

American Hibiscus Society

ARTICLE I NAME

This organization shall be known as the American Hibiscus Society, Inc., (Society). The Society is incorporated under Florida Statute 617 and as such shall be governed under the provisions of F.S. Section 617 which shall be superior to any provisions listed herein. The Society is a non-profit corporation organized under the provisions of Section 501©(3) of the Internal Revenue Code of 1954, as amended, or the comparable provisions of any past or subsequent Federal tax law.

ARTICLE II OBJECTIVES

1. To encourage and promote the development and improvement of hibiscus.
2. To collect, record, and make available to the public, educational and scientific information concerning hibiscus through publications, exhibitions and shows, public information activities, and whatever other means present themselves.
3. To establish and maintain a nomenclature catalogue listing names and other pertinent information concerning old and new varieties of hibiscus.
4. To publish a general bulletin, The Seed Pod, covering subjects of interest to hibiscus enthusiasts including, but not limited to, care, culture, nomenclature, exhibition, supplies, development, use, and the history of hibiscus.

ARTICLE III

This corporation shall have perpetual existence.

ARTICLE IV MEMBERSHIP

Section 1 Eligibility: All persons, foreign or domestic, interested in hibiscus, shall be eligible for membership in the Society.

Section 2 Kinds of Membership:

a. Active Members are those individuals, organizations or companies who pay prescribed dues and in so doing agree to abide by these Bylaws and the aims and objectives of the Society.

(1) Chapter Members are those individuals who are members of a duly chartered Chapter of the Society.

(2) Members-at-Large (MALs) are those members who do not have Chapter affiliation.

b. Contributing Members are those members who contribute annually toward the accomplishment of Society objectives.

c. Honorary Members are those who, upon recommendation of the Board of Directors, are elected by two-thirds majority of all members present and voting at any Annual Convention. Not more than three (3) Honorary Members may be elected at any Annual Convention.

d. Life Members are those who have paid the national Life Member fee established in Article V, Section 2d, or have completed a term of office as President, or four years as Executive Secretary, Treasurer or Editor. Spouses of persons fulfilling this requirement shall also be awarded Life Membership.

e. Affiliated Organizations are those organizations outside the United States having an interest in hibiscus and the Society, but who do not desire to be a Chapter of the Society.

f. Any Member who brings discredit upon the Society in any way, for any reason, may be disciplined to any level, including expulsion, by two-thirds vote of the Board of Directors.

ARTICLE V DUES

Section 1

a. The fiscal year of the Society shall be from June 1st through May 31st of the following year.

b. The dues year for chapter memberships shall be from July 1st through June 30th of the following year. The dues year for MALs shall be from the first day of the month in which they join the Society through the last day of the preceding month in the following year.

Section 2 Dues of this Organization shall be:

- a. Active Members: Dues for all active memberships, single or double, domestic or foreign, chapter or MAL, shall be set by the Board of Directors, due and payable on or before the first day of the member's dues year. All annual membership dues include a yearly subscription to The Seed Pod with delivery by second class or surface mail, liability insurance for Society activities in the U.S., and other benefits normally accruing to membership in an organization.
- b. Contributing Members: Contribute \$35.00 or more annually.
- c. Honorary Members: Exempt from dues.
- d. National Life Members: \$300.00. Chapters shall not participate in this fee.
- e. Affiliated Organizations: \$35.00 per year.

Section 3 a. Each Chapter may stipulate the amount of Chapter dues payable by its members. Such Chapter dues shall be in addition to prescribed national dues.

b. Each Chapter shall collect the dues of its members in such manner as it sees fit and shall remit national dues to the National Treasurer no later than July 1st each year. National dues shall be assessed in accordance with the Chapter membership report required by the National Treasurer.

c. A member may be affiliated with more than one Chapter but reported to the National Treasurer only on the rolls of the member's home Chapter. The member will be accredited only to that Chapter for collection of dues by the National Treasurer, and will receive only one copy of The Seed Pod.

d. A member affiliated with more than one Chapter may, if he/she desires, be reported on the rolls of each Chapter. In that case, each Chapter will be assessed dues for that membership, and the membership will receive a Seed Pod for each chapter affiliation.

ARTICLE VI THE SEED POD

Section 1 The official publication of the Society shall be The Seed Pod, a quarterly magazine.

Section 2 The Editor of The Seed Pod shall:

- a. Supervise publication of The Seed Pod.
- b. Garner items regarding hibiscus for publication.
- c. Write, or arrange for, editorials and articles for publication.
- d. Gather pertinent information concerning Society and Chapter activities for publication.
- e. Edit all materials to be used in The Seed Pod.
- f. Work independently of outside influence and adhere to the principles of good journalism and to the goals of the Society.

Section 3 The Editor is appointed by the President's Committee for an indeterminate term and serves at the pleasure and discretion of the President's Committee.

ARTICLE VII GOVERNMENT

Section 1

- a. The government of this Society is vested in the Board of Directors which consists of eight elected Directors, the President, First Vice President, Second Vice President, Recording Secretary, Treasurer, Executive Secretary, Chapter Presidents' Coordinator, and the immediate past national President. Each member of the Board is, therefore, a Director.
- b. Voting: For business conducted between meetings, the Board of Directors may take any action within its jurisdiction by mail, fax, internet, or any other suitable electronic media. A reasonable amount of time will be allowed for each Director to cast their vote.
- c. All members of the Society who have been, or will have been, an active member for more than two years at the time of taking office, are eligible for nomination to elective or appointive office.

d. Any Director who fails to attend two (2) consecutive meetings of the Board without a bona fide excuse or extenuating circumstances with prior notice may be replaced by appointment at the discretion of the President and approval of the Board of Directors. Notice of planned absence will be made to the President in advance of any scheduled meeting. Unexpected absence will be fully explained to the President at the earliest possible time. Timeliness of notice will be determined on a case by case basis by majority vote of the Board of Directors.

e. Any member of the Board of Directors who brings discredit upon the Society in any way, for any reason, may be removed from office by two-thirds majority vote of the Board of Directors.

Section 2 Officers and Duties

a. President:

(1) The President is authorized to:

(a) Preside at all President's Committee and membership meetings.

(b) Call special meetings of the President' Committee or other committees as necessary.

© Appoint chairpersons and members of all standing and special committees, except the nominating committee and those others as established elsewhere in the Bylaws.

(d) Be an ex-officio member of all committees except the Nominating Committee.

(e) Keep abreast of all activities within the Society.

(f) Make an annual report and such other reports to the Board of Directors and the Society as deemed advisable.

(2) The President is elected for a two-year term of office, and is ineligible for reelection as President for a period of two years.

b. First Vice President:

(1) The First Vice President is authorized to:

(a) Perform the duties of the President when the incumbent is unable to do so.

(b) Perform such other duties as are requested by the President.

© Chair the Show and Judging Rules Committee.

(2) The First Vice President is elected to a two year term of office, and is ineligible for reelection as First Vice President for a period of two years.

c. Second Vice President:

(1) The Second Vice President is authorized to:

(a) Perform the duties of the President when the President and the First Vice President are unable to do so.

(b) Perform such other duties as are requested by the President.

© Assign Chapter show dates.

(d) Chair the Publicity Committee.

(e) Chair the Bylaws Committee.

(f) Chair the National Awards Committee

(2) The Second Vice President is elected to a two year term of office, and is ineligible for reelection as Second Vice President for a period of two years.

d. Recording Secretary:

(1) The Recording Secretary shall:

(a) Record proceedings of all meetings of the membership, the Board of Directors and President's Committee.

(b) Record all votes of the board of Directors, and President's Committee at meetings, by mail, fax, internet or by any other suitable electronic media; by listing motion, Director's/President's Committee members name, and how they voted.

(c) Provide copies of such proceedings to the Executive Secretary for proper distribution no later than thirty (30) days after such proceedings.

(2) The Recording Secretary is elected for a two year term of office, and may be reelected for successive two year terms.

e. Treasurer:

(1) The national Treasurer shall:

(a) Receive, deposit and account for all monies of the Society.

(b) Pay out all monies under the direction of the Board of Directors.

© Administer restricted funds under direction of the Board of Directors, acknowledge contributions, and maintain accountability of restricted funds and contributions.

(d) Make periodic and annual financial reports to the membership and the Board of Directors.

(e) Deposit all funds in the name of the Society in a depository and advise the Board of Directors of said depository.

(f) Submit the treasury records for audit at the close of the fiscal year to the person(s) appointed by the President's Committee.

(2) The Treasurer serves as a member of the Budget and Publications Committees.

(3) The Treasurer is appointed by the President's Committee for an indeterminate term and serves at the discretion and pleasure of the President's Committee.

f. Executive Secretary:

(1) The Executive Secretary shall:

- (a) Keep records of each Board of Directors and President's Committee meeting.
- (b) Notify Society members of Board of Directors meetings and the Annual Convention.
- © Manage Society headquarters and maintain current and pertinent records.
- (d) Serve as the Society meeting planner.
- (e) Transact all Society business under the direction of the President's Committee.
- (f) Make required reports to the Board of Directors.

(2) The Executive Secretary is appointed by the President's Committee for an indeterminate term and serves at the pleasure and discretion of the President's Committee.

Section 3: Directors and Duties

a. Directors are direct representatives of the Society in their areas. They assist in promotional, organizational or management areas and provide guidance as requested. They address local organizations regarding development and improvement of the hibiscus and the attributes of the Society.

(1) A Chairperson will be elected by the Board annually during the fall membership meeting. A vacancy in that position occurring during the year shall be filled by election by the Board of Directors at their next meeting.

(2) The Chairperson of the Board shall chair the Board of Directors Meeting.

(3) The Chairperson of the Board may call special meetings of the Board.

b. A total of eight elected Directors are in office at all times. Four shall be elected at each biennial election to serve four year terms. After serving a four year term, a Director is ineligible for reelection as a Director for a period of two years.

Section 4 Board Advisors:

- a. There may be at least one Board Advisor from each state, territory, or foreign country represented on the membership list.
- b. Board Advisors are appointed by the President, with approval of the Board of Directors, to a four year term of office. After serving a four year term, a Board Advisor is ineligible for reappointment for a period of two years.
- c. Although Board Advisors are encouraged to attend Board Meetings, they are not required to do so.

ARTICLE VIII COMMITTEES

Section 1 General Activity

- a. Each committee is a service of and for the Society, its members, and the general public. As such, each committee will conduct its business in a professional manner including timely and thorough responses to queries and requests, full cooperation with other committees and groups, attention to detail, and complete documentation and reporting.
- b. Each committee will function under an “open door” policy. During voting, however, if the Committee Chairman feels that a discussion should involve only the committee members, the Committee Chairman may direct the space be cleared of all but committee members. Non-committee members attending a meeting may not voice any opinion or in any way intrude on the meeting unless specifically recognized and called upon by the chairman. Disruptive individuals may be expelled from the meeting.

Section 2 Standing Committees and Duties

- a. **Budget:** The Budget Committee consists of the national Treasurer and four other members appointed by the President. They shall prepare an annual budget, for the financial operation of the Society, which shall forecast anticipated income and expenditures. The budget shall be presented for consideration, amendment if necessary, and adoption at the spring meeting of the Board of Directors.
- b. **Bylaws:** It shall be the duty of this Committee, chaired by the Second Vice President, to keep the Bylaws current and adequate as needed.
- c. **Historian:** The Historian shall keep an accurate and complete written record of all Society activities, save pictures, newspaper clippings, and other data, and present Society history to date at annual meetings.
- d. **National Awards:** This Committee, chaired by the Second Vice President, shall establish criteria governing all national awards, except those for Seedling of the Year, subject to approval by the Board of Directors. Seedling of the Year award recipients are determined by the Seedling Evaluation Committee.
- e. **Nomenclature:** The Chairperson shall be the International Nomenclature Coordinator. The Committee shall establish the Nomenclature Catalog, receive and evaluate requests for hibiscus registration, catalog varieties, and edit supplements submitted for the Nomenclature Catalog. This Committee is also charged with encouraging and promoting development and improvement of hibiscus. They garner information available on hybridizing, and compile a manual containing basic criteria, to aid members and growers in developing better plants and flowers.
- f. **President's Committee:** The President's Committee shall consist of the President, First Vice President, Second Vice President, Secretary, Chairman of Directors, Treasurer and Executive Secretary. The President's Committee establishes rules for Hibiscus of the Year awards, appoints members of the Seedling Evaluation Committee, and performs such other duties as may be required or directed. The President's Committee meets only at the call of the Society President.
- g. **Publications:** It shall be the duty of this Committee to prepare, publish and promote all books, pamphlets, articles, nomenclature lists, and/or other materials pertaining to hibiscus, other than The Seed Pod. This committee shall report on its operations at Board of Directors meetings, and annually provide a written report to the membership. The national Treasurer shall be a member of this Committee.

h. Publicity/Membership Committee: Chaired by the Second Vice President, this Committee shall, through television, the press, radio, and other national and regional media, promote the interests of the Society and stimulate an interest in hibiscus in general. This Committee also functions as a Membership Committee and is the focal point for activities aimed at attracting new members to the Society.

i. Seed Bank: It shall be the duty of this Committee to keep all records of seeds passing through the Seed Bank, and to record all reports made by recipients of seeds.

j. Seedling Evaluation Committee: This Committee shall be appointed by the President's Committee to evaluate seedlings in contention for Seedling of the Year awards.

It will be the Seedling Evaluation Committee's duty to determine the eligibility of a seedling for SOTY. If for some reason it is determined that a seedling should be disqualified it will be the responsibility of the Seedling Evaluation Committee Chairman to notify the hybridizer of the disqualification in writing.

k. Show and Judging Rules: The First Vice President shall chair this committee and recommend to the Board of Directors such rules for flower shows, exhibitor standards, and judging qualifications, and changes thereto, as deemed necessary.

l. Slide Bank: This committee shall accumulate a collection of color slides and establish a bank for the promotional use and convenience of the Society and component Chapters. The Chair shall, with approval of the Board of Directors, prescribe regulations governing the loan or rental of slides for promotional purposes.

Section 3 Other committees may be appointed by the President with the approval of the Board of Directors, as may be required. Such committees will be considered Special Committees and will cease to exist when their assigned task has been completed.

ARTICLE IX NOMINATIONS AND ELECTIONS

Section 1 National elections will be held at the Annual Convention during even-numbered years.

Section 2 Nominating Committee

a. At the annual convention during odd-numbered years, the President's Committee will elect a National Nominating Committee (NNC).

b. Such committee will include:

(1) One member from any state with two to five chapters.

2) One member from each telephone area code containing a chapter, in any state with five or more chapters.

(3) One member from the Atlantic and Caribbean islands.

(4) At least one, but no more than three, members-at-large.

c. The NNC will select a chairman (NNCC) to be responsible for associated administrative duties with the support, if desired, of the Executive Secretary.

d. The Committee will prepare a slate offering not less than one nominee for each elected Officer position, and not less than four nominees for elected Director positions. Permission of each nominee will be obtained. This slate will be presented by the NNCC to the Board of Directors as outlined in Section 3.

Section 3 Selection of Candidates for National Office.

a. Qualified individuals interested in being a candidate for national office may be nominated by:

(1) Notifying the NNCC of such desire before the fall membership meeting prior to the next annual election.

(2) Announcing candidacy in person at the fall membership meeting prior to the next annual election.

(3) Being nominated from the floor at the fall membership meeting prior to the next annual election.

b. At the fall meeting, the NNCC shall:

(1) Advise the Board of Directors of the slate prepared by the Committee.

(2) Call for nominations from the floor.

(3) Ask the assemblage if any among them wish to declare for nomination.

(4) Announce the final slate of nominees and declare the nominations closed.

c. The NNCC shall notify each Chapter President and The Seed Pod Editor in writing of the final slate of nominees no later than December 1st.

d. The slate of nominees shall be published in the Jan/Feb/Mar issue of The Seed Pod.

e. The NNCC shall prepare an official ballot prior to February 15th and forward a copy to The Seed Pod Editor for publication in the Apr/May/June issue of The Seed Pod.

f. Each nominee shall present a brief resume and photo to The Seed Pod Editor prior to February 15th for publication in the Apr/May/June issue of The Seed Pod.

Section 4

- a. Each membership in the Society, including at-large memberships, is entitled to vote in the biennial election of national officers and directors.
- b. The election will be conducted by secret ballot. Ballots will be mailed, by first class mail, to all memberships no later than April 10th of the election year. Completed ballots will be returned to the NNCC by June 1st.
- c. Tabulation of ballots will take place during the annual convention. Results will remain private until the outgoing President has been advised of the out come and introduces the new officers to the assemblage.
- d. In the case of an exact tie between two or more nominees for any elective position, memberships in attendance will vote by secret ballot for one of the nominees involved in the tie. The individual receiving the most votes will be announced as the new officer or director elect. This procedure may be repeated as often as necessary to gain a majority vote.
- e. Results of the national election shall be published in the next Seed Pod immediately following introduction of new officers. Results shall include all votes cast.

Section 5

- a. The nominee for each elective officer and four directors positions receiving the most votes shall be elected.
- b. Newly elected officers shall assume their duties immediately after installation by the outgoing President.
- c. The incoming President shall appoint a qualified member to fill any vacancy which may occur in the elected officers or directors positions of the Society, with approval of the Board of Directors.

ARTICLE X MEETINGS

Section 1 The Annual Membership Convention of the Society shall be held on the third weekend of each June, or on such other dates and in such place, as the Board of Directors determines is in the best interest of the Society.

Section 2

a. The Board of Directors shall hold not less than two meetings each year. These are to take place in the spring or fall, and at the Annual Convention. At the time of the Annual Meeting, the committees of the Society may meet at the call of the President, the Committee Chairperson, or a majority of the Board of Directors. The date and place of the next Annual Convention shall be among the last items on the agenda of each Annual Convention.

b. A notice of thirty days prior to the starting date of a meeting shall be given by the Executive Secretary to the Board of Directors and such other persons as may be concerned with such meetings.

c. Special meetings may be called by the Chairman of the Board of Directors.

ARTICLE XI FUNDS

Section 1 Except as noted below, no member of the Society may incur any liability or obligation in the name of the Society without prior approval of a majority of the Board of Directors.

Section 2

a. The Treasurer shall establish an operational fund for the three appointive offices, i.e., Executive Secretary, Treasurer, and Editor, not to exceed \$300.00 once a month for each office.

b. The Executive Secretary, Treasurer, and Editor may incur obligations for supplies and services, and other necessities of office. These items shall be documented and forwarded monthly to the National Treasurer for reimbursement.

c. Elected officers, and certain other positions approved by the Board of Directors, may be reimbursed for necessary expenses to the limit of their approved budget upon presentation of suitable documentation to the Treasurer.

d. Position or office notwithstanding, no individual affiliated with the Society shall incur any financial obligation in excess of \$300.00 per item without prior approval of a majority of the Board of Directors.

Section 3 Funds designated for specific purposes may be disbursed only upon recommendation and approval of the Board of Directors.

ARTICLE XII QUORUMS

A majority of the Board of Directors shall constitute a quorum. Members in good standing and in attendance shall constitute a quorum at the annual membership convention.

ARTICLE XIII ACTIVITY

Section 1 The Society shall at all times be operated exclusively for scientific, educational, and/or charitable purposes related to the study of hibiscus, their propagation, culture, care, and development.

Section 2

a. No part of the net income of the Society may, under any circumstance, inure to the benefit of any officer, director, member, private shareholder or other individual.

b. No substantial part of the activities of the Society shall consist of carrying on propaganda or otherwise attempting to influence legislation.

c. The Society shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

d. The Society shall at no time conduct or participate in any activity not permitted for an organization exempt from Federal income tax under Section 501©(3) of the Internal Revenue Code of 1954, as amended, contributions to which are deductible under Section 170 of the Internal Revenue Code, as amended, or the comparable provisions of any subsequent Federal tax law.

Section 3 Upon dissolution of the Society, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Society, distribute the assets of the Society exclusively for the educational, charitable, and/or scientific purposes of the Society directly or to an organization or organizations organized and operated exclusively for educational, charitable and/or scientific purposes as shall at the time qualify for exemption from Federal income taxes under Section 501©(3) of the Internal Revenue Code of 1954, as amended, or the comparable provisions of any subsequent Federal tax law, in the manner which will best carry out the educational, charitable and/or scientific purposes of the Society and shall, to the extent necessary, be approved by a court of competent jurisdiction.

ARTICLE XIV AMENDMENTS

The Bylaws may be amended at any Annual Convention of the Society, or any Special Convention called for the purpose, by a two-thirds vote of members present and voting, a minimum of thirty (30) days previous notice having been given. Publication of proposed amendments in the April issue of The Seed Pod will normally suffice for such notice.

ARTICLE XV PARLIAMENTARY AUTHORITY

Section 1 Robert's Rules of Order, Revised shall be used in conducting all meetings of this Society.

Section 2 A Parliamentarian shall be appointed by the President. This appointment is permanent at the discretion of the President's Committee. The Parliamentarian will be versed in the Robert's Rules of Order, Revised and shall advise the presiding Officer on points of parliamentary law as requested.

ARTICLE XVI CHAPTERS

Section 1 Chapters of the Society shall abide by the Bylaws of the Society, and must also adopt Bylaws for governing their own Chapters, said Bylaws not to conflict with those of the parent organization. Chapters shall use the format provided by the Society, and are encouraged to consult with the Chairman of the Bylaws Committee prior to preparing Chapter Bylaws.

Section 2

a. Each Chapter member shall also be a member of the Society. If a Chapter withdraws its affiliation from the Society, it can no longer use the name of the Society. The Chapter shall return its Charter to the Executive Secretary and all monies remaining, after payment of all financial obligations, shall be forwarded to the Society Treasurer.

b. Change of Membership Status:

(1) If an individual member of a disbanded Chapter wishes to become a MAL of the Society, current dues paid will be recognized and applied to MAL status. Written request for such action must be given to the National Treasurer.

(2) MALs may transfer to membership in a local Chapter upon written application to the Society Treasurer, signed by the member concerned and the Chapter President, on forms furnished by the Society.

(3) New dues of transfer members shall become payable on the first day of the calendar quarter nearest the expiration date of their current membership.

Section 3: Each Chapter shall meet a minimum of four times a year. Chapters may set their own method of meetings.

Section 4: All Chapter Officers shall be elected by chapter members.

Section 5 Chapter members shall pay dues as set by the Board of Directors.

Section 6 During the spring membership meeting of each calendar year, Chapter Presidents shall elect a Chairperson to represent the group. A vacancy shall be filled by election at the next membership meeting.

Section 7

a. New Chapters of the Society may be formed by a group of 10 or more individuals who shall elect a President Protem to petition the Executive Secretary as to procedures necessary to form a new chapter.

b. The Executive Secretary shall:

(1) Supply the group with a format for preparing chapter bylaws, a copy of the Society Bylaws, and other pertinent data.

(2) Advise the proposed chapter of a minimum 90-day waiting period, from the date of their petition, during which they should select a name for the chapter, elect chapter officers, prepare bylaws, and forward all requested documentation to the Executive Secretary.

(3) If requested, arrange for assistance to be given the proposed chapter in organization, publicity, etc., by a Board of Directors member.

(4) Advise the Board of Directors at their next meeting of the prospective chapter.

(5) After approval by the Board, notify the prospective chapter of any remaining waiting period and of the date they may be presented a Charter of Membership in the Society.

c. The method or manner of presentation of the Charter shall be at the discretion of the Society President and the new chapter.

Section 8 Local Chapters shall have jurisdiction over their annual shows and sanctioned exhibitions with the exception of services required and provided by the national organization (Show and Judging Rules Committee).

Section 9 Any chapter requesting a change of name from that on their charter shall forward a request in writing to the Executive Secretary. The request should be signed by the chapter president and at least three (3) other officers of the chapter. The Executive Secretary shall submit the request to the Society Board of Directors who shall either approve or deny the request by majority vote.

ARTICLE XVII - PERSONAL LIABILITY

Section 1 Neither the Board of Directors, nor any member or officer, shall have the power to bind the members or the individual directors or officers of the Society, personally. All persons or corporations extending credit to, contracting with, or having any claims against the Society, shall look only to the funds and property of the Society for payment of any debt, damage, judgment, or decree, or any money that may otherwise become due or payable to them from the Society, so that neither the members nor the directors, nor the officers, present or future, shall be personally liable therefor.

Section 2 Except as otherwise provided by law, and only to the extent covered and actually paid by insurance policies maintained by the Society, each member, director, and officer of the Society shall be entitled, without prejudice to any other rights which he may have, to be reimbursed by the Society for, and indemnified by the Society against, all legal costs and other expenses reasonably incurred by him in connection with or arising out of any claim, action, suit or proceeding of whatever nature in which he may be involved as a party or otherwise or with which he may be threatened by reason of his having been a member or having served as a director or officer of the Society or by reason of any action alleged to have been taken or omitted by him as such member, director or officer, whether or not he continues to be such member, director or officer at the time of incurring such costs or expenses, including amounts paid or incurred in connection with reasonable settlements (other than amounts paid to the Society itself). No such reimbursement or indemnity shall be paid or made for any expense incurred or settlement made by such member, director or officer in connection with any matter as to which he shall be finally adjudged in any such action, suit or proceeding to have been derelict in the performance of his duty as such member director or officer. In no event shall anything herein contained be construed so as to obligate the Society to indemnify any such member, director or officer against any costs or expenses incurred or settlement made in connection with any matter arising out of or resulting from his own negligence or willful misconduct. The Society, its members, directors, officers, and employees shall not be liable to anyone for making any determination as to the existence or absence of liability of the Society hereunder or for making or refusing to make any payment hereunder on the basis of such determination or for taking or omitting to take any other action hereunder in reliance upon advice of counsel.