

**BYLAWS**

**OF**

**DUFFORD TERRACE, INC.**

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DUFFORD TERRACE, INC.  
BYLAWS

ARTICLE I

Members of the Corporation

1.1 Members. The Members of this Corporation shall be all of the confirmed Members of the Congregation of St. John's Lutheran Church ("St. John's") as said confirmed Membership is established by the Rules and Regulations of said Church.

1.2 Term. Members of the Corporation shall remain a Member for so long as they are a Member of St. John's.

1.3 Removal and Reinstatement

1.3.1 Removal. The Board of Directors of Dufford Terrace (the "Board"), by affirmative vote of two-thirds of all the Directors of the Board, may suspend or expel a Member for cause and may, by a majority vote of those present at any regularly constituted meeting, terminate any Member whose activities shall be deemed highly detrimental to the best interest of Dufford Terrace.

1.3.2 Reinstatement. Upon written request signed by a former Member and filed with the Secretary, or his/her designee, the Board of Directors may, by the affirmative vote of two-thirds of the Board, reinstate such former Member to Membership upon such terms as the Board of Directors may deem appropriate.

1.4 Powers of Members The following powers are reserved exclusively to the Members of the Corporation and no attempted exercise of any such powers by anyone other than the Members shall be valid or of any force or effect whatsoever. Those powers are:

1.4.1 To approve the Bylaws of the Board as formulated by the Board of Directors of Dufford Terrace as they relate to the mission of the Corporation Dufford Terrace, Inc.

1.4.2 To elect the Directors of the Dufford Terrace and to assist the Directors in filling vacancies on the Board of Directors in accord with Article IV, Sections 4.2, 4.5, 4.7 and 4.10.1;

1.4.3 To amend the Articles of Incorporation;

1.4.4 To amend, alter, modify, suspend and repeal the Bylaws;

- 1.4.5 To approve any action by the Board of Directors to purchase, sell, lease, transfer, encumber, construct, and cause the destruction of land and buildings owned by the Corporation or in which the Corporation has legal or equitable title. Said approval shall be secured in advance of any such action.
- 1.4.6 To approve in advance any action by the Board of Directors to dissolve the Corporation or to merge, consolidate, or affiliate the Corporation with any other organization.
- 1.4.7 To review the proposed annual operating and capital expenditure budget of Dufford Terrace.

## ARTICLE II

### Purpose of Corporation

2.1 Purpose. The purpose of the Corporation shall be to own and operate a residential apartment complex for individuals 62 years of age or older, and for all other lawful purposes permitted under Pennsylvania and Federal Law.

## ARTICLE III

### Meetings of the Members

3.1 Annual Meeting. The annual meeting ~~of the Directors~~ of Dufford Terrace shall be held each year coincident with the annual meeting of the Congregation of St. John's Lutheran Church. The purpose of the Annual Meeting shall be to elect Directors to the Dufford Terrace Board and to present the Annual Report to the Members. At the annual meeting, the Members shall:

- 3.1.1 Recognize the Director appointed for purposes of keeping minutes of the Dufford Terrace Annual Meeting.
- 3.1.2 Elect new Directors equal in number to the number of expired seats or openings on the Board pursuant to Article IV, Sections 4.3, 4.4, 4.5 and 4.10.1; and reaffirm the currently standing Directors by way of no objections.

- 3.1.3 Request a report of Dufford Terrace from the Board of Directors, verified by the President and Treasurer of the Board, which should set forth the following:
  - 3.1.3.1 The assets and liabilities of Dufford Terrace as of the end of the fiscal year immediately preceding the date of the report;
  - 3.1.3.2 A summary of the implementation by the Board of Directors of programs consistent with the policies of the Corporation.

3.2 Special Meetings. Special meetings of the Members of the Corporation may be called at any time by: (1) the President of the Board; (2) a majority of the Board; or (3) by written request of at least 50 voting Members who are entitled to cast votes at the particular meeting.

- 3.2.1 Upon written request of the person or group of individuals calling for the special meeting, it shall be the duty of the President of the Board, or his/her designee, to fix the time of the meeting which shall be held not more than thirty (30) days after the receipt of the request.
- 3.2.2 The President of the Board, or his/her designee, shall also designate the place of the meeting.
- 3.2.3 If the President of the Board, or his/her designee, shall neglect or refuse to fix the time of the meeting, the person or persons calling the meeting may do so.
- 3.2.4 Business transacted at all special meetings shall be confined to the objects stated in the call and matters germane thereto.

3.3 Notice of Meetings. Notice of every regular and special meeting pertaining to Dufford Terrace shall be given by the congregational Secretary, or his/her designee, to each Member of the Corporation not less than ten (10) days or more than thirty (30) days prior to the date of the meeting. The notice shall include the place, day, hour and general nature of the business to be transacted.

Notice shall be effective in all of the following ways: hand delivery, regular mail, distribution at Corporation or Congregation functions; and/or distribution to valid Member email addresses.

In addition to these forms of Notice, the Secretary, or his/her designee, shall also cause the administrator of the website for St. John's to place a conspicuous notice on the first page of the St. John's website.

3.4 Waiver. Except for a special meeting, the specific business to be transacted need not be stated in any waiver. A waiver may be made before or after the time of notice as stated in Article III.

3.5 Quorum. A Special meeting of Members duly called shall not be organized for the transaction of special business regarding Dufford Terrace unless a quorum is present. The presence of at least 50 of the voting members of St. John's shall constitute a quorum for the transaction of said Dufford business except as may be otherwise provided by law or by the Articles of Incorporation.

3.5.1 Once a quorum is attained, the Members present at a duly organized special meeting may continue to do business until adjournment, notwithstanding withdrawal of enough Members to leave less than a quorum.

3.5.2 If a quorum for a special meeting is not attained, the Members present may adjourn the meeting to such time and place as the President of the Board may determine. Written notice of the second meeting shall conform to Article III, Sections 3.3 and 3.4. The second meeting shall be held no fewer than ten days after the failed meeting. In the case of a special meeting, if a quorum is not attained at the second meeting, there shall be called a third meeting. Written notice of the third meeting shall conform to Article III, Sections 3.3 and 3.4. The third meeting shall be held no fewer than ten days after the failed meeting. Those present at the third called meeting shall constitute a quorum for the purpose of acting upon the stated special business if those in attendance include at least ten Directors of the Board.

3.6 Voting. All business shall be transacted by a majority vote of voting Members present, once a quorum is attained. However, no business may be transacted unless the President of the Board or his or her proxy is present.

3.6.1 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 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.

3.7 Electronic Meetings. The President shall have the discretion to allow for the annual meeting to be conducted electronically or as a hybrid. Except as otherwise provided these bylaws,



the annual meeting of Dufford Terrace may be conducted through use of an Internet meeting service designated by the President that supports anonymous voting and supports visible displays identifying those participating, identifying those seeking recognition to speak, showing (or permitting the retrieval of) the text of pending motions, and showing the results of votes. These electronic meetings shall be subject to all rules adopted by the Dufford Board to govern them, which may include any reasonable limitations on, and requirements for, the Directors' and the member's participation. Any such rules adopted by the Board shall supersede any conflicting rules in the parliamentary authority but may not otherwise conflict with or alter any rule or decision of the Board. A vote conducted through the designated Internet meeting service shall be deemed a ballot vote, fulfilling any requirement in the bylaws or rules that a vote be conducted by ballot.

## ARTICLE IV

### Board of Directors

4.1 Business Affairs. The business and affairs of Dufford Terrace shall be managed by the Board of Directors subject to the limitations imposed by the Articles of Incorporation and these Bylaws.

4.2 Election of Directors. The Members of the Corporation at their annual meeting shall elect the number of Directors called for each year, in accord with Article IV, Sections 4.4 and 4.5. Nominations shall be made upon the recommendation of current Directors.

4.3 No Compensation. All Directors serve without compensation.

4.4 Number of Elected Directors. There shall be no more than 15 Directors as follows:

Elected voting Directors shall number thirteen (13).

The Senior Pastor of St. John's Lutheran Church shall be a voting member of the Board of Directors.

The President of the of St. John's Lutheran Church Council shall be an ex officio, non-voting Director of the Board.

4.5 Composition of Elected Directors. Not more than four (4) said Directors shall be deemed Members-at-large and need not be a Member of this Corporation. Current tenants of Dufford Terrace may not be Directors. All other Directors of said Board shall be Members of the Corporation. The Directors shall be elected by the Members of the Corporation in a number equal to the expired terms or open positions on the Board at the annual congregational meeting.

4.6 Term of Office of Elected Directors. The term of office of an elected Director shall ordinarily commence on the first day of the month following his or her election. An elected Director shall ordinarily serve a term of three (3) years. He or she may be re-elected for two additional terms of three (3) years but may not serve more than three (3) consecutive terms. At least one (1) year of non-service must intervene after three (3) consecutive terms before a Director is eligible for re-election. Any Director elected to an unexpired term will be eligible for three (3) additional terms of three (3) years. Some Directors may initially be elected for terms of less than three (3) years for the purpose of dividing the Board of Directors into three (3) groups, substantially equal in number, with terms expiring at intervals of one (1) year. The provisions of this Section 4.6 shall be applicable to new Directors only. Current Directors, at the time of the adoption of these Bylaws, shall have the right to serve three (3) additional three-year terms after the expiration of their existing term.

4.7 Vacancy of Elected Directors. If the office of an elected Director becomes vacant by reason of death, illness, resignation, removal or otherwise, the vacancy shall be filled by the majority vote of the Directors. The term of office of a Director chosen to fill an unexpired term shall commence on the first day of the month following his or her election at the first annual meeting following their placement on the Dufford Bord of Directors should he or she chose to be on the ballot for election.

4.8 Qualifications of Directors. All Directors shall be persons of high moral character who are socially aware residents of the service area of the Corporation and shall be persons who have an interest in the programs of the Corporation and a commitment to its purpose and philosophy.

4.9 Removal. Directors may be removed for cause by a majority vote of the Dufford Terrace Board of Directors.

4.10 Powers of the Board of Directors. The business and affairs of Dufford Terrace shall be managed by the Board of Directors. The powers of the Board shall include, but not be limited to, the following:

- 4.10.1 To recommend to nominees for election as Directors pursuant to Article III, Section 3.1.2, and Article IV, Sections 4.3, 4.4, 4.5, 4.6, and 4.7;
- 4.10.2 Directors may be removed at the discretion of the Dufford Terrace Board of Directors pursuant to Article IV, Section 4.9;
- 4.10.3 To elect officers of the Board of Directors;
- 4.10.4 To exercise general management and control of the ordinary business and affairs of Dufford Terrace;

- 4.10.5 To implement the policies of Dufford Terrace as determined by the Directors;
- 4.10.6 To approve the entrance into any contracts, letters of intent, or any other evidence of mutual or joint undertaking, commitments or obligations between Dufford Terrace and any person, partnership, Corporation, or other entity for the express benefit of Dufford Terrace and the management of the Dufford Terrace property;
- 4.10.7 To enter into contracts not inconsistent with the ethics and values of the Constitution of the Corporation;
- 4.10.8 To have the ultimate responsibility to develop and recommend to the Members the annual capital and operating budgets for Dufford Terrace. The recommended budget shall be submitted to the Members at least 10 (ten) days prior to the annual meeting of St. John's Lutheran Church of Erie;
- 4.10.9 To adopt policies and procedures for the proper management of the operational affairs of Dufford Terrace;
- 4.10.10 To receive gifts and grants in the name of Dufford Terrace;
- 4.10.11 To appoint and charge appropriate committees related to Dufford Terrace;
- 4.10.12 To make certain that all necessary and proper insurance is maintained for Dufford Terrace;
- 4.10.13 To propose changes in the Dufford Terrace Bylaws to the Members.

## ARTICLE V

### Officers of the Board of Directors

5.1 Officers. The officers of the Board of Directors shall be a President, a Vice-President, a Secretary, and a Treasurer. President, Vice-President, Secretary, and Treasurer shall be elected by the directors. The duties of the Secretary and the Treasurer may be fulfilled by a management company or other designee of the Board that is not an elected member of the board. The officers shall be elected from the members of the Board of Directors, and by the Board of Directors, at the first regular Board meeting after the annual meeting, pursuant to Article VI, Section 6.2

5.2 Term. Each officer shall hold office for a term of one (1) year, commencing on the first day of the month following his or her election, and may succeed himself or herself once. After having served two terms, the officer may remain on the Board in accordance with Article IV, Sections 4.3, 4.4, and 4.5 but not hold that same office for a period of 1 year.

5.3 President of the Board. The President of the Board shall preside at all meetings of the Board. He or she shall appoint all committees and their chairperson in accordance with these Bylaws. He or she shall have such other duties and responsibilities as shall be delegated to him or her by these Bylaws and by the Board from time to time. The President must be a member of the Board. ~~The President shall be the chief executive officer of the Dufford Terrace Board of Directors.~~ He or she shall be empowered to sign, with any other proper officer, any contracts, leases involving the property of Dufford Terrace, and other instruments which may be lawfully executed on behalf of Dufford Terrace, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be delegated by the Board of Directors to some other officer or agent. The President shall be a Member, ex officio, of all committees except when the appointment is reserved to the Board of Directors. Together with the Treasurer, the President shall verify the report of Dufford Terrace made to the Members of the Corporation pursuant to Article III, Section 3.1.

5.4 Vice President In the absence of the President of the Board or in the event of his or her inability or refusal to act, the Vice President designated by the Board shall perform the duties of the President and in so acting shall have all the powers and authority of the President. The Vice President shall perform such other duties as from time to time shall be assigned to him or her by the President or the Board. The Vice President must be a Member of the Board.

5.5 Secretary/Designee. The Secretary/Designee shall keep accurate records of the acts and proceedings of all meetings of the Board of Directors and shall give all notices required of the Board of Directors by law and these Bylaws. The Secretary/Designee shall have general charge of the books and records. He or she shall sign such instruments as may require signature and perform all duties incident to the office of Secretary/Designee and such other duties as may be assigned from time to time by the President or by the Board of Directors.

5.6 Treasurer/Designee. The Treasurer/Designee shall have custody of all funds and securities belonging to Dufford Terrace and shall receive, deposit, and disburse the same under the direction of the Board of Directors. He or she shall keep full and accurate accounts of the finances of Dufford Terrace in books especially provided for that purpose, and each year shall cause a true statement, in reasonable detail, of its assets and liabilities as of the close of each fiscal year and of the results of its operations for such fiscal year to be made and presented to the Board of Directors. The Treasurer/Designee shall cause the books and records of the Corporation to be audited or reviewed annually by a certified public accountant. Together with the President, the Treasurer/Designee shall verify the report of Dufford Terrace made to the Members of the Corporation pursuant to Article III, Section 3.1.

5.7 Assistant Officers. There shall be such assistant officers, either elected or appointed, as the Board of Directors may authorize from time to time. The election or appointment of assistant officers shall be as determined by the Board of Directors at the time such offices are created. Unless otherwise restricted by the Board of Directors, it shall not be necessary for assistant officers to be Directors, and any number of offices may be held by the same person.

## ARTICLE VI

### Meetings of Board of Directors

6.1 Regular Meetings. Regular meetings of the Board of Directors shall be held at least twelve (12) times per year, on the third Tuesday of the month or at such dates, times, and places as shall from time to time be determined by the President.

6.1.1 Transaction of Business -The Board of Directors 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 a majority of the Members present at a duly concerned special 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.

6.1.2 Whenever the lawful activities of Dufford Terrace 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 doing so, may make incidental profit. All such incidental profits shall be applied to the maintenance and operation of the lawful activities of Dufford Terrace, and in no case shall be divided or distributed in any manner whatsoever among the members, directors, or officers of Dufford Terrace or the corporation.

6.2 Annual Meeting. An Annual Meeting of Dufford Terrace shall be held each year coincident with the annual meeting of the Congregation of St. John's Lutheran Church. New officers shall be elected at the first Board meeting after the annual meeting in accord with Article IV, Section 4.6, and Article V, Section 5.1.

6.3 Special Meetings. Special meetings of the Board of Directors may be called by the President of the Board, or by a majority of the Directors, or by written request of a minimum of 50 voting Members who are entitled to cast votes at the particular meeting. The President of the Board of Directors shall determine the time and place of such meetings.

6.4 Notice of Meetings. Notice of every regular and special meeting of the Board of Directors shall be given to each Director at least five (5) days prior to the date of meeting. Such notice shall include the place, day, hour, and general nature of the business to be transacted.

6.4.1 Notice shall be effective in all of the following ways: hand delivery, regular mail, distribution at Corporation or Congregation functions; and/or distribution to valid email addresses.

6.5 Waiver. Except for a special meeting, the specific business to be transacted need not be stated in any waiver. A waiver may be made before or after the time of notice as stated in Article III.

6.6 Quorum. At all regular meetings of the Board of Directors, a majority of the voting members of the Dufford Terrace Board of Directors shall constitute a quorum for the transaction of business for Dufford Terrace. Once a quorum is attained, the Directors present at a duly organized meeting may continue to do business until adjournment, notwithstanding withdrawal of enough Directors to leave less than a quorum.

6.7 Voting. All business of the Board of Directors shall be transacted by majority vote of voting Directors once a quorum is attained. The Board President shall not vote unless required to break a tie.

6.8 Procedure. All meetings shall be conducted according to the procedure described in the latest edition of *Robert's Rules of Order*.

6.9 Electronic Meetings. The President shall have the discretion to allow for any meeting of the Board to be conducted electronically or as a hybrid. Except as otherwise provided in these bylaws, meetings of the Board of Directors may be conducted through use of Internet meeting services designated by the President that support anonymous voting and support visible displays identifying those participating, identifying those seeking recognition to speak, showing (or permitting the retrieval of) the text of pending motions, and showing the results of votes. These electronic meetings of the Board shall be subject to all rules adopted by the Board to govern them, which may include any reasonable limitations on, and requirements for, the Directors' participation. Any such rules adopted by the Board shall supersede any conflicting rules in the parliamentary authority but may not otherwise conflict with or alter any rule or decision of the Board. An anonymous vote conducted through the designated Internet meeting service shall be deemed a ballot vote, fulfilling any requirement in the bylaws or rules that a vote be conducted by ballot.

6.9.1. Rules for Electronic Meetings. The Secretary, or his/her designee, of the Board, or his or her designee, shall be responsible for informing Directors of, and enforcing, the following rules.

1. Login information. The President, or the Secretary, or his/her designee, shall send by e-mail to every Member at least 4 hours before each meeting, the time of the meeting, the URL and codes necessary to connect to the Internet meeting service, and, as an alternative and backup to the audio connection included within the Internet service, the phone number and access code(s) a Director needs to participate aurally by telephone.
2. Login time. The Secretary, or his/her designee, shall schedule Internet meeting service availability to begin at least 15 minutes before the start of each meeting.
3. Signing in and out. Directors shall identify themselves to the Internet meeting service and shall maintain Internet and audio access throughout the meeting whenever present and shall notify the Board upon any departure before adjournment.
4. Quorum calls. The presence of a quorum may be established by audible roll call at the beginning of the meeting. Thereafter, the continued presence of a quorum shall be determined by the online list of participating Directors, unless any Director demands a quorum count by audible roll call. Such a demand may be made following any vote for which the announced totals add to less than a quorum.
5. Technical requirements and malfunctions. Each Director is responsible for his or her audio and Internet connections; no action shall be invalidated on the grounds that the loss of, or poor quality of, a Director's individual connection prevented participation in the meeting.
6. Forced disconnections. The President or Secretary, or his/her designee, may cause or direct the disconnection or muting of a Director's connection if it is causing undue interference with the meeting. The decision to do so, which is subject to an undebatable appeal that can be made by any Director, shall be announced during the meeting and recorded in the minutes.
7. Assignment of the floor. To seek recognition by the President, a Director shall "raise their hand" (as allowed for providers such as Zoom and Teams). Upon assigning the floor to a Member, the President shall clear the online queue of Directors who had been seeking recognition. To claim preference in recognition, another Director who had been seeking recognition may promptly seek recognition again, and the President shall recognize the Director for the limited purpose of determining whether that Director is entitled to preference in recognition.

8. Interrupting a Director. A Director who intends to make a motion or request that under the rules may interrupt a speaker shall use “raise hand” feature for so indicating and shall thereafter wait a reasonable time for the President’s instructions before attempting to interrupt the speaker by voice.
9. Voting. Votes may be taken by a show of hands, by using the “raise hand” feature, or by the anonymous voting feature of the Internet meeting service, unless there is a clear majority. When required or ordered, other permissible methods of voting are by electronic roll call or by audible roll call. Business may also be conducted by unanimous consent.
10. Video display. The President, the Secretary, or his/her designee, or their assistants shall cause a video of the President to be displayed throughout the meeting and shall also cause display of the video of the Director currently recognized to speak or report.

6.9.2. Hybrid Meetings. The President or Secretary, or his/her designee, of the Board may determine that an in-person meeting is desirable for the Board. If such in-person meeting is scheduled, technology (including a computer with an Internet connection and a large screen with audio) shall be available at the in-person location so that some Directors may participate electronically through the technology described above.

6.10 Transaction of Business Without a Meeting. Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents via email setting forth the action so taken, shall require an email reply of the Directors who would be entitled to vote at a meeting for such purpose and shall be filed with the Secretary, or his/her designee, of the Dufford Terrace Board.

## ARTICLE VII

### Committees of Board of Directors

7.1 General Provisions. Committees of the Board of Directors shall be standing and special. The President shall appoint the Chairperson of all committees. Members of all standing committees shall be appointed by the committee Chairperson and need not be Directors. Members of special committees shall be appointed by the Chairperson and need not be Directors.

7.2 Standing Committees. The standing committees may include, but are not limited to: Executive, Nominating, Finance, Personnel, Program and Development.



7.3 Standing Committee Term of Office. The terms of office of the Chairperson and Members of the standing committees shall coincide with term of the Chairperson.

7.4 Special Committees. Special committees may be created by the Board of Directors, as it may deem necessary to carry on the work of the Board of Directors.

7.5 Special Committee Term of Office. The terms of office of the Chairperson and Members of the special committees shall be for the existence of each such committee as determined by the Board of Directors.

7.6 Quorum. A majority of members of each special committee shall constitute a quorum.

7.7 Committee Meetings. All committees shall meet at the request of their Chairperson.

7.8 Committee Secretary. The Chairperson of each committee shall select from among its Members one person to serve as Secretary. The Secretary, or his/her designee, shall keep minutes of the committee meetings, file a copy of the minutes with the Secretary of the Board of Directors, and in matters of unusual importance circulate such minutes to all Directors prior to the Board of Directors meeting when such proposals will be submitted. In doing so, the Secretary of the committee will call attention to the fact that the proposals as set forth in the minutes of said meeting of the committee will be proposed for action at the forthcoming meeting of the entire Board of Directors.

7.9 Executive Committee. The Executive Committee shall consist of the officers of the Board of Directors. The Executive Committee shall meet upon call by the President for the purpose of performing urgent business that cannot wait for the action of the Board of Directors. Any action of the Executive Committee shall be reported for ratification at the next meeting of the Board of Directors and, if of unusual importance, shall be reported sooner by email.

7.10 Finance. The Finances shall be handled by the management company hired to manage Dufford Terrace. It is the responsibility of every member of the Board of Directors to review the monthly financial statements, budgets, investments, insurance policies, fees of the Corporation, make recommendations, and to require an annual review or audit of the books.

7.10.1 The management company shall report to the Board monthly.

7.10.2 Only the Board of Directors voting in an official meeting may approve the budget.

7.11 Personnel: The Board of Directors shall establish policies and procedures regarding salaries, hours, and working conditions that permit the employment and retention of a qualified staff and that foster high productivity. The Board shall formulate policy recommendations on all

matters pertaining to personnel practices and procedures, and direct the management company regarding Dufford Terrace personnel as necessary.

## ARTICLE VIII

### Annual Report

8.1 The Board of Directors shall present annually to the Members of St. John's Lutheran Church a budget report, verified by the President and a majority of the Directors.

## ARTICLE IX

### Indemnification

9.1 Complete Indemnification. Any person who is or was a Member, Director, Officer or Deputy Director of the Dufford Terrace Board of Directors shall be indemnified and held harmless by Dufford Terrace and by the Corporation to the fullest extent permitted by law, as the same exists or may hereinafter be amended, interpreted or implemented (but in the case of any amendment, only to the extent that such amendment permits Dufford Terrace and the Corporation to provide broader indemnification rights that are permitted Dufford Terrace and the Corporation to provide prior to such amendment) against any and all liability and reasonable expenses (including, but not limited to, counsel fees and disbursements and amounts paid in settlement or in satisfaction of judgments or as fines or penalties) paid or incurred by such Representative in connection with or resulting from any action, suit or proceeding whether civil, criminal, administrative or investigative including any pending proceeding or appeal related thereto, in which the Representative may be involved or threatened to be involved, as a party or otherwise, (except as a plaintiff, personally or in the name of Dufford Terrace and the Corporation) by reason of his being or having been a representative of Dufford Terrace and the Corporation or serving or having served in any capacity in such other Corporation; provided, however, that such indemnification shall not be made in any case where the act giving rise to the claim for indemnification is determined by the court to have constituted willful misconduct or recklessness; and provided further, however, that Dufford Terrace and the Corporation shall indemnify any such Representative seeking indemnification in connection with a proceeding (or part thereof) initiated by such Representative only if such proceeding (or part thereof) was authorized by the Board of Directors of Dufford Terrace or the Corporation.

9.2 Advance of Expenses. Expense incurred by such a Representative with respect to any action, suit or proceeding of the character described in Section 9.1 of this Article, shall be advanced by Dufford Terrace or the Corporation prior to the final disposition thereof, upon receipt of an undertaking by or on behalf of the representative to repay all amounts so advanced if it shall ultimately be indemnification under this Article.

9.3 Scope of Article. The right of indemnification and advancement of expenses provided by this Article shall be in addition to any rights to which any such Representative may be entitled under any contract, vote of disinterested Directors or otherwise, and shall continue as to a person who has ceased to be such a Representative of Dufford Terrace and the Corporation, and in the event of such Representative's death, the rights provided under the terms of this Article shall inure to his heirs and legal representatives.

9.4 Right of Claimant to Bring Suit. If a claim under Section 9.2 of this Article is not paid in full by Dufford Terrace or the Corporation within sixty (60) days after a written claim has been received by Dufford Terrace or the Corporation, the claimant may, at any time thereafter, bring suit against Dufford Terrace or the Corporation to recover the unpaid amount of the claim and, if successful, in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim.

9.5 Funding. Dufford Terrace and/or the Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise secure or insure in any manner its indemnification obligations, whether arising under or pursuant to this Article or otherwise.

## ARTICLE X

### Personal Liability of Directors

10.1 Personal Liability of Directors. A Director of Dufford Terrace shall not be personally liable for monetary damages for any action taken or failure to take any action unless it is determined by a court (or if courts ultimately hold that such determination is to be made by the Board of Directors, then unless it is determined by the Board of Directors of Dufford Terrace) that the Director has breached or failed to perform the duties of his or her office under Section 8363 of the Directors' Liability Act (41 Pa. C.S.A. Section 8363) and such breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the foregoing provision shall not eliminate or limit the liability of a Director (i) for any responsibility or liability of such Director pursuant to any criminal statute, or (ii) for any liability of a Director of the payment of taxes pursuant to local, state or Federal law. Any repeal or modification of this Article X shall be prospective only, and shall not adversely affect any limitation on the personal liability of a Director existing at the time of such repeal or modification.

## ARTICLE XI

### Amendments

11.1 Amendment. These Bylaws may be adopted, amended, or repealed at any special meeting of the Members of the Corporation with at least 50 of the voting Members of St. John's constituting a quorum for the transaction of said Dufford business, provided that the proposals have been previously reviewed by the Board of Directors and after notice to the Members of that purpose.

11.2 Effect. Final action on an adoption, amendment, or repeal of the Bylaws is the exclusive responsibility of the Members of the Corporation. Upon adoption by the Members, the Bylaws are intended to control all legal acts and resolutions of Dufford Terrace.

## ARTICLE XII

### General Provisions

12.1 Fiscal Year. The fiscal year of the Corporation shall be January 1 through December 31.

12.2 References to Gender and Number. For purposes of interpretation to masculine gender shall include the feminine. The singular shall include the plural and the plural shall include the singular where the context so requires.

Recommended for adoption by the Board of Directors on \_\_\_\_\_, 202\_.

Accepted by the Members on \_\_\_\_\_, 202\_.

Effective on \_\_\_\_\_, 202\_.