



BYLAWS

October 2007

SAE BYLAWS**ARTICLE I -- NAME**

The name of this corporation is:

SAE INTERNATIONAL

ARTICLE II -- PURPOSES

The purposes of the SAE International (herein called "SAE"), as set forth in its Articles of Incorporation, are: (a) to advance the knowledge of the arts, sciences, standards, and engineering practices connected with the development, design, construction, and use of self-propelled machines, prime movers and related equipment (all herein collectively called "mechanisms"); (b) to preserve and improve the quality of life in the production and use of such mechanisms; (c) to maintain a library of publications; (d) to promote through meetings, lectures, courses, seminars and the presentation and discussion of scientific and engineering papers a better understanding of such mechanisms; (e) to develop technical and scientific reports, including engineering standards and recommended practices, in connection with the development, design, construction, use, and reuse of such mechanisms, and publish and distribute such reports for the benefit of mankind; and (f) generally to provide for or carry on such other activities as may be necessary, incidental, convenient, or desirable to accomplish fully the foregoing purposes.

ARTICLE III -- MEMBERSHIP

Section 1: **Grades of Membership.** SAE shall have the following grades of membership:

Honorary
Fellow
Member
Affiliate
Joint
Student

Section 2: **Voting Members.** Only members in the following grades shall be entitled to vote on each matter submitted to a vote of the membership: Honorary, Fellow, and Member.

Section 3: **Qualifications for Each Grade.** Any individual whose personal qualifications enable them to contribute to the purposes of SAE are eligible for membership in SAE provided they meet the following particular qualifications and requirements for the grade to which they have applied or are entitled:

(a) **Honorary.** This grade shall be composed of the Past Presidents of SAE, who shall automatically be awarded this grade at the end of their year of service on the Board of Directors (herein called "the Board") as Past President.

(b) **Fellow.** This grade shall be composed of persons of exceptional distinction by reason of outstanding and extraordinary qualifications, experience, and sustained accomplishment in mobility or related engineering, who have been members of SAE for at least 10 years, and are voting members at the time of their election to this grade. In special cases, at the discretion of the committee designated by the Board to review nominations for Fellow grade, the term of SAE membership may be reduced to a 5-year minimum if it can be established that the nominee was actively involved for at least 10 years in work that provided outstanding support for related SAE activities. Nomination for election to Fellow shall be made only by voting members. Nominations shall be considered by a committee designated by the Board and, if approved by the committee, the committee shall elect the nominee to Fellow, subject to the approval of each selection by the Board. Status as a Fellow shall begin upon such approval by the Board.

(c) **Member.** Members shall:

- have a qualified college or university degree in engineering.

or

- have the required equivalent years of technical education and professional technical experience.

or

- have distinguished service and noteworthy accomplishments.

(d) **Affiliate.** Affiliates shall:

- be individuals whose affiliation supports the objectives of SAE but do not meet the requirements for Member.

(e) **Joint.** Joint members shall be members in good standing of an organization with which SAE has a joint membership agreement and have complied with the terms of that agreement.

(f) **Student.** This grade shall be composed of persons who, at the time of application, are high school seniors or post secondary students pursuing studies leading to a college degree.

Interpreting and determining the requirements defined in paragraphs c, d, e and f should be made by the Board or its designee.

Section 4: **Application for Membership or Change of Grade.** All applications for membership or change of grade, except a change to Honorary or Fellow, shall be made in writing to SAE on application forms furnished for that purpose. All applications, except applications for the student grade, shall be submitted to the Board, or their designates, which shall consider and act upon each application. Election to the student grade shall be automatic upon submission to the Secretary of satisfactory proof of qualification.

Section 5: **Admission to Membership.** Membership in SAE or change of grade shall begin upon election or as otherwise provided in these Bylaws.

- Section 6: **Membership Certificates.** The Board may provide for the issuance or replacement of a certificate evidencing membership in SAE, to be in such form as the Board may from time to time prescribe and stating on the face of the certificate that SAE is a nonprofit corporation. The name and address of each member and the date of issuance of the certificate shall be entered on the records of SAE.
- Section 7: **SAE Emblem.** The right to use the SAE emblem shall not be granted to any members and is only for SAE purposes.
- Section 8: **Resignations.** Any member may resign by submitting to the President or the Secretary a written resignation, which shall become effective upon its receipt by such officer or at any later time specified therein; and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective. A resignation shall not relieve the member so resigning of the obligation to pay dues or other accrued or unpaid charges to SAE.
- Section 9: **Suspension and Expulsion.** For good cause shown, any membership may be suspended or terminated by the Board. Sufficient cause for such suspension or termination shall be nonpayment of dues; violation of these Bylaws or any agreement, rule, or regulation adopted by the Board or SAE, or any other conduct prejudicial to the best interests of SAE. Suspension or expulsion may occur at any meeting of the Board duly convened provided that a statement of the charges against the member shall have been sent by registered mail to the member's address as it appears on the books of SAE at least 20 days before final action is taken thereon.
- This statement shall be accompanied by a notice of the time and place of the meeting of the Board at which the charges will be considered and shall state that the member shall have the opportunity to appear in person, by attorney, or other representative and present any defense to such charges before action is taken thereon.
- Section 10: **Reinstatement.** Upon written request signed by a former member and submitted to the Board, such former member may, if approved by the Board, be reinstated to membership upon such terms and conditions as the Board deems appropriate.
- Section 11: **Transfer of Membership Rights.** The rights and privileges of each membership are personal to the member and may not be transferred or assigned by the member's own act or by operation of law, except that the member may appoint a proxy as provided in these Bylaws.
- Section 12: **Dues and Fees.** The Board or its designee shall determine from time to time the amount of the initiation fee, if any, and the dues payable to SAE by each grade of membership. Dues shall be payable at such time as the Board may prescribe.
- The Board or its designee may also establish separate dues rates and costs for providing services for SAE members who have gained membership through an agreement with another mobility/technical or affiliate organization.

- Section 13: **Default and Termination of Membership.** When a member shall be in default in the payment of any dues, assessments, or other charges to SAE for a period of three months from the date such charges become payable, the membership of such member may be terminated as provided in these Bylaws.
- Section 14: **Refunds.** No dues, assessments, or other charges shall be refunded to any member whose membership has been terminated.
- Section 15: **Voting Members of Record.** The date of record for determining eligibility of a voting member will be sixty days prior to any action to be taken at the annual meeting or any special meeting.
- Section 16: **Participation.** SAE is a global organization, and as such, makes its membership, products, and services available to anyone interested. SAE does not restrict participation due to specific governmental policies. It is the responsibility of each individual to ensure that participation in SAE activities or membership in the Society does not violate corporate policies or national laws/regulations.

ARTICLE IV -- MEETINGS OF MEMBERS

- Section 1: **Annual Meetings and Notice.** An annual meeting of the voting members shall be held each year on such day and at such hour and place within or without the Commonwealth of Pennsylvania as may be specified by the Board of Directors. Written notice of the annual meeting, stating the day, hour and place of the meeting, shall be provided to each voting member at least five days prior to the day of the meeting. Any business may be transacted at the annual meeting irrespective of whether the notice of the meeting contains a reference thereto, except as otherwise expressly provided by law or in these Bylaws.
- Section 2: **Special Meetings and Notice.** Special meetings of the voting members may be called at any time by the Board, the President, or a voting member with a petition of signatures of at least one-tenth of the voting members as of the previous fiscal year end by delivering a written request to the Secretary. Special meetings shall be held at the principal office of SAE or at such other place within or without the Commonwealth of Pennsylvania as may be specified by the Board. Written notice of every special meeting, stating the day, hour, place and general nature of the business to be transacted, shall be provided to each voting member of record at least five days prior to the day of the meeting.
- No business may be transacted at any special meeting other than the general nature of which is stated in the notice of meeting, and business which is germane thereto.
- Section 3: **Proxies.** At any meeting of the members, a voting member may vote by proxy executed in writing by the member and filed with the Secretary. A proxy may be granted only to a voting member. No proxy shall be valid after 11 months from the date of its execution.
- Section 4: **Organization and Manner of Acting.** At all meetings of the voting members, the presence in person, by proxy, or by approved electronic connection of at least 50 voting members, or one tenth of all the voting members, whichever number is the lesser shall be necessary and sufficient to constitute a quorum for the transaction of business. The voting members present at a duly-organized meeting can continue to do business until

adjournment notwithstanding the withdrawal of enough voting members to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those present may adjourn the meeting from time to time to such time and place as they may determine without notice other than by announcement at the meeting of the time and place of the adjourned meeting. Resolutions of the voting members shall be adopted and any action of the voting members at a meeting upon any matter shall be taken and be valid only with the affirmative vote of at least a majority of the voting members present in person or by proxy at a meeting duly convened, except as otherwise expressly provided in these Bylaws.

The President, or in the absence of the President, the most recent Past President present at the meeting, shall chair all meetings of the voting members. In the absence of the President and all Past Presidents, the chairperson shall be selected from among the Board of Directors by the voting members present. The Secretary or Assistant Secretary shall take the minutes of the meeting. In the absence of the Secretary and an Assistant Secretary, the chairperson of the meeting shall designate any person to take the minutes of the meeting.

Except as otherwise provided by law, the voting members may, at the request of the Board, take any action or adopt any resolution by vote under such procedures as may be adopted from time to time by the Board. Such action or resolution shall be authorized, approved, and adopted upon receiving the affirmative vote of at least a majority of the votes returned to SAE provided that the number of votes returned to SAE within the time limit specified in the ballot is at least 50 or one tenth of all the voting members whichever number is the lesser.

ARTICLE V -- BOARD OF DIRECTORS

- Section 1: **Responsibilities.** The Board of Directors shall manage the business and affairs of SAE, shall determine its policies, and shall actively promote SAE's purposes. The Board may adopt policies for the conduct of its business and the business of SAE and may appoint such boards, committees, or agents as it may consider necessary.
- Section 2: **Composition.** The full Board of Directors shall consist of the President, the Vice President – Aerospace, Vice President – Automotive, Vice President – Commercial Vehicle, the Treasurer, the Assistant Treasurer, the most recent Past President of SAE, the President Nominee/Elect, Secretary, and 18 Directors. The President Nominee selected by the Executive Nominating Committee, after having consented to accept the nomination, shall hold office as a Board member with the convening of the next Board of Directors' meeting immediately following selection as President Nominee. The Directors shall be divided into three classes in respect to their terms of office, each class to be equal in number. There shall be a maximum of 27 members of the Board of Directors. The Executive Vice President/COO/Secretary (herein called “the EVP”) shall be a non-voting member of the Board of Directors.
- Section 3: **Term of Office.** The Directors elected to succeed those of a class whose terms expire shall hold office for three years and shall not be eligible for immediate re-election. Appointment by the Board to fill a vacancy shall not be considered an election. Directors shall be nominated by the Executive Nominating Committee and shall be elected by and from among the voting members.

Each member of the Board shall hold office commencing with the convening of the new Board's organizing meeting. Directors shall be responsible in such position from such time only if the Director consents to the election; otherwise, from the time the Director accepts office or attends the first meeting of the Board. Each Director shall hold office for the term for which elected and thereafter until a successor is duly elected and qualifies or until the Director's earlier death, resignation, or removal.

The term of the President Nominee/Elect on the Board of Directors shall be one year. The year immediately following, that individual will serve as President, subject to election, in accordance with procedures prescribed by the Board of Directors.

Section 4: **Meetings of the Board.** A regular annual meeting of the Board shall be held each year. Following the regular annual meeting of the Board, there shall be a meeting of the new Board at which it shall organize itself.

Regular meetings of the Board shall be held on such day and at such hour and place within or without the Commonwealth of Pennsylvania as may be specified by the Board. Any business may be transacted at any regular meeting.

Special meetings of the Board may be called at any time by the Board, the President, or any three Board members to be held on such day and at such hour and place within or without the Commonwealth of Pennsylvania as shall be specified by the person calling the meeting. Any business may be transacted at any special meeting.

Written notice of all meetings of the Board, stating the day, hour and place of the meeting, shall be provided to each Board member at least ten days prior to the day of the meeting.

Section 5: **Organization and Manner of Acting.** At all meetings of the Board, the presence of at least one third of the Board members in office shall be necessary and sufficient to constitute a quorum for the transaction of business. If a meeting cannot be organized because a quorum has not attended, a majority of the Board members present may adjourn the meeting from time to time until a quorum as fixed in this section shall be present, but notice of the time and place to which such meeting is adjourned shall be given to any Board member not present either by telephone or similar communications equipment at least eight hours prior to the hour of reconvening. Resolutions of the Board shall be adopted and any action of the Board upon any matter shall be taken and be valid only with the affirmative vote of at least a majority of the Board members present at a meeting duly convened, except as otherwise expressly provided in these Bylaws.

The President or in the absence of the President the Past President shall chair all meetings of the Board. In the absence of the President and the Past President, the Board members present shall select a Board member to be chairperson. The Secretary or Assistant Secretary shall take the minutes of the meeting. In the absence of the Secretary and an Assistant Secretary, the chairperson of the meeting shall designate any person to take the minutes of the meeting.

Section 6: **Business Conducted Without a Meeting.** Except as otherwise provided by law, the Board may, at the request of the President, take any action or adopt any resolution by approved electronic means vote under such procedures as may be adopted from time to

time by the Board. Such action or resolution shall be authorized, approved, and adopted upon receiving the affirmative vote of at least a majority of the votes returned to SAE provided that the number of votes returned to SAE within the time specified in the ballot is at least one third of the Board members at the time in office.

Section 7: **Meetings by Telephone or Other Communications Technology.** One or more Board members may participate in any meeting of the Board or of a committee of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other or by any other communications technology at the time permitted by law.

Section 8: **Emergency Provisions.** Notwithstanding any other provisions of law, the Articles or these Bylaws, during any emergency period caused by war or any other major catastrophe or local disaster of sufficient severity to prevent the conduct and management of the business and affairs of SAE by its Board of Directors and officers as contemplated by the other provisions of these Bylaws, a majority of the available Board members (or the sole such member) who have not been rendered incapable of acting because of incapacity or the difficulty of communication or transportation to the place of meeting, shall constitute a quorum for the sole purpose of electing individuals to fill such emergency vacancies; and a majority of the Board members present at such a meeting may act to fill such vacancies or to reduce the size of the full Board or both. Individuals so elected shall serve until the absent Board members are able to attend meetings or until the voting members act to elect Board members to succeed them. During such an emergency period, if the Board is unable to meet, any action appropriate to the circumstances may be taken by such officers of SAE as may be present and able. Questions as to the existence of a major catastrophe or local disaster, and the number of surviving persons capable of acting, shall be conclusively determined at the time by the Board or the officers so acting.

Section 9: **Resignations.** Any Board member may resign by submitting to the President or the Secretary a written resignation, which shall become effective upon its receipt by such officer or at any later time specified therein, and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 10: **Vacancies in the Board and Vacating Offices.** Vacancies in the Presidency or in the Board, including vacancies resulting from a nominee elected by the voting members who has not commenced the nominee's term of office but who is unable to serve because of death, disability, withdrawal of name, resignation or other cause, shall be filled by a majority of the remaining Board members (or the sole remaining member) though less than a quorum. The person selected to fill the vacancy shall be selected from among the voting members and shall hold office only until the expiration of the term of the predecessor. If the vacancy is in the Presidency, the person selected to fill the vacancy shall be selected from among the other Board members. The Board may declare any elective office, including the office of Director, vacant on the failure of its incumbent for six months from inability or otherwise to attend meetings of the Board or to perform the duties of the office.

ARTICLE VI -- OFFICERS

Section 1: **Executive Officers.** The executive officers of SAE shall be the President, the Vice President – Aerospace, Vice President – Automotive, Vice President – Commercial

Vehicle, the Treasurer and the Assistant Treasurer. The Board of Directors shall appoint an EVP/Secretary of SAE.

Section 2: **Election.** The President, the Treasurer, and the Assistant Treasurer shall be nominated by the Executive Nominating Committee and shall be elected by the voting members. The President shall not be eligible for re-election. The Treasurer and Assistant Treasurer shall be eligible for re-election to the same office for a second term.

After having served for two terms, the Treasurer shall no longer be eligible to serve again as either Treasurer or Assistant Treasurer, but the Assistant Treasurer shall be eligible for election as Treasurer.

Annually, the President shall recommend one individual, nominated by the Board of Directors as sector Vice President to be elected by the voting members. A Vice President shall not be eligible for election to the same office for a second term.

Section 3: **Terms of Office.** The President shall serve for a one-year term. Each Vice President will serve a three-year term. The Treasurer and Assistant Treasurer shall serve for a two-year term unless re-elected for another two-year term or a maximum of four years in that office. Each shall hold office commencing with the convening of the organizing meeting of the new Board of Directors and thereafter until a successor is duly elected and qualifies or until the officer's earlier death, resignation, or removal. Appointment by the Board of Directors to fill a vacancy shall not be considered an election.

Section 4: **Eligibility.** Only voting members are eligible to be President, Vice President, EVP, Treasurer, or Assistant Treasurer.

Section 5: **The President.** The President shall be the chief elective officer of SAE, shall preside at all meetings of the members and the Board of Directors, and shall be a member, without vote, of all other committees or boards of SAE, and sub-divisions thereof. The President shall also, at the annual meeting of the voting members and at such other times as are appropriate, communicate to the members or the Board such matters and make such suggestions as may promote the welfare and increase the usefulness of SAE. The President shall perform such other duties as may be prescribed from time to time by the Board.

Section 6: **The Executive Vice President.** The EVP shall be the chief operating and administrative officer of SAE, subject to the control of the Board, and shall have general supervision and management control of the day-to-day operations of SAE. The EVP shall be the chief staff officer and Secretary of the SAE shall be a member, without vote, of all other committees or boards of SAE, and sub-divisions thereof. The EVP shall exercise such other powers and duties as may be prescribed from time to time by the Board or the President.

Section 7: **The Secretary and Assistant Secretaries.** It shall be the duty of the Secretary (a) to keep or cause to be kept a record of the proceedings of the members, and the Board, (b) to attend to the giving of notices of SAE as may be required by law or these Bylaws; (c) to be custodian of the corporate records and of the seal of SAE and see that the seal is affixed to such documents as may be necessary or advisable; (d) to have charge of and keep at the registered office of SAE a membership record containing the name and address of each member, and if membership has terminated, the date on which membership ceased; and (e) to exercise all powers and duties incident to the office of Secretary and such other powers

and duties as may be prescribed from time to time by the Board or the President. Assistant Secretaries are appointed on an annual basis by the Board of Directors. The Assistant Secretaries shall assist the Secretary in the performance of the duties of Secretary and shall exercise such other powers and duties as may be assigned to them from time to time by the Board, the President, or the Secretary. At the direction of the Secretary or in the absence or disability of the Secretary, an Assistant Secretary shall perform the duties of Secretary.

Section 8: **The Treasurer.** The Treasurer shall be an individual who: (a) will have served on the Finance Committee, and/or (b) will have served on the Board of Directors. Preference should be given to individuals who have served both on the Board of Directors and the Finance Committee. The Treasurer shall exercise all powers and duties incident to the office of Treasurer and such other duties as may be prescribed from time to time by the Board.

Section 9: **The Assistant Treasurer.** The Assistant Treasurer shall be an individual who: (a) will have served on the Finance Committee, and/or (b) will have served on the Board of Directors. Preference should be given to individuals who have served both on the Board of Directors and the Finance Committee. The Assistant Treasurer shall assist the Treasurer in the performance of the duties of Treasurer and shall exercise such other powers and duties as may be assigned to the Assistant Treasurer from time to time by the Board, the President, or the Treasurer. At the direction of the Treasurer or in the absence or disability of the Treasurer, the Assistant Treasurer shall perform the duties of Treasurer.

Section 10: **The Vice Presidents.** Each Vice President shall serve a three-year term. The election of the Vice Presidents will be staggered, electing one Vice President each year. The Vice Presidents will support and advise the President on key areas within the mobility sector they represent. In the absence of the President, the Vice Presidents will act as the chief spokesperson for the mobility sector which they represent.

Section 11: **Vacancies.** Vacancies in any officer position by reason of death, resignation, removal, disqualification, disability, or other cause shall be filled by the Board in the manner provided in these Bylaws.

Section 12: **Resignations.** Any officer may resign by submitting to the President or the Secretary a written resignation which shall become effective upon its receipt by such officer or at any later time specified therein, and, unless specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE VII -- NOMINATING COMMITTEES AND ELECTIONS

Section 1: Executive Nominating Committee. The Executive Nominating Committee (ENC) of SAE shall at all times maintain a current pool of qualified candidates and select nominees for President, Treasurer, Assistant Treasurer, and Directors according to the then-current strategic plan of the Board.

The ENC shall be defined in the Board of Directors' Executive Nominating Committee Governance Policy in the Board's Governance Policy Manual, as a standing committee. The ENC shall consist of one Past President, who shall chair the ENC, one non-voting representative of SAE staff selected by the EVP/COO, three sector representatives selected by the Sector Vice Presidents, one to three current or past Board member representatives

selected by the President, and a representative of each Operating Board. The ENC thus constituted is expected to assess qualified nominees from across the entire membership of SAE, based upon strategic plans and Board operational needs, diversity in the broadest terms, and without regard to Sector, Section, Operating Board, or other SAE affiliation. All members who vote on the Committee shall be voting members of SAE and may not be represented by a proxy at meetings of the Committee.

The SAE President and the Sector Vice-Presidents shall be non-voting, ex-officio members of the Executive Nominating Committee.

Prior to the first regular Board of Directors' meeting which follows the organizing meeting of the Board, the President shall contact Past Presidents in the order of their year of service, beginning with the most recent Past President, in order to identify the following:

- (a) First, a Past President willing to serve on and chair the Executive Nominating Committee, and
- (b) Then, an alternate, willing to attend in anticipation of being called and to serve if called.

A Past President representative shall not concurrently serve on the Executive Nominating Committee as a Board member representative or a Sector representative or as an operating board representative.

Section 2: Operating Board Representatives. The chairs of the following: the Engineering Education Board, Engineering Meetings Board, the Foundation Board of Trustees, the Membership Services Board, the Sections Board, Publications Board, and the Technical Standards Board shall appoint a representative to the ENC, with overlapping terms among the Operating Boards to assure continuity. Representatives so selected may not be represented by a proxy at meetings of the ENC.

Section 3: **Membership-at-Large Participation**. Any voting member may, if they wish, participate in the nomination process by suggesting potential candidates to the Executive Nominating Committee.

Two methods exist for this purpose:

- (a) Voting members may send the names and addresses of such candidate(s) to the SAE Secretary, who will transmit the information to the Executive Nominating Committee. The Executive Nominating Committee may then develop the necessary background information on the qualifications of such candidate(s).
- (b) Voting members may also write or call the SAE Secretary to obtain an Individual Member Nomination Form. All such forms must be submitted to the SAE Secretary by the date designated on the form. The Secretary will convey to the chairperson of the Executive Nominating Committee all such recommendations received from the voting members. In addition, voting members who complete such a form may, if they wish, attend a meeting of the Executive Nominating Committee for that period of time required to personally present the credentials of the potential candidate(s).

Section 4: **Policies.** The policies governing the nominating committees shall be adopted by the Board of Directors.

Section 5: **Elections.** The Board of Directors shall from time to time establish the procedures for the conduct of the elections for which the voting members have a right to vote, including voting in person, by proxy, by mail, or by approved electronic means.

ARTICLE VIII -- MISCELLANEOUS CORPORATE TRANSACTIONS AND DOCUMENTS

Section 1: **Notes, Checks, etc.** All properly authorized notes, bonds, drafts, acceptances, checks, endorsements (other than for deposit), guarantees, and all evidences of indebtedness of SAE whatsoever, shall be signed by such officers or agents of SAE subject to such requirements as to countersignature or other conditions as the Board of Directors may from time to time determine. Facsimile signatures on checks may be used if authorized by the Board.

Section 2: **Execution of Instruments Generally.** Except as provided in these Bylaws, all deeds, mortgages, contracts, and other instruments requiring execution by SAE may be signed by the President, the EVP, the Treasurer, or the Assistant Treasurer and authority to sign any such contracts or instruments, which may be general or confined to specific instances, may be conferred by the Board upon any other person or persons. Any person having authority to sign on behalf of SAE may delegate from time to time by instrument in writing all or any part of such authority to any person or persons if authorized so to do by the Board.

Section 3: **Voting and Acting with Respect to Stock and Other Securities Owned by SAE.** The President, the EVP, the Treasurer, or the Assistant Treasurer shall have full power and authority to vote and act with respect to all stock and other securities in any other corporation owned by SAE, unless the Board confers such authority, which may be general or confined to specific instances, upon some other officer or person. Any person so authorized shall have the power to appoint an attorney or attorneys, with general power of substitution as proxies for SAE with full power to vote and act on behalf of SAE with respect to such stock and other securities.

ARTICLE IX -- MEMBER AND NONMEMBER UNITS

Section 1: **Member Units.** The Board of Directors may authorize the organization of SAE Sections, Groups, Divisions, and Student Branches. They shall have such powers and conform to such rules and regulations as the Board may prescribe.

Section 2: **NonMember Units.** The Board of Directors may authorize the organization of unincorporated societies or institutes that fulfill the purposes of the SAE Bylaws and the requirements of tax-exempt status. Final management authority shall reside with the SAE Board and shall be subject to the policies adopted by the SAE Board as may be amended from time to time. To the fullest extent deemed appropriate by the Board, the Board may permit such societies or institutes to establish their rules and procedures, except that no society or institute shall have authority to establish any rule or procedure which violates the SAE policy. All rules and procedures will be subject to the approval of the SAE Board. Such societies or institutes shall be organized to have members and membership classes that do not require membership in SAE. Nothing herein shall prevent a member of such society or institute from becoming a member of SAE provided that the qualifications of

such grade are attained. However, a society or institute shall have no power or authority to confer the attributes of SAE membership upon a society or institute member who has not otherwise attained SAE membership. Membership in a society or institute shall not be deemed to constitute membership in SAE.

Section 3: **SAE Affiliate.** An SAE Affiliate is defined as an organization, which the SAE Board of Directors has designated as being an affiliate.

ARTICLE X -- APPEALS

An SAE Appeals Panel shall be created by the Board of Directors to hear and decide all appeals from decisions of the Board committees, operating boards, and program offices of SAE acting on appeals thereto, and to decide all appeals from any action or refusal to act of such Board committees, operating boards, or program offices of the Board of Directors, or of Board committees, operating boards, or program offices reporting to the Board of Directors. The responsibility, scope, authority, and membership of the Appeals Panel shall be prescribed by the Board of Directors. The Board of Directors shall be the court of last resort for all appeals. The Board of Directors shall rely on its Appeals Panel and its Board committees, operating boards, and program offices to resolve appeals whenever possible. However, the Board of Directors shall be the appellate resource available to anyone dissatisfied by a decision reached by a lower-level group. The decision of the Board of Directors shall be the decision of SAE.

ARTICLE XI -- INDEMNIFICATION OF, AND ADVANCEMENT OF EXPENSES TO DIRECTORS, OFFICERS, AND OTHERS

Section 1: **Personal Liability of Director, Officers, and Others**

Section: 1.1 To the fullest extent permitted by the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, no Director, Officer, or others of SAE shall be personally liable for monetary damages for any action taken, or any failure to act, as a Director.

Section 1.2 The provisions of this Article shall be deemed to be a contract with each Director, Officer, or other of SAE who serves as such at any time while this Article is in effect and each such Director shall be deemed to be so serving in reliance on the provisions of the Article. Any amendment or repeal of this Article or adoption of any Bylaw or provision of the Articles of Incorporation which has the effect of increasing director liability shall operate prospectively only and shall not affect any action taken, or any failure to act, prior to the adoption of such amendment, repeal, Bylaw, or provision.

Section 2 **Indemnification**

Section 2.1: **Right to Indemnification.**

- a. As used herein, the word “Action” shall mean any action, suit or proceeding, administrative, investigative or other, (i) to which such person is a party (including, among others permitted by the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, an action by or in the right of SAE to procure a judgment in its favor, provided that, if the action is by or in the right of SAE, such person is successful in whole or in part) or (ii) in

- connection with which such person is not a party but is a witness, subject to investigation or otherwise involved, in either case by reason of such person being or having been a director or officer of SAE or serving or having served at the request of SAE, including, among others permitted by the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended, any service that imposes duties on or involves services by such director or officer with respect to an employee benefit plan, its participants, or beneficiaries as an officer, director, employee, or agent of a trust or employee benefit plan.
- b. Unless in a particular case indemnification would jeopardize SAE's tax exempt status under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code") or result in SAE's failure to be described in Section 501(c)(3) of the Code, and except as prohibited by law, each director and officer of SAE shall be entitled as of right to be indemnified by SAE against expenses and any liability paid or incurred by such person (i) in the defense of any Action to which such person is a party or (ii) in connection with any other Action, provided that, in either case, if the action is by or in the right of SAE to procure a judgment in its favor, the officer or director shall only be indemnified by SAE against expenses incurred in connection with the defense or settlement of the action, in accordance with the laws of the Commonwealth of Pennsylvania, as now in effect or as hereafter amended.
 - c. A person who is not a director or officer of SAE may be similarly indemnified in respect of service to SAE to the extent the Board at any time designates such person as entitled to the benefits of this Article.
 - d. As used in this Article, "indemnitee" shall include each director and each officer of SAE and each other person designated by the Board as entitled to the benefits of this Section; "liability" shall include amounts of judgments, excise taxes (including ERISA excise taxes) fines, penalties, and amounts paid in settlement; and "expenses" shall include fees and expenses of counsel incurred by the indemnitee only (i) if SAE has not at its expense assumed the defense of the Action on behalf of the indemnitee with reputable and experienced counsel selected by SAE, or (ii) if it shall have been determined pursuant to Section 2.3 hereof that the indemnitee was entitled to indemnification for expenses in respect of an action brought under that Section.

Section 2.2: Right to Advancement of Expenses.

Unless in a particular case advancement of expenses would jeopardize SAE's tax exempt status under Section 501(a) of the Code or result in SAE's failure to be described in Section 501(c)(3) of the Code, every indemnitee shall be entitled as of right to have his or her expenses in defending any Action paid in advance by SAE, as incurred, provided that SAE receives a written undertaking by or on behalf of the indemnitee to repay the amount advanced if it should ultimately be determined that the indemnitee is not entitled to be indemnified for such expenses.

Section 2.3: Right of Indemnitee to Initiate Action.

- a. If a written claim under Section 2.1 or Section 2.2 of this Article is not paid in full by SAE within thirty days after such claim has been received by SAE, the indemnitee shall have the right to appeal or to have an independent de novo review of his or her indemnification determination. The indemnitee may at any time following the thirty-day period, initiate an Action to recover the

unpaid amount of the claim, and if successful in whole or in part, the indemnitee shall also be entitled to be paid the expense of prosecuting such Indemnitee Action.

- b. The only defenses to an Action to recover a claim for indemnification otherwise properly asserted under Section 2.1 shall be (i) that advancement of expenses would jeopardize SAE's tax exempt status under Section 501(a) of the Code or result in SAE's failure to be described in Section 501(c)(3) of the Code, or (ii) that the indemnitee failed to provide the undertaking required by Section 2.2, but the burden of proving any such defenses shall be on SAE

Section 2.4: **Non-Exclusivity; Nature and Extent of Rights.**

The rights to indemnification and advancement of expenses provided for in this Article shall (i) not be deemed exclusive of any other rights to which any indemnitee may be entitled, (ii) be deemed to create contractual rights in favor of each indemnitee who serves SAE at any time while this Article is in effect (and each such indemnitee shall be deemed to be so serving in reliance on the provisions of this Article), and (iii) continue as to each indemnitee who has ceased to have the status pursuant to which he was entitled or was designated as entitled to indemnification under this Article and shall inure to the benefit of the heirs and legal representatives of each indemnitee, (iv) be retroactive and shall be available with respect to events occurring prior to the adoption hereof, and (v) continue to exist after the rescission or restrictive modification hereof with respect to events occurring prior thereto.

Section 3. **Insurance and Funding.** SAE may purchase and maintain insurance to protect itself and any person eligible to be indemnified hereunder against any liability or expense asserted or incurred by such person in connection with any Action whether or not SAE would have the power to indemnify such person against such liability or expense by law or under the provisions of this Article.

Section 4: **Applicability of Article.** This Article shall apply to every Action other than an Action filed prior to January 27, 1987, except that it shall not apply to the extent that Pennsylvania law does not permit its application to any breach of performance of duty or any failure of performance of duty by an indemnitee occurring on or after to January 27, 1987.

ARTICLE XII -- GENERAL PROVISIONS

Section 1: **Offices.** The principal office of SAE shall be at 400 Commonwealth Drive, Warrendale, Pennsylvania 15096. SAE may also have offices at such other places within or without the Commonwealth of Pennsylvania as the business of SAE may require.

Section 2: **Corporate Seal.** The corporate seal of SAE shall be in such form as the Board of Directors may from time to time prescribe.

Section 3: **Fiscal Year.** The fiscal year of SAE shall end on December 31 each year or on such other day as shall be fixed by the Board.

Section 4: **Annual Report to Members.** The Board shall present to the members an annual report to be in such form as may be prescribed by the laws of the Commonwealth of Pennsylvania.

- Section 5: **Statements and Discussions.** SAE shall not be responsible for statements or opinions advanced in papers or in discussions at its meetings. Matters relating to politics or to commercial considerations or not relating to SAE's purposes shall not be discussed at a meeting of SAE or be included in the editorial columns of its publications.
- Section 6: **Engineering Standards.** SAE may approve or adopt any engineering standard or recommended practice but shall not approve any engineering or commercial enterprise. It shall not consent to the use of its name or initials in any commercial work or business, except to indicate conformity with its engineering standards or recommended practices.
- Section 7: **Individual Participation.** Individuals are elected or appointed to SAE Board committees, operating boards, and program offices on the basis of their personal qualifications and their ability to contribute to the work of these groups. In discharging their responsibilities, members of all SAE bodies organized to carry on SAE's work function independently as individuals and not as agents or representatives of their employers.
- Section 8: **Official Publication.** The Board of Directors shall designate from time to time which of its publications is the official publication of SAE.
- Section 9: **Bylaws and Governance Language.** The language of the SAE Bylaws, Policy and Procedures is English. In the event of a conflict or question of meaning involving any non-English language version of the SAE Bylaws or any SAE Policy or Procedure, the English language paper version shall control. Any other publications or technical reports prepared and distributed by SAE should be interpreted in the original version of the publication or report as published by SAE.
- Section 10: **Written Notices.** Written notice can be through email, website, forums, webex, newsletters, or mail.

ARTICLE XIII -- AMENDMENTS TO THE BYLAWS

Except for Articles I and II, these Bylaws as in effect from time to time may be amended, altered, and repealed and new Bylaws may be adopted as follows:

- (a) At any annual or special meeting of the voting members duly convened, per Article IV, Section 2, by the affirmative vote in person or by proxy of at least a majority of the voting members present in person or by proxy at the meeting, provided that notice of the proposed amendment is included with the notice of the meeting, or
- (b)
 - (i) An amendment to these Bylaws may be proposed by the Board of Directors adopting a resolution to that effect at a meeting of the Board or by any voting member who secures authorization to propose an amendment. Authorization of a voting member to propose an amendment shall commence with a petition in which the amendment is set forth in full and bearing the signatures of at least 50 voting members.
 - (ii) The proposed amendment, accompanied by any comment the Board wishes to make, shall be provided by the Secretary to each voting member or shall be printed in the official publication of SAE or SAE website at least 60 days before the meeting of the voting members called for the purpose of amending these

Bylaws. At the meeting, the proposed amendment shall be presented for discussion and shall subsequently be submitted by vote to all voting members, provided that at least 50 votes are cast at the meeting in favor of such submission.

- (iii) The text of the proposed amendment and a ballot shall be provided by the Secretary to each voting member promptly after the close of that meeting. Votes returned to SAE within 30 days after the date on which they were provided to the voting members shall be counted by Judges of Election appointed pursuant to these Bylaws. The Judges shall announce immediately the results of the vote, which shall be provided to the voting members by the Secretary or published in the next following issue of the official publication of SAE. The adoption of the amendment shall be decided by a majority of the votes returned to SAE, provided that the number of votes returned to SAE within the time specified in the ballot is at least 50 or one tenth of all the voting members, whichever number is the lesser.
- (iv) The amendment shall take effect immediately upon the announcement of the results of the vote by the Judges of Election, unless otherwise provided at the time the amendment is submitted to the voting members.