

BY-LAWS

DUFFORD TERRACE, INC.

ARTICLE I - OFFICES

1. The registered office of the corporation shall be at 2216 Peach Street, Erie, Pennsylvania 16502.

2. The corporation may also have offices at such other places as the Board of Directors may from time to time appoint or the activities of the corporation may require.

ARTICLE II - SEAL

1. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Pennsylvania".

ARTICLE III - MEMBERS

1. The members of this corporation shall be all of the confirmed members of the Congregation of St. John's Lutheran Church as said confirmed membership is established by the Rules and Regulations of said Church.

2. The Board of Directors, by affirmative vote of two-thirds of all of the members of the Board, may suspend or expel a member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member whose activities shall be deemed highly detrimental to the best interest of the corporation.

3. Upon written request signed by a former member and filed with the Secretary, the Board of Directors may, by the affirmative vote of two-thirds of the members of the Board, reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

4. Membership in this corporation is not transferable or assignable.

#### ARTICLE IV - MEETINGS OF MEMBERS

1. Meetings of the members shall be held at 2216 Peach Street, Erie, Pennsylvania 16502, or at such other place or places, either within or without the Commonwealth of Pennsylvania, as may from time to time be fixed by the Board of Directors.

2. The annual meeting of the members shall be held coincident with the annual meeting of the Congregation of St. John's Lutheran Church held in October of each year. At said meeting, the members shall elect a Board of Directors and transact such other business as may properly be brought before the meeting. If the annual meeting shall not be called and held within six (6) months after the designated time, any member may call such meeting.

3. Special meetings of the members may be called at any time by the President, or the Board of Directors, or members entitled to cast at least ten percent (10%) of the votes which all members are entitled to cast at the particular meeting. At any time, upon written request of any person who has called a special meeting, it shall be the duty of the Secretary to fix the time of the meeting which shall be held not more than sixty days after the receipt of the request. If the Secretary shall neglect or refuse to fix the time of the meeting, the person or persons calling the meeting may do so. Business transacted at all special meetings shall be confined to the objects stated in the call and matters germane thereto.

4. Written notice of every meeting of the members, stating the time, place and object thereof, shall be given by, or at the direction of, the Secretary to each member of record entitled to vote at the meeting, at least 14 days prior to the day named for the meeting, unless a greater period of notice is required by statute in a particular case. If the Secretary shall neglect or refuse to give notice of the meeting, the person or persons calling the meeting may do so. In the case of a special meeting, the notice shall specify the general nature of the business to be transacted.

5. Persons authorized or required to give notice of a meeting of members may, in lieu of any written notice of a meeting of members required to be given, give notice of such meeting by causing notice of such meeting to be officially

published. If eighty percent (80%) of the members of record entitled to vote at the meeting do not have addresses of record within the territory of general circulation of the newspapers required for official publication, the notice shall also be published in newspapers which have an aggregate territory or general circulation which includes the addresses of record of at least eighty percent (80%) of such members of record.

6. A meeting of members duly called shall not be organized for the transaction of business unless a quorum is present. The presence in person of fifty (50) of the members entitled to vote shall constitute a quorum at all meetings of the members for the transaction of business except as may be otherwise provided by law or by the Articles of Incorporation. The members present at a duly organized meeting can continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum. If a meeting cannot be organized because a quorum has not attended, those present may, except as otherwise provided by statute, adjourn the meeting to such time and place as they may determine, but in the case of any meeting called for the election of directors, those who attend the second of such adjourned meetings, although less than a quorum, shall nevertheless constitute a quorum for the purpose of electing directors. In the case of any meeting called for any other purpose, those who attend the second of such adjourned

meetings, although less than a quorum, shall nevertheless constitute a quorum for the purpose of acting upon any resolution or other matter set forth in the notice of the meeting, if written notice of such second adjourned meeting, stating that those members who attend shall constitute a quorum for the purpose of acting upon such resolution or other matter, is given to each member of record entitled to vote at such second adjourned meeting at least ten days prior to the day named for the second adjourned meeting.

7. Any action which may be taken at a meeting of the members or of a class of members may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all of the members who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary of the corporation.

8. Every member of the corporation shall be entitled to one vote. No member shall sell his vote for money or anything of value. Upon request of a member, the books or records of membership shall be produced at any regular or special meeting of the corporation. If at any meeting the right of a person to vote is challenged, the presiding officer shall require such books or records to be produced as evidence of the right of the person challenged to vote, and all persons who appear by such books or records to be members entitled to vote may vote. The right of a member to vote, and his right, title and interest in or to the corporation or its property, shall cease on the termination of his membership.

9. Voting may be by ballot, mail or any reasonable means determined by the Board of Directors. Elections for directors need not be by ballot except upon demand made by a member at the election and before the voting begins.

10. In advance of any meeting of members, the Board of Directors may appoint judges of election, who need not be members, to act at such meeting or any adjournment thereof. If judges of election are not so appointed, the presiding officer of any such meeting may, and on the request of any member shall, make such appointment at the meeting. The number of judges shall be one or three. No person who is a candidate for office shall act as a judge.

#### ARTICLE V - DIRECTORS

1. The business and affairs of this corporation shall be managed by its Board of Directors, 16 in number, who shall be natural persons of full age and who need not be residents of this Commonwealth. One of said members shall be deemed a member-at-large and need not be a member of this corporation. All other members of said Board shall be members of the corporation. Thirteen of said Directors shall be elected by the members of the corporation at its annual meeting and, in addition thereto, each Pastor of St. John's Lutheran Church and the President of the Church Council shall be members of said Board. The balance of said members shall serve a three year term and, with the exception of the member-at-large, shall not be eligible for re-election until after a one year period from the expiration of their prior term. At the initial meeting of the members, the 13 Directors to be elected shall be divided into three classes, two of four members and one of five members, and one class

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shall be elected for a one year term, one class for a two year term, and the third class for a three year term. Directors elected at the initial meeting for a one year term and a two year term may succeed themselves in office at the next annual election without waiting one year as aforesaid.

2. In addition to the powers and authorities by these By-Laws expressly conferred upon them, the Board of Directors may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles or by these By-Laws directed or required to be exercised or done by the members.

3. The meetings of the Board of Directors may be held at such times and at such place or places within this Commonwealth, or elsewhere, as a majority of the Directors may from time to time appoint, or as may be designated in the notice calling the meeting, with the exception of the annual meeting of the Board of Directors which shall be held no later than one hour subsequent to the annual meeting of the members of the corporation.

4. Written or personal notice of every meeting of the Board of Directors shall be given to each Director at least seven (7) days prior to the day named for the meeting.

5. A majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business and the acts of a majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the corporation.

6. The Board of Directors may, by resolution adopted by a majority of the directors in office, establish one or more committees to consist of one or more directors of the corporation. Any such committee, to the extent provided in the resolution of the Board of Directors or in the By-Laws, shall have and may exercise all of the powers and authority of the Board of Directors, except that no such committee shall have any power or authority as to the following:

- (a) The submission to members of any action required by statute to be submitted to the members for their approval.
- (b) The filling of vacancies in the Board of Directors.
- (c) The adoption, amendment or repeal of the By-Laws.
- (d) The amendment or repeal of any resolution of the Board.
- (e) Action on matters committed by the By-Laws or resolution of the Board of Directors to another committee of the Board.

7. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another director to act at the meeting in the place of any such absent or disqualified member. Each committee of the Board shall serve at the pleasure of the Board.

8. The Board of Directors shall have the authority to fix the compensation of directors for their services as such, and a director may also be a salaried officer of the corporation.



9. The entire Board of Directors, or a class of the Board, where the Board is classified with respect to the power to select directors, or any individual director, may be removed from office without assigning any cause by the vote of members entitled to cast at least a majority of the votes which all members present would be entitled to cast at any annual or other regular election of the directors or of such class of directors. In case the Board or such a class of the Board or any one or more directors are so removed, new directors may be elected at the same meeting. If members are entitled to vote cumulatively for the Board or a class of the Board, no individual director shall be removed unless the entire Board or class of the Board is removed in case sufficient votes are cast against the resolution for his removal, which, if cumulatively voted at an annual or other regular election of directors, would be sufficient to elect one or more directors to the Board or to the class.

10. The Board of Directors may declare vacant the office of a director if he is declared of unsound mind by an order of court or is convicted of felony, or if within sixty days after notice of his selection, he does not accept such office either in writing or by attending a meeting of the Board of Directors, and fulfill such other requirements of qualification as the By-Laws may specify.

11. Any member who does not attend twenty-five per cent. (25%) of the Board meetings in any given corporate year shall forfeit his position on the Board unless the Board shall either excuse said absences and/or determine that the best interests of the corporation are served by the continuance of said member on the Board.

## ARTICLE VI - OFFICERS

1. The executive officers of the corporation shall be members chosen by the Board, and shall be a President, Vice President, Secretary, Treasurer and such other officers and assistant officers as the needs of the corporation may require. The officers shall be natural persons of full age. They shall hold their offices for a term of one year and shall have such authority and shall perform such duties as are provided by the By-Laws and as shall from time to time be prescribed by the Board. It shall not be necessary for the officers to be directors and any number of offices may be held by the same person. The Board of Directors may secure the fidelity of any or all such officers by bond or otherwise.

2. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights of any person so removed.

3. The President shall be the chief executive officer of the corporation; he shall preside at all meetings of the members and directors; he shall have general and active management of the affairs of the corporation; shall see that all orders and resolutions of the Board are carried into effect, subject, however, to the right of the directors to delegate any specific

powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the corporation. He shall execute bonds, mortgages and other documents requiring a seal, under the seal of the corporation. He shall be EX-OFFICIO a member of all committees and shall have the general powers and duties of supervision and management usually vested in the office of President.

4. The Vice President shall act in all cases for and as the President in the latter's absence or incapacity, and shall perform such other duties as he may be required to do from time to time.

5. The Secretary shall attend all sessions of the Board and all meetings of the members and act as clerk thereof, and record all the votes of the corporation and the minutes of all its transactions in a book to be kept for that purpose; and shall perform like duties for all committees of the Board of Directors when required. He shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. He shall keep in safe custody the corporate seal of the corporation, and when authorized by the Board, affix the same to any instrument requiring it.

6. The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate accounts

of receipts and disbursements in books belonging to the corporation, and shall keep the moneys of the corporation in a separate account to the credit of the corporation. He shall disburse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors, at the regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the corporation. The Treasurer shall always be bonded.

#### ARTICLE VII - VACANCIES

1. If the office of any officer or agent, one or more, becomes vacant for any reason, the Board of Directors may choose a successor or successors, who shall hold office for the unexpired term in respect of which such vacancy occurred.

2. Vacancies in the Board of Directors, including vacancies resulting from an increase in the number of directors, shall be filled by a majority of the remaining members of the Board, though less than a quorum, and each person so elected shall be a director until his successor is elected by the members, who may make such election at the next annual meeting of the members, or at any special meeting duly called for that purpose and held prior thereto.

#### ARTICLE VIII - BOOKS AND RECORDS

1. The corporation shall keep an original or duplicate

record of the proceedings of the members and the directors, the original or a copy of its By-Laws, including all amendments thereto to date, certified by the Secretary of the corporation, and an original or a duplicate membership register, giving the names of the members, and showing their respective addresses and the class and other details of the membership of each. The corporation shall also keep appropriate, complete and accurate books or records of account. The records provided for herein shall be kept at either the registered office of the corporation in this Commonwealth, or at its principal place of business wherever situated.

2. Every member shall, upon written demand under oath stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the membership register, books and records of account, and records of the proceedings of the members and directors, and to make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to the interest of such person as a member. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the member. The demand under oath shall be directed to the corporation at its registered office in this Commonwealth or at its principal place of business wherever situated.

## ARTICLE IX - TRANSACTION OF BUSINESS

1. The corporation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by a vote of majority of the members present at a duly convened meeting thereof. If the real property is subject to a trust, the conveyance away shall be free of trust and the trust shall be impinged upon the proceeds of such conveyance.

2. Whenever the lawful activities of the corporation involve among other things the charging of fees or prices for its services or products, it shall have the right to receive such income and, in so doing, may make an incidental profit. All such incidental profits shall be applied to the maintenance and operation of the lawful activities of the corporation, and in no case shall be divided or distributed in any manner whatsoever among the members, directors or officers of the corporation.

3. All checks or demands for money and notes of the corporation shall be signed by such officer or officers as the Board of Directors may from time to time designate.

## ARTICLE X - ANNUAL REPORT

1. The Board of Directors shall present annually to the members a report, verified by the President and Treasurer or by a majority of the directors, showing in appropriate detail the following:

(a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year immediately preceding the date of the report.

(b) The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report.

(c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.

(d) The expenses or disbursements of the corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the corporation.

(e) The number of members of the corporation as of the date of the report, together with a statement of increase or decrease in such number during the year immediately preceding the date of the report, and a statement of the place where the names and addresses of the current members

may be found.

This report shall be filed with the minutes of the meeting of members.

#### ARTICLE XI - NOTICES

1. Whenever written notice is required to be given to any person, it may be given to such person, either personally or by sending a copy thereof by first class mail, postage prepaid, or by telegram, charges prepaid, to his address appearing on the books of the corporation or, in the case of directors, supplied by him to the corporation for the purpose of notice. If the notice is sent by mail or by telegram, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or with a telegraph office for transmission to such person. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by statute or these By-Laws. When a special meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

2. Whenever any written notice is required to be given under the provisions of the statute or the Articles or By-Laws of this corporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Except as otherwise required by statute, neither the



business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting. In the case of a special meeting of members, such waiver of notice shall specify the general nature of the business to be transacted. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

#### ARTICLE XII - MISCELLANEOUS PROVISIONS

1. The fiscal year of the corporation shall begin on the first day of October.
2. One or more persons may participate in a meeting of the Board or of the members by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.
3. So long as the corporation shall continue to be organized on a nonstock basis, the Board of Directors shall have authority to provide for the members to make capital contributions in such amounts and upon such terms as are fixed by the directors in accordance with the provisions of Section 7541 of the Nonprofit Corporation Law of 1972.

4. The Board of Directors, by resolution, may authorize the corporation to accept subventions from members or nonmembers on terms and conditions not inconsistent with the provisions of Section 7542 of the Nonprofit Corporation Law of 1972, and to issue certificates therefor.

#### ARTICLE XIII - AMENDMENTS

1. By-Laws may be adopted, amended or repealed by the vote of members entitled to cast at least two-thirds of the votes which all members present are entitled to cast thereon at any regular or special meeting duly convened after notice to the members of that purpose.

UNANIMOUS CONSENT IN LIEU OF  
ORGANIZATION MEETING OF INCORPORATORS

THE UNDERSIGNED, being the incorporator named in the Articles of Incorporation of the above named non-profit corporation, a corporation organized under the laws of the Commonwealth of Pennsylvania, do hereby adopt the following resolutions:

RESOLVED, That the filing of the Articles of Incorporation with the Department of State of the Commonwealth of Pennsylvania, be duly advertised as required by law and that the Secretary of this corporation cause a copy of the Articles of Incorporation to be prefixed to the minutes and that this corporation proceed to do business thereunder.

RESOLVED, That the form of By-Laws submitted for the regulation of the affairs of the corporation be adopted and inserted in the minute book immediately following the copy of the Articles of Incorporation.

RESOLVED, That the following are designated to constitute the Board of Directors of this corporation, to hold office for the ensuing year and until successors are chosen and qualified:

RESOLVED, That the following persons be appointed to the offices set opposite their respective names, to serve for one year and until their successors are chosen and qualify:

Dated:

UNANIMOUS CONSENT IN LIEU OF  
FIRST MEETING OF BOARD OF DIRECTORS

THE UNDERSIGNED, being all of the directors of the above named nonprofit corporation, organized under the laws of the Commonwealth of Pennsylvania, do hereby adopt the following resolutions:

RESOLVED, That the seal, an impression of which is herewith affixed, be adopted as the corporate seal of this corporation.

RESOLVED, That the Secretary is hereby authorized and directed to procure the proper corporate books, and that the Treasurer be and is hereby authorized and directed to pay all fees and expenses incident to and necessary for the organization of the corporation.

RESOLVED, That the officers of this corporation be authorized and directed to open a bank account or accounts in the name of the corporation, in accordance with a form of bank resolution attached to these minutes.

RESOLVED, That the proper officers of the corporation are hereby authorized and directed to make application for exemption from income tax under the appropriate section of the United States Internal Revenue Code and to file all necessary documents and forms in connection therewith.

Dated:..