SAE International™

"The society dedicated to advancing mobility engineering worldwide"

Bylaws

April 2009

Figures in parentheses show the effective date of the provisions as worded. In some cases, changes from prior versions are slight. Changes in numbering only are not dated.

ARTICLE I – NAME

The name of this corporation is
SAE INTERNATIONAL. (04/04/2006)

ARTICLE II – PURPOSES

The purposes of 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. (04/04/2006)

ARTICLE III – MEMBERSHIP

Section 1
Grades of Membership - SAE shall have the following grades of membership:
Honorary
Fellow
Member
Associate
Joint
Student
(04/21/2009)

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 enables 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:

Section 3.1
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 Immediate Past President. (04/04/2006)

Section 3.2
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, which have been members of SAE or an Affiliate for at least ten (10) years, and are voting members of SAE or an Affiliate at the time of their election to Fellow grade. In special cases, at the discretion of the Fellows Committee, the term of SAE or an Affiliate membership may be reduced to five (5) years if it can be established that the nominee was actively involved for at least ten (10) years in work that provided outstanding support for SAE or an Affiliate activities. Nomination for election to Fellow grade shall be made by voting members. Nominations shall be considered by the Fellows Committee and recommended to the Board for approval. Status as a Fellow member shall begin upon approval by the Board. (04/21/2009)

Section 3.3
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. (04/17/2007)

Section 3.4
Associate - Associates shall be individuals whose association supports the objectives of SAE but do not meet the requirements of a member. (04/21/2009)

Section 3.5
Joint - Joint members shall be members in good standing of an organization with which SAE has a joint membership agreement. (04/21/2009)

Section 3.6
Student - Student members shall at the time of application be high-school seniors or post-secondary students pursuing studies leading to a college degree. (04/21/2009)

Interpreting and determining the requirements defined in Sections 3.3 through 3.6, shall be made by a committee of the Board. (04/21/2009)

Section 4
Application for Membership or Change of Grade
All applications for membership or change of grade, except a change to Honorary grade or Fellow grade, shall be made in writing to SAE on application forms furnished for that purpose. All applications, except applications for Student grade, shall be submitted to a committee of the Board, which shall consider and act upon each application. Election to Student grade shall be effective upon submission to a committee of the Board of proof of qualification. (04/21/2009)

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 - A committee of the Board may provide for the issuance or replacement of a certificate evidencing membership in SAE, to be in such form as they from time to time prescribe. The name and address of each member and the date of issuance of the certificate shall be entered on the records of SAE. (04/21/2009)

Section 7
SAE Emblem - The right to use the SAE emblem shall not be granted to any member and is only for SAE purposes.

Section 8
Resignations - Any member may resign by submitting a written resignation to a committee of the Board, which shall become effective upon receipt or at such later time as specified therein. Resignation shall not relieve the member of the obligation to pay unpaid dues or other accrued or unpaid charges to SAE. (04/21/2009)

Section 9
Suspension and Expulsion - Upon written notice from a committee of the Board, the membership of any member may be suspended or terminated for nonpayment of dues for a period of three (3) months from the date such charges become payable, violation of these Bylaws or any agreement, rule, or regulation adopted by SAE, or any other conduct prejudicial to the best interests of SAE. Written notice with a twenty (20) day opportunity to cure the reason for the suspension or expulsion shall be sent by registered mail to the member's mailing address as it appears on the books of SAE. Final action shall occur upon the expiration of the cure period. No dues, assessments, or other charges shall be refunded to any member whose membership has been terminated. (04/21/2009)

Section 10
Reinstatement - Upon written request signed by a former member and submitted to a committee of the Board, a former member may, if approved by a committee of the Board, be reinstated to membership upon such terms and conditions as a committee of the Board deems appropriate. (04/21/2009)

Section 11
Transfer of Membership Rights - The rights and privileges of 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 - A committee of the Board 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 a committee of the Board may prescribe. (04/21/2009)

Section 13
Voting Members of Record - The date of record for determining eligibility of a voting member shall be sixty (60) days prior to any action to be taken at the annual meeting or any special meeting of the members.

Section 14
Participation - SAE is a global organization, and as such, makes its programs, products, and services available to those interested and membership available to those who meet its criteria for membership. 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 or regulations. (04/21/2009)

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. 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 (5) 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. (04/04/2006)

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 by delivering a petition to the Secretary with a petition of signatures equal to at least one-tenth of the voting members as of the previous fiscal year end. 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 (5) days prior to the day of the meeting. (04/21/2009)

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
Election of Directors and Officers: Other Action - The election of Directors and Officers shall be by the voting members using any secure means approved by the Board. Written notice of the vote, stating the day and time the voting period will open and close shall be provided to each voting member at least

five (5) days prior to the day of such vote. The vote of a majority of at least fifty (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 and take any action. At the conclusion of any vote the Secretary shall certify the results of the vote to the membership. The Board may from time to time utilize any secure means of voting to take other action required of the voting members. (04/21/2009)

Section 4
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 eleven (11) months from the date of its execution.

Section 5
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 fifty (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. (04/04/2006)

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 Chair shall be the President Elect. If the President Elect is not available, then the Chair shall be selected from among the Board by the voting members present. The Secretary shall take the minutes of the meeting. In the absence of the Secretary the Assistant Secretary, shall take the minutes of the meeting. (04/21/2009)

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 fifty (50), or one tenth of all the voting members, whichever number is the lesser. (04/04/2006)

ARTICLE V – BOARD OF DIRECTORS

Section 1
Responsibilities - The Board 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 Board shall consist of the President, Vice President- Aerospace, Vice President-Automotive, Vice President-Commercial Vehicle, Treasurer, Assistant Treasurer, Immediate Past President , President Elect, Secretary (nonvoting), and up to eighteen (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 (nonvoting) with the convening of the next Board meeting immediately following selection as President Nominee. The Directors shall be divided into three (3) classes in respect to their terms of office such that approximately one-third of the total number of Directors are elected each year. The Chief Executive Officer shall be a nonvoting member of the Board. (04/21/2009)

Section 3
Terms of Office - The Directors elected to succeed those of a class whose terms expire shall hold office for three (3) years and shall not be eligible for immediate re-election provided, however that a Director nominated to serve as an Officer may be elected to an additional term as a Director that is coterminous with the term of the Officer position. Appointment by the Board to fill a vacancy shall not be considered an election. Directors shall be nominated by the Executive Nominating Committee. Only voting members are eligible to be nominated and elected as Directors. (04/21/2009)

Section 4
Meetings of the Board - The annual meeting of the Board shall be held 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 the annual meeting. (04/21/2009)

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 a regular meeting.

Special meetings of the Board may be called at any time by the Board, the President, or any three (3) 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(s) 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 (10) days prior to the day of the meeting. (04/04/2006)

The organizing meeting of the newly elected Board shall occur at the first meeting following their election. (04/21/2009)

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. (04/04/2006)

The President or in the absence of the President the Immediate Past President shall Chair all meetings of the Board. In the absence of the President and the Immediate Past President, the President Elect or if not available, the Board members present shall select a Board member to be Chair. The Secretary shall take the minutes of the meeting. In the absence of the Secretary the Assistant Secretary shall take the minutes of the meeting. (04/21/2009)

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 the Secretary 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. (04/21/2009)

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. (04/04/2006)

Section 8
Emergency Provisions - Notwithstanding any other provisions of law, the Articles of Incorporation 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 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. (04/21/2009)

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 - Any vacancy among the Directors shall be filled for the unexpired term by the majority vote of the remaining Directors, even though less than a quorum. The person selected to fill the vacancy shall be selected from among the voting members; provided, however, that a vacancy in the office of President shall be filled by a person selected from among the other Board members. The Board may declare any elective office vacant on the failure of its incumbent to perform the duties of the office. (04/21/2009)

ARTICLE VI – OFFICERS

Section 1
Executive Officers - The executive Officers of SAE shall be the President, Vice President-Aerospace, Vice President-Automotive, Vice President-Commercial Vehicle (the Sector Vice Presidents), Treasurer and Assistant Treasurer. The Board shall appoint a Chief Executive Officer and a Secretary. (04/21/2009)

Section 2
Election - The President, Treasurer, and Assistant Treasurer shall be nominated by the Executive Nominating Committee and shall be elected by the voting members. Annually, the President shall recommend and the Board shall nominate one (1) person as a Sector Vice President to be elected by the voting members. (04/21/2009)

Section 3
Terms of Office - The President shall serve a one (1) year term and shall not be eligible for re-election. Each Sector Vice President shall serve a three (3) year term and shall not be eligible for election to the same office for a second term. The Treasurer and Assistant Treasurer shall each serve a two (2) year term unless re-elected for another two (2) year term. Each shall hold office commencing with the convening of the organizing meeting of the new Board or until the Officer's earlier death, resignation, or removal. Appointment by the Board to fill a vacancy shall not be considered an election. (04/21/2009)

Section 4
Eligibility - Only voting members are eligible to be nominated and elected as Officers of SAE. (04/21/2009)

Section 5
The President - The President shall be the chief elective officer of SAE, shall preside as Chairman of the Board at all meetings of the members and the Board, and shall be a member, without vote, of all other committees and operating 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 makes 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. (04/21/2009)

Section 6
The Chief Executive Officer - The Chief Executive Officer 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 Chief Executive Officer shall be a member, without vote, of all other committees and boards of SAE, and sub-divisions thereof. The Chief Executive Officer shall exercise such other powers and duties as may be prescribed from time to time by the Board or the President. (04/21/2009)

Section 7
The Secretary - 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. (04/21/2009)

Section 8
The Assistant Secretary - Assistant Secretary is appointed on an annual basis by the Board. The Assistant Secretary shall assist the Secretary in the performance of the duties of Secretary and shall exercise such other powers and duties as may be assigned 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, the Assistant Secretary shall perform the duties of Secretary. (04/21/2009)

Section 9
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. Preference should be given to individuals who have served both on the Board 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. (04/21/2009)

Section 10
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. Preference should be given to individuals who have served both on the Board 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. (04/21/2009)

Section 11
The Sector Vice Presidents - There shall be three (3) Sector Vice Presidents each serving a three (3) year term. The election of the Sector Vice Presidents will be staggered, electing one (1) Sector Vice President each year. The Sector Vice Presidents will support and advise the President on key areas within the mobility sector they represent. In the absence of the President, the Sector Vice Presidents will act as the chief spokesperson for the mobility sector which they represent. (04/21/2009)

Section 12
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 13
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 – COMMITTEES AND OPERATING BOARDS (04/21/2009)

The Board may establish committees and operating boards to help carry out its responsibilities. Because the Board operates with a single voice, unless as otherwise provided in these Bylaws, these groups shall not be used as a substitute for the action of the Board. Committees have a longer term and consist of Board and non-Board members. Operating boards are accountable directly to the Board and are governed by policies established by the Board. (04/21/2009)

Section 1
Bylaws Committee - The Bylaws Committee shall consist of three members, one member to be appointed each year by the President, with approval by the Board, for a three year term. The purpose of the Committee is to review the SAE Bylaws on a regular basis, and report to the Board any questions, problems and/or recommendations arising with respect to the Bylaws. (04/21/2009)

Section 2
Executive Nominating Committee - The Executive Nominating Committee (herein called the "ENC") 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. (04/21/2009)

The ENC shall consist of one (1) Past President, who shall Chair the ENC; one (1) nonvoting representative of SAE staff selected by the Chief Executive Officer, three (3) sector representatives one being selected by each Sector Vice President, 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 ENC shall be voting members of SAE and may not be represented by a proxy at meetings of the ENC. (04/21/2009)

The President and Sector Vice-Presidents shall be nonvoting, ex-officio members of the ENC. (04/21/2009)

Prior to the first regular Board meeting which follows the organizing meeting of a new 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: (04/21/2009)

(a) First, a Past President willing to serve as Chair of the ENC, and (04/21/2009)

(b) Then, an alternate, willing to attend in anticipation of being called and to serve if called. (10/31/2007)

A Past President representative shall not concurrently serve on the ENC as a Board member representative or a Sector representative or as an operating board representative. (04/21/2009)

The Chair of the operating boards shall each appoint a single representative to the ENC, with overlapping terms among the operating boards to ensure continuity. Representatives so selected may not be represented by a proxy at meetings of the ENC. (04/21/2009)

Any voting member may, if they wish, participate in the nomination process by suggesting potential candidates to the ENC. (04/21/2009)

Two methods exist for this purpose:

(a) Voting members may send the name and address of such candidate(s) to the Secretary, who will transmit the information to the ENC. The ENC may then develop the necessary background information on the qualifications of such candidate(s). (04/21/2009)
(b) Voting members may also write or call the Secretary to obtain a nomination form. All such forms must be submitted to the Secretary by the date designated on the form. The Secretary will convey to the Chair of the ENC 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 ENC for that period of time required to personally present the credentials of the potential candidate(s). (04/21/2009)

The policies governing the ENC shall be approved by the Board. (04/21/2009)

The Board 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. (04/21/2009)

Section 3
Fellows Committee - The Fellows Committee shall consist of not more than twelve members of SAE. The Fellows Committee oversees the Fellow nomination process. The Committee will evaluate all nominations and make recommendations to the

Board for approval and election to Fellow grade membership. (04/21/2009)

Section 4
Finance Committee - The Finance Committee shall consist of the Treasurer, the Assistant Treasurer and eight members appointed by the President with approval by the Board. One of the appointed members shall be appointed to Chair the Committee. Two members shall be appointed each year for a four year term. Upon completion of a four year term, such members shall not be eligible for reappointment until one year has lapsed. The purpose of the Finance Committee is to supervise the financial affairs of SAE, subject to the financial management policy as approved by the Board. The Finance Committee reports periodically to the Board by presenting a statement of SAE's financial condition at each regular Board meeting. (04/21/2009)

Section 5
Financial Audit Committee - The Financial Audit Committee shall consist of, but not be limited to, the Immediate Past President, the Treasurer, Assistant Treasurer and Chairman of the Finance Committee. The Treasurer shall serve as the Chairman of the Committee. The purpose of the Committee is to (i) select the independent auditor to audit SAE's financial condition on an annual basis, (ii) review the audit report submitted to the Committee by the Auditor and (iii) and communicate the Auditor's recommendations to the Finance Committee and Board. (04/21/2009)

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 may from time to time determine. Facsimile signatures on checks may be used if authorized by the Board. (04/21/2009)

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 Chief Executive Officer, 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. (04/21/2009)

Section 3
Voting and Acting with Respect to Stock and Other Securities Owned by SAE - The President, Chief Executive Officer, Treasurer, or 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. (04/21/2009)

ARTICLE IX - MEMBER AND NONMEMBER UNITS

Section 1
Member Units - The Board may authorize the organization of SAE Sections, Groups, Divisions and Student Chapters. They shall have such powers and conform to such rules and regulations as the Board may prescribe. (04/21/2009)

Section 2
Nonmember Units - The Board may authorize the organization of unincorporated societies or institutes that further the purposes of SAE and are consistent with the requirements of tax-exempt status. Final management authority shall reside with the Board and shall be subject to the policies adopted by the 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 SAE policy. All rules and procedures will be subject to the approval of the 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. (04/21/2009)

Section 3
SAE Affiliate - An SAE Affiliate is an organization, which the Board has designated as being an affiliate. (04/21/2009)

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

Section 1
Right to Indemnification - 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. Every Director and Officer of SAE shall be entitled as of right to be indemnified by SAE against expenses and any liabilities paid or incurred by such person in connection with any actual or threatened claim, action, suit or proceeding, civil, criminal, administrative, investigative or other, whether brought by or in the right of SAE or otherwise, in which he or she may be involved in any manner, as a party, witness or otherwise, or is threatened to be made so involved, by reason of such person being or having been a Director or officer of SAE or by reason of the fact that such person is or was serving at the request of SAE as a Director, officer, employee, fiduciary or other representative of another corporation, partnership, joint venture, trust, employee benefit plan or other entity (such claim, action, suit or proceeding hereinafter being referred to as "Action"); provided, that no such right of indemnification shall exist with respect to an Action initiated by an indemnitee (as hereinafter defined) against SAE (an "Indemnitee Action") except as provided in the last sentence of this Article X, Section 1. Persons who are not Directors or officers of SAE may be similarly indemnified in respect of service to SAE or to another such entity at the request of SAE to the extent the Board at any time denominates any of such persons as entitled to the benefits of this Article. As used in this Article X, "indemnitee" shall include each Director and officer of SAE and each other person denominated by the Board as entitled to the benefits of this Article X; "expenses" shall mean all expenses actually and reasonably incurred, including fees and expenses of counsel selected by an indemnitee, and "liabilities" shall mean amounts of judgments, excise taxes, fines, penalties, and amounts paid in settlement. An indemnitee shall be entitled to be indemnified pursuant to this Article X, Section1 for expenses incurred in connection with any Indemnitee Action only (i) if the Indemnitee Action is instituted under Article X, Section 3 and the indemnitee is successful in whole or in part in such Action, (ii) if the indemnitee is successful in whole or in part in another Indemnitee Act for which expenses are claimed or (iii) if the indemnification for expenses is

included in a settlement of, or is awarded by a court in, such other Indemnitee Action. (04/21/2009)

Section 2
Right to Advance of Expenses - Every indemnitee shall be entitled as of right to have his or her expenses in defending any Action, or in initiating and pursuing any Indemnitee Action for indemnity or advancement of expenses under Article X, Section 3 of this Article X, paid in advance by SAE prior to final disposition of such Action or Indemnitee Action, 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. (04/21/2009)

Section 3
Right of Indemnitee to Initiate Action - If a written claim under Article X, Section 1 or Article X, Section 2 of this Article X is not paid in full by SAE within thirty days after such claim has been received by SAE, the indemnitee may at any time thereafter initiate an Indemnitee 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. The only defense to an Indemnitee Action to recover on a claim for indemnification under Article X, Section 1 shall be that the indemnitee's conduct was such that under Pennsylvania law SAE is prohibited from indemnifying the indemnitee for the amount claimed, but the burden of proving such defense shall be on SAE. Neither the failure of SAE (including its Board and independent legal counsel) to have made a determination prior to the commencement of such Indemnitee Action that indemnification of the indemnitee is proper in the circumstances nor an actual determination by SAE (including its Board and independent legal counsel) that the indemnitee's conduct was such that indemnification is prohibited by Pennsylvania law shall be a defense to such Indemnitee Action or create a presumption that the indemnitee's conduct was such that indemnification is prohibited by Pennsylvania law. The only defense to an Indemnitee Action to recover on a claim for advancement of expenses under Article X, Section 2 shall be the indemnitee's failure to provide the undertaking required by Article X, Section 2. (04/21/2009)

Section 4
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 X. SAE may create a trust fund, grant a security interest, cause a letter of credit to be issued or use other means (whether or not similar to the foregoing) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein. (04/21/2009)

Section 5
Non-Exclusivity; Nature and Extent of Rights - The rights to indemnification and advancement of expenses provided for this Article X shall (i) not be deemed exclusive of any other rights, whether now existing or hereafter created, to which any indemnitee may be entitled under any agreement or bylaw, charter provision, vote of shareholders or Directors or otherwise, (ii) be deemed to create contractual rights in favor of each indemnitee who serves SAE at any time while this Article X 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 as ceased to have the status pursuant to which he or she was entitled or was denominated as entitled to indemnification under this Article X and shall inure to the benefit of the heirs and legal representatives of each indemnitee. Any amendment or repeal of this Article X or adoption of any Bylaw or provision of the Articles of SAE which has the effect of limiting in any way the rights to

indemnification or advancement of expenses provided for in this Article X shall operate prospectively only and shall not affect any action taken, or failure to act by an indemnitee, prior to such amendment or repeal or such adoption Bylaw or other provision. (04/21/2009)

Section 6
Partial Indemnity - If an indemnitee is entitled under any provision of this Article X to indemnification by SAE for some or a portion of the expenses or liabilities paid or incurred by the indemnitee in the preparation, investigation, defense, appeal or settlement of any Action or Indemnitee Action, but not, however, for the total amount thereof, SAE shall indemnify the indemnitee for the portion of such expenses or liabilities to which the indemnitee is entitled. (04/21/2009)

Section 7
Applicability of Article - This Article X 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 or duty or any failure of performance of duty by an indemnitee occurring on or after January 27, 1987. (04/21/2009)

ARTICLE XI – GENERAL PROVISIONS

Section 1
Offices - The principal office of SAE shall be at 400 Commonwealth Drive, Warrendale, Pennsylvania 15096-0001 USA. 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 may from time to time prescribe. (04/21/2009)

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. (04/04/2006)

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
Individual Participation - Individuals are elected or appointed to 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. (04/04/2006)

Section 7
Official Publication - The Board shall designate from time to time which of its publications is the official publication of SAE. (04/21/2009)

Section 8
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 9
Written Notices - Written notice can be through email, website, forums, WebEx, newsletters, or mail. (04/04/2006)

ARTICLE XII - AMENDMENTS TO THE BYLAWS

Section 1
These Bylaws as in effect from time to time may be amended, altered, and repealed and new Bylaws may be adopted at any annual or special meeting of the voting members duly convened, 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. (04/21/2009)

Section 2
An amendment to these Bylaws may be proposed by the Board 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 bearing the signatures of at least fifty (50) voting members. (04/21/2009)

Section 3
The amendment shall take effect immediately upon the announcement of the results of the vote by the Secretary, unless otherwise provided at the time the amendment is submitted to the voting members. (04/21/2009)