attending member of the Board. The time period for any period of public comment may be limited or extended by the Chair or by vote of the Board.

3. In all instances not covered by local, state, or federal rules, or these Bylaws, Robert's Rules of Order (Revised) are to be used as the authority for rulings of the Chair.

### **ARTICLE XI - OFFICERS**

1. The Board must annually elect from its membership a Chair, a Vice Chair, a Secretary/Treasurer, and such other officers as it may designate, all of whom are elected for the term of one year, or until their qualified successors are elected. Nominations for officers are to be made by the Nominating Committee and may be made from the floor.

2. No member may be elected to more than one office at the same time. Officers may by re-election succeed themselves for one consecutive term only.

3. The Chair presides at all meetings of the Board with the right to discuss and vote. The Chair is an Ex-Officio member of all committees, with the right to discuss and vote on all business coming before the committees. The Chair has the right to appoint members of such committees, and designate the chair of each such committee.

4. In the absence of the Chair, the Vice Chair will preside at all Board meetings, and will have, possess and exercise such powers and duties as may from time to time be delegated by the Chair; and in the absence of the Chair, may possess and exercise all of the powers and authority of the Chair.

5. In the absence of the Chair and Vice Chair, the Secretary/Treasurer will preside at all Board meetings, and will have, possess and exercise such powers and duties as may from time to time be delegated by the Chair; and in the absence of the Chair and Vice Chair, may possess and exercise all of the powers and authority of the Chair. The Secretary/Treasurer is responsible for reporting on the status of financial affairs of the Authority at its monthly meetings or at such time as the Board directs, and oversees the record keeping of the Board to ensure that Authority records are kept and maintained.

6. The Board selects and employs an Executive Director or equivalent from a management entity approved by the Board. The Executive Director reports to the Board and holds office at the will and pleasure of the Board. The Executive Director has general and active management of the business and affairs of the Authority, subject to the policies of the Board, sees that all orders and resolutions of the Board are carried into effect, and executes all bonds or

contracts under the seal of the Authority. Further, the Executive Director has general powers and duties of supervision and management usually vested in the office of president of a corporation.

7. The Executive Director designates, with the advice and consent of the Board, a member of the Authority staff to serve as Recording Secretary to the Board. The Recording Secretary attends all sessions of the Board, acts as clerk thereof, and records, or causes to be recorded all the votes of the Authority and the minutes of all its transactions in a book to be kept for that purpose. The Recording Secretary is responsible for keeping in safe custody the corporate seal of the Authority, and for affixing the seal to any instrument requiring it. The Recording Secretary prepares and maintains a record of names and addresses, and dates of appointment of all members of the Board, and performs such other duties delegated to the Recording Secretary. The Recording Secretary serves until resignation or replacement by a majority vote of the Board members in office.

8. The Executive Director (or his or her designee) must ensure full and accurate accounts of the receipts and disbursements of the Authority in books belonging to it. The Executive Director is responsible for depositing all funds in the name of the Authority in the institutions selected by the Board; disburse the funds of the Authority in such manner as is directed by the Board; and render to the Board at the regular meetings of the Board, or whenever they may require it, an account of all transactions and of the financial condition of the Authority. Where any of the foregoing duties are delegated, the ultimate responsibility remains with the Executive Director.

## **ARTICLE XII – COMMITTEES**

1. All committee meetings, including executive sessions, are open to attendance by all Board members. Board members in attendance who are not members of the particular committee may engage in discussion but may not vote.

2. The standing Committees of the Authority are the Business Committee, Executive Committee, Finance Committee, and the Nominating Committee. The Board Chair may appoint such additional committees as deemed necessary to consider matters such as Personnel, Capital Planning and Expenditures, Real Estate Acquisition and Disposition, Pensions, and other topics of importance. Committees are responsible for presenting policy and other recommendations for the consideration of the Board.

The Executive Committee is composed of the Chair, Vice Chair, and Secretary-Treasurer as elected by the Board, as well as the immediate past Chair, if available, and two non-officer Board members, one of whom is from each Member Municipality, as elected by the respective Board members of each Member Municipality. Nominations for the representative from each respective Member Municipality to serve on the Executive Committee are made by the Nominating Committee and may be made from the floor.

The Board Chair appoints members of the Board to serve on all other committees. The Board Chair also designates a member of each committee to serve as chair of such committee.

3. The duties of the standing committees include, but are not limited to:

- A. The Executive Committee reviews all personnel and labor matters, any issue relating to the strategic operation of the Authority, oversees all litigation, and is responsible for day-to-day issues that require the attention of the Board. The Committee also reviews the contract and performance of the Solicitor and the performance of the Executive Director on an annual basis. In the event of a vacancy in the office of the Solicitor, the Committee will conduct a selection process and make a recommendation to the Board concerning appointment to fill such vacancy.
- B. The Nominating Committee nominates Board members to serve as officers and also nominates two Board members (one from each Member Municipality) to serve on the Executive Committee.

### **ARTICLE XIII - CORPORATE RECORDS**

1. There shall be kept in the registered office of the Authority an original or duplicate record of the proceedings of the Board, and the original or a copy of its Bylaws, including all amendments or alterations thereto to date, certified by the Recording Secretary of the Authority. An original or duplicate register of the names of the Board members in alphabetical order, their respective addresses and dates of their appointment to the Board, and the name of the municipality making such appointment shall also be kept in the registered office of the Authority.

2. Any Board member has the right to examine in person, at any reasonable time or times, for any reasonable purpose, the books or records of account and records of the proceedings of the Board and to make copies therefrom.

### **ARTICLE XIV - FISCAL RELATIONS**

1. Except as provided by Paragraph 8 of this Article, no moneys are to be paid out of the Authority treasury except upon a prior budgetary authorization previously made by the Board and upon warrant pursuant thereto, which must explicitly state the purpose for which the money is to be drawn. No work may be hired to be done, no materials purchased, no contracts made, and no order issued for the payment of any monies, in any amount, which will cause the sums authorized to specific purposes to be exceeded. The Executive Director may request that the Board make supplemental budget authorizations for any lawful purpose from funds on hand or estimated to be received within the fiscal year and not authorized to any other purpose.

2. The Executive Director has the power to authorize the transfer of any unexpended balance of any budgetary authorized category, or any portion thereof, within a department, but if the amount transferred is more than 10% in the aggregate of the authorized category, then the Executive Director must not make such transfer without obtaining the prior approval of the Board.

3. Expenditures from any contingency funds or financial reserves may be made only upon the prior approval of the Board.

4. Prior to the May meeting of the Board in each and every year, the books, accounts and records of the Authority for the preceding fiscal year must be audited by an independent Certified Public Accountant selected by the Board.

5. A copy of such audit must be provided to each of the Member Municipalities and the Commonwealth of Pennsylvania Department of Community and Economic Development on or before 180 days following the end of the Authority's fiscal year.

6. The Executive Director must annually publish a concise financial statement setting forth the assets and liabilities of the Authority and its financial condition. Publication must be made at least once in a newspaper of general circulation in the confines of the Counties of Lehigh or Northampton..

7. The funds of the Authority must be deposited and invested in accordance with the requirements of the Municipal Authorities Act of 1945, as amended.

8A. In the event of an emergency situation wherein persons are in jeopardy of physical injury or Authority property is in danger of significant damage or destruction, the Executive Director may authorize the expenditure of non-budgeted Authority funds reasonably required to protect the endangered persons or property without prior approval by Officers or the Board of Governors. The Executive Director must notify the Board of Governors of the expenditure as soon as reasonably practical.

8B. In the event of a critical, but non-emergency situation, which in the opinion of the Executive Director, requires an immediate response so that obtaining prior approval of the Board of Governors is impractical, the Executive Director may authorize the expenditure of non-budgeted Authority funds up to a maximum amount as authorized by prior Resolution of the Board of Governors<sup>1</sup> setting the maximum expenditure allowed in such critical, non-emergency situations. The Executive Director must notify the Board of Governors of the expenditure as soon as reasonably practical.

#### **ARTICLE XV - EMPLOYEES**

1. The Executive Director may select such employees as deemed necessary to properly carry out the business and purposes of the Authority.

2. Such employees are paid out of the funds of the Authority at such rates of compensation as the Executive Director may determine, subject to the limitations of the annual budget and any applicable collective bargaining agreement.

#### **ARTICLE XVI - SOLICITOR**

1. The Board is responsible to appoint an Attorney-at-Law, admitted to practice before the Supreme Court of Pennsylvania, to have charge of the legal affairs and matters of the Authority

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<sup>1</sup> Resolution No. 7043, passed on November 27, 2018, set the maximum spending amount at \$50,000.

and who reports to and is directly responsible to the Board. The Solicitor may not be any person in the employ of the Member Municipalities.

2. Neither the Solicitor, nor any member of the Solicitor's law firm, may knowingly undertake the representation of any entity, including but not limited to airlines, concessionaires, rental car companies, ground-handling agents, land developers or parties to a collective bargaining agreement, that does business with the Authority, or represent any client or party in bringing any claim, cause of action or other grievance of any kind or nature, against either the County of Lehigh or the County of Northampton, without approval from the Board.

3. The salary, retainer or fees of the Solicitor are fixed by the Board and paid out of the funds of the Authority.

#### **ARTICLE XVII - FISCAL YEAR**

1. The fiscal year begins each year on January 1st.

#### **ARTICLE XVIII - STANDARDS OF ETHICAL CONDUCT**

1. Conflicts of interest, as such term is defined in Pennsylvania Public Official and Employee Ethics Act<sup>2</sup> ("Ethics Act"), on the part of Authority employees or on the part of members of the Board of Governors, are prohibited.

A. Definition of "**conflict**" or "**conflict of interest.**"<sup>3</sup> Use by a public official or public employee of the authority of his or her office or employment or any confidential information received through holding public office or employment for the private pecuniary benefit of himself or herself, a member of the official's immediate family or a business with which the official or a member of his or her immediate family is associated. The term does not include an action having a de minimis economic impact or which affects to the same degree a class consisting of the general public or a subclass consisting of an industry, occupation or other group which includes the public official or public employee, a member of his or her immediate family or a business with which the official or a member of his or her immediate family is associated.

B. "**Immediate family**"<sup>4</sup> means a spouse, parent, child or sibling.

2. In addition to the foregoing, the following ethical principles and rules apply to all Authority employees and all members of the Board:

A. Employment by the Authority or membership on the Board constitutes public service which is a public trust, and requires all

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<sup>2</sup> Ethics Act, 65 Pa. C.S. § 1101 *et seq.*

<sup>3</sup> See Ethics Act, Pa. C.S. § 1102.

<sup>4</sup> See Ethics Act, Pa. C.S. § 1102.

employees and members of the Board to place loyalty to the Constitution, the laws, to ethical principles and to the Authority, above private gain.

- B. Employees and Board members must not hold financial interests that conflict with the conscientious performance of their respective duties.
- C. Employees and Board members must not engage in financial transactions using non-public, Authority-related information or allow the improper use of such information to further any private interest.
- D. Employees and Board members must neither seek nor accept any favor, gift or other consideration that might be reasonably construed as an attempt to influence or compromise executive judgment or responsibility.
- E. Employees and Board members must at all times put forth honest effort in the performance of their respective duties.
- F. Employees and Board members must not knowingly make unauthorized commitments or promises of any kind purporting to bind the Authority.
- G. Employees and Board members must not use their office or position for private gain.
- H. Employees and members of the Board must act impartially and not give preferential treatment to any private organization or individual.
- I. Employees and Board members must protect and conserve Authority property and may not use it for other than Authority-authorized activities.
- J. Employees and Board members may not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Authority duties and responsibilities.
- K. Employees and Board members must disclose waste, fraud, abuse and corruption to appropriate authorities.
- L. Employees and Board members must satisfy in good faith their obligations as citizens, including all just financial obligations,

especially those such as Federal, State or local taxes, that are imposed by law.

- M. Employees and Board members must adhere to all laws and regulations that provide equal opportunity for all citizens regardless of race, color, religion, gender, sexual orientation, national origin, age or handicap/disability.

The Authority is committed to compliance with all Federal and Commonwealth of Pennsylvania anti-discrimination statutes as currently in effect, and as may be enacted from time to time by the Federal government or the Commonwealth of Pennsylvania adding to the protected classifications.

- N. Employees and Board members must endeavor to avoid any actions creating an appearance of violating the law or the ethical standards set forth herein. Whether particular circumstances create an appearance that the law or these standards have been violated are to be determined from the perspective of a reasonable person with knowledge of the relevant facts.

3. Authority employees and Board members must publicly disclose and abstain from involvement in, discussion, debate and voting upon any matter that comes before the Authority in which the employee or Board member has a conflict of interest, as such term is defined in the Ethics Act and as cited herein. In addition to abstaining, the employee or Board member who would be required to vote on a matter that would result in a conflict of interest must, prior to the vote being taken, publicly announce and disclose the nature of their interest as a public record in a written memorandum filed with the person responsible for recording the minutes of the meeting at which the vote is taken. The individual who has disclosed a conflict may withdraw from that portion of the meeting; except that, at the discretion of the Chair, the affected person may be compelled to withdraw from participation in that portion of the meeting. In the case that the Chair is the person with the conflict, the Vice Chair will have the responsibility of carrying out the duties stated in this Section 3.

- A. In the event that the Authority would be unable to take any action on a matter before it because the number of members required to abstain from voting under the provisions of this section makes the majority or other legally required vote of approval unattainable, then such members may be permitted to vote at the discretion of the Board Chair if disclosures are made as otherwise provided herein.

4. The Authority is prohibited from purchasing goods or services from, or doing business with any employee of the Authority or any firm or business in which an employee of the Authority or a member of the immediate family of an employee of the Authority, is a director, officer or owner or holder of an equity interest equal to or greater than 5% of such firm or business,

unless there is compliance with the open and public process requirements as set forth in the Ethics Act, § 1103(f).

5. The Authority is prohibited from purchasing goods or services from, or doing business with any member of the Board of Governors or any firm or business in which a member of the Board of Governors or a member of the immediate family of a Board member, is a director, officer, or owner or holder of an equity interest equal to or greater than 5% of such firm or business, unless there is compliance with the open and public process requirements as set forth in the Ethics Act, § 1103(f).

6. Under the Municipal Authorities Act, 53 Pa.C.S.A. § 5614(e), as it pertains to the competitive contract award process set forth in Section 5614 of the Act, “no member of the authority or officer or employee of the authority may directly or indirectly be a party to or be interested in any contract or agreement with the authority if the contract or agreement establishes liability against or indebtedness of the authority.” Any contract or agreement made in violation of this requirement is void.

7. The provisions of this Article are in addition to, and not in place of, the requirements of the Ethics Act and any other applicable law.

8. Upon the commencement of employment, each Authority employee will be provided with a copy of this Article XVIII.

9. Upon the commencement of service as a Board member, each new Board member will be provided with a copy of these Bylaws.

10. Issues regarding the application of this section should be brought to the attention of the Chair and the Solicitor for review.

#### **ARTICLE XX - AMENDMENTS**

These Bylaws may be altered, amended or repealed by the affirmative vote of two-thirds of the Board then in office, at any regular or special meeting if notice of the proposed alteration or amendment be given to the members of the Board at least 21 days prior to the date of the meeting. The Board must review the Bylaws at least once every five years.

#### **ARTICLE XXI - INDEMNIFICATION**

1. The Authority will indemnify and defend any Board member, employee or officer (“Indemnitee”) of the Authority who is a party to, or is threatened with a pending action, suit or proceeding whether civil, criminal, administrative or investigative in nature, other than an action by or in the right of the Authority, provided such person acted in good faith and in a manner he or she reasonably believed to be in the best interests of the Authority. This duty to indemnify arises by reason of the fact that the Indemnitee is or was a member of the Board, an employee or officer of the Authority, or is or was serving at the request of the Authority. This duty to indemnify extends to all expenses, including reasonable attorneys’ fees, judgments, fines, costs and amounts paid in

settlement that are actually and reasonably incurred by the Indemnitee in connection with such action, suit or proceeding.

The obligations imposed on the Authority by this Article do not apply if it is ultimately judicially determined that the action or failure to act giving rise to the claim for indemnification constituted willful misconduct, fraud, a crime, or actual malice. Regarding obligations resulting from settlements (including judgments resulting from settlements) the Authority's duty to indemnify imposed by this Article arises only if the Authority approves the terms of the proposed settlement.

Notice of the claim for indemnification pursuant to this Article must be given to the Executive Director of the Authority within five business days of receipt of the claim against him or her by the person seeking indemnification. When requesting indemnification, the person seeking indemnification must execute a written undertaking to repay any amount subsequently paid to indemnify him or her if it is ultimately determined that the action or failure to act which gave rise to the claim for which indemnification was sought constituted willful misconduct, fraud, a crime or was done with actual malice.

The Authority must have in effect a liability insurance policy covering Board members, officers and employees for liability arising out of performance of public duties and an airport owners and operators general liability policy. The obligations imposed upon the Authority pursuant to this Article are coextensive with and not in addition to the coverage provided by the insurance policies. Obtaining this insurance coverage satisfies the obligations imposed on the Authority by this Article. Nothing herein alters the terms of any insurance policy obtained by the Authority.

2. A decision to indemnify any other agent of the Authority rests at the sole discretion of the Board.

3. Upon receipt of the written undertaking, the Authority has the sole right to select counsel and control the defense of the action. An indemnified party may select counsel of his or her own choosing and at no cost to the Authority, in which case the Authority will be relieved of its indemnification and defense obligations under this Article.

4. The indemnification and advancement of expenses provided by, or granted pursuant to this Article, unless otherwise provided when authorized or ratified, continues as to a person who has ceased to be a Board member, employee, officer or agent of the Authority and inures to the benefit of the heirs, executors and administrators of such person.

5. It is the policy of the Authority that the indemnification and defense of Board members, employees or officers of the Authority will be made to the fullest extent permitted by law.

## **ARTICLE XXII - SEVERABILITY**

The Authority is a Municipal Authority established pursuant to the Municipal Authorities Act and operating under the laws of the Commonwealth of Pennsylvania. To the extent any Bylaw or policy of the Authority is contrary to the laws of the Commonwealth, including the requirements of the Municipal Authorities Act, the laws of the Commonwealth will govern.