

EPISCOPAL RELIEF AND DEVELOPMENT

A New York Not-for-Profit Corporation

BY-LAWS

As Amended and Restated by the Board of Directors on September 13, 2007

As Ratified by the Executive Council of the Episcopal Church on October 28, 2007

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BY-LAWS
OF
EPISCOPAL RELIEF AND DEVELOPMENT
(a New York Not-for-Profit Corporation)

ARTICLE I

OFFICES AND FISCAL YEAR

Section 1.01. Office. The office of Episcopal Relief and Development (the “Corporation”), within the meaning of Section 102(a)(11) of the New York Not-for-Profit Corporation Law, shall be in the State and County of New York. [NPCL §§ 102(a)(11)]¹

Section 1.02. Other Offices. The Corporation may also have offices at such other places within or without the United States of America as the Board of Directors of the Corporation (the “Board”) may from time to time appoint or the business of the Corporation requires.

Section 1.03. Fiscal Year. The fiscal year of the Corporation shall be the calendar year.

ARTICLE II

MEMBERS OF THE CORPORATION

Section 2.01. Members. The Corporation shall have no Members. [NPCL § 601(a)]

¹ References to the New York Not-for-Profit Corporation Law are included for convenience of reference but are not part of these By-laws.

ARTICLE III

BOARD OF DIRECTORS

Section 3.01. Powers; Personal Liability.

(a) The Corporation shall be managed by the Board, except as otherwise provided by applicable law or the Certificate of Incorporation or, to the extent permitted by applicable law, these By-Laws. [NPCL § 701(a)].

(b) Except as specifically provided otherwise by applicable law, a Director of the Corporation shall not be personally liable, as such, for monetary damages for any action taken, or any failure to take any action, unless the Director has breached or failed to perform the duties of his or her office under the New York Not-for-Profit Corporation Law and the breach or failure to perform such duties constitutes self-dealing, willful misconduct or recklessness. The provisions of this subsection shall not apply to the responsibility or liability of a Director pursuant to any criminal statute or the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Section 3.02. Qualification and Selection.

(a) Each Director of the Corporation shall be a natural person of at least eighteen years of age, but need not be a resident of the State of New York. Except as provided in subsection (b) of this Section 3.02, candidates for Director of the Corporation shall be nominated at each annual meeting of the Board following joint agreement of the chair of the Board and the Presiding Bishop of the Episcopal Church, and shall be elected by a majority vote of the Directors of the Corporation then in office; *provided, however*, that such election shall not become effective until first ratified by the Executive Council of the Episcopal Church (the "Executive Council"). [NPCL §§ 701, 703]

(b) Notwithstanding any provision to the contrary in these By-Laws, the (i) Presiding Bishop of the Episcopal Church, (ii) Executive Director of the Executive Council, and (iii) Financial Officer of the Executive Council shall each hold the position of Director of the Corporation, *ex officio*, with vote, by virtue of their respective offices in the Episcopal Church or on the Executive Council, as the case may be, for so long as they hold such office, and the president of the Corporation shall hold the position of Director of the Corporation, *ex officio*, with vote, by virtue of his or her position as president of the Corporation, for so long as he or she holds such office. As a result of the foregoing, each such person's status as *ex officio* Director of the Corporation shall make him or her exempt from the nomination, election and ratification requirements described in subsection (a) of this Section 3.02. Upon the termination of such person's position in the Episcopal Church, on the Executive Council, or as president of the Corporation, for any reason, such person shall be required to relinquish his or her *ex officio* position as Director of the Corporation and shall be replaced automatically as a Director by the

person who assumes the office of Presiding Bishop of the Episcopal Church, Executive Director of the Executive Council, Financial Officer of the Executive Council, or president of the Corporation, as the case may be. The relinquishment of the position of Director of the Corporation under the foregoing circumstances shall not bar such person from being nominated, elected and ratified as a Director of the Corporation in accordance with the provisions of Section 3.02(a).

Section 3.03. Number and Term of Office. The Board shall consist of such number of Directors as may be determined from time to time by the Board, but in no event shall such number be less than seven (7) or greater than twenty-one (21). Directors elected in accordance with Section 3.02(a) shall hold office for a term of three (3) years, and until a successor shall have been elected and qualified, except in the event of death, resignation or removal. The length of a Director's term may be increased by action of the Board; *provided, however*, that any such change shall not result in a term greater than five (5) years; nor shall the term of any incumbent Director of the Corporation be shortened; *provided further, however*, that no such Director shall serve in such capacity for greater than two (2) consecutive terms. An increase or decrease in the minimum or maximum permissible number of Directors, in the maximum number of consecutive terms that a Director may serve, or in the maximum permissible length of a Director's term, may only be accomplished by an amendment of these By-Laws that is (i) approved by the majority of the entire Board and (ii) subject, in accordance with Section 7.09, to ratification by the Executive Council prior to taking effect. As used in these By-Laws, the term "entire Board" means the total number of Directors entitled to vote which the Corporation would have at the time in question if there were no vacancies on the Board. [NPCL §§ 702, 703]

Section 3.04. Organization. At every meeting of the Board, the chair of the Board, if there be one, shall preside, or, in the case of a vacancy in the office or absence of the chair of the Board, one of the following officers present in the order stated shall preside: the vice chair of the Board, if there be one, the president, the vice presidents, if any, in their order of rank and seniority, or a chair chosen by a majority of the Directors present. The secretary, or, in the absence of the secretary, an assistant secretary, or, in the absence of the secretary and the assistant secretaries, any person appointed by the chair of the meeting, shall act as secretary.

Section 3.05. Resignations. Any Director of the Corporation may resign at any time by giving written notice to the chair or the secretary of the Corporation. Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.06. Removal. At a meeting of Directors, any Director may be removed for cause by a majority vote of the Directors present at the meeting; *provided, however*, that a quorum of not less than a majority of the Directors in office must be

present at the meeting for such action to take effect. Any such removal shall take effect immediately after such vote. [NPCL § 706]

Section 3.07. Newly Created Directorships and Vacancies. Any vacancy or vacancies on the Board because of death, resignation, removal in any manner, disqualification, an increase in the number of Directors, or any other cause, shall be filled in accordance with the provisions of Sections 3.02(a) or 3.02(b), as the case may be, and each person filling a vacancy shall be a Director to serve for the balance of the unexpired term; *provided, however*, that the balance of any such unexpired term shall not count as one of the two consecutive terms for which an elected Director may serve under Section 3.04. [NPCL § 705]

Section 3.08. Places of Meeting. Meetings of the Board may be held at such place within or without the State of New York as the Board may from time to time appoint, or as may be designated in the notice of the meeting. [NPCL § 710(a)]

Section 3.09. Annual Meetings. An annual meeting of the Board for the election of Directors and officers of the Corporation and for the transaction of such other business as may properly come before it shall be held at a time and place to be determined by the Board. [NPCL § 710]

Section 3.10. Regular Meetings. Regular meetings of the Board for the transaction of such business as may properly come before it shall be held at a time and place to be determined by the Board. [NPCL § 710(b)]

Section 3.11. Special Meetings.

(a) Special meetings of the Board shall be held whenever called by the chair, by the president, or by two or more of the Directors of the Corporation. Notice of each such meeting shall be given to each Director by telephone or in writing at least 24 hours (in the case of notice by telephone) or 48 hours (in the case of notice by email or facsimile) or five days (in the case of notice by mail) before the time at which the meeting is to be held. Every such notice shall state the time and place of the meeting. [NPCL § 711(b)]

(b) Notice of any meeting of the Board during any emergency resulting from damage due to war, warlike conditions or natural disaster shall be given only to such of the Directors of the Corporation as it may be feasible to reach at the time and by such means as may be feasible at the time, including publication or radio. To the extent required to constitute a quorum at any meeting of the Board during such an emergency, the officers of the Corporation who are present shall be deemed, in order of rank and within the same rank in order of seniority, Directors for such meeting.

Section 3.12. Quorum, Manner of Acting, and Adjournment.

(a) Unless a greater proportion is required by applicable law, and except as otherwise provided in Sections 3.06 and 3.11, the quorum required for the transaction of business at each meeting shall be calculated as follows: (i) if the total number of Directors (determined in accordance with Section 3.03) is fifteen or less, then at least one-third of the entire Board shall be present in order to constitute a quorum, and (ii) if the total number of Directors (determined in accordance with Section 3.03) is more than fifteen, then at least six Directors shall be present in order to constitute a quorum. Every Director shall be entitled to one vote. Except as otherwise specified in the Certificate of Incorporation or these By-Laws or as provided in the New York Not-for-Profit Corporation Law, 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. In the absence of a quorum, a majority of the Directors present may adjourn the meeting from time to time until a quorum is present. [NPCL §§ 707, 711]

(b) Any action required or permitted to be taken by the Board or by any committee thereof may be taken without a meeting if all members of the Board or of a committee thereof consent in writing to the adoption of a resolution authorizing the action. In the event of any such action without a meeting, the resolution and the written consents thereto by all of the members of the Board or of a committee thereof shall be filed with the minutes of the proceedings of the Board or of a committee thereof as the case may be.

Section 3.13. Executive and Other Committees.

(a) The Board may, by resolution adopted by a majority of the entire Board, establish an Executive Committee and one or more other committees, each committee to consist of three or more Directors; *provided, however*, that under all circumstances, the Executive Director of the Executive Council shall be a member of the Executive Committee, if such a committee is established. 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, and the alternate or alternates, if any, designated for such member, of any committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not the member or members 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. [NPCL § 712]

(b) The Executive Committee, if any, shall have and exercise all of the powers and authority of the Board in the management of the business and affairs of the Corporation, except that the Executive Committee shall not have any power or authority as to the following matters:

- (i) the filling of vacancies in the Board or in any committee;

- (ii) the fixing of compensation of the Directors for serving on the Board or on any committee;
- (iii) the amendment or repeal of these By-Laws or the adoption of new By-Laws; and
- (iv) the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable. [NPCL § 712(a)]

(c) No committee of the Board, other than the Executive Committee, shall, pursuant to resolution of the Board or otherwise, exercise any of the powers or authority vested by these By-Laws or the New York Not-for-Profit Corporation Law in the Board as such, but any other committee of the Board may make recommendations to the Board or Executive Committee concerning the exercise of such powers and authority.

(d) The establishment of any committee of the Board and the delegation thereto of power and authority shall not alone relieve any Director of the fiduciary duty of such Director to the Corporation. [NPCL § 712(d)]

(e) A majority of the Directors of the Corporation then in office designated to a committee, or Directors designated to replace them as provided in this Section, shall be present at each meeting to constitute a quorum for the transaction of business and the acts of a majority of the Directors in office designated to a committee or their replacements shall be the acts of the committee.

(f) The Executive Committee and any audit committee shall keep regular minutes of their proceedings and report on such proceedings periodically to the Board. All other committees shall make periodic reports to the Board, either orally or in writing, regarding their deliberations.

(g) Each committee may adopt its own regulations for the time, place and manner of notice of its meetings.

Section 3.14. Interested Directors or Officers: Quorum. No contract or transaction between the Corporation and one or more of its Directors or officers, or between the Corporation and any other Corporation, firm, association, or other entity in which one or more of its Directors or officers are Directors or officers, or have a substantial financial interest, shall be either void or voidable solely for such reason, or solely because the Director or officer is present at or participates in the meeting of the Board, or a committee thereof, which authorizes the contract or transaction, or solely because his, her or their votes are counted for such purpose, if:

- (a) The material facts as to such relationship or interest and as to the contract or transaction are disclosed in good faith or are known to the Board and

the Board authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors, even though the disinterested Directors are less than a quorum; or

(b) The contract or transaction is fair in respect of the Corporation as of the time it is authorized, approved or ratified, by the Board.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes a contract or transaction specified in this Section. [NPCL § 715]

Section 3.15. Loans to Directors or Officers. No loans, other than through the purchase of bonds, debentures, or similar obligations of the type customarily sold in public offerings, or through ordinary deposit of funds in a bank, shall be made by the Corporation to any of its Directors or officers, or to any other corporation, firm, association or other entity in which one or more of its Directors or officers are directors or officers or hold a substantial financial interest, except a loan be made by the Corporation to a corporation which is a "Type B" corporation under Section 201(b) of the New York Not-for-Profit Corporation Law. A loan made in violation of this Section 3.15 shall be a violation of the duty to the Corporation of the Directors or officers authorizing it or participating in it, but the obligation of the borrower with respect to the loan shall not be affected thereby. [NPCL § 716]

Section 3.16. Fees. Each Director shall be reimbursed for such reasonable expenses, if any, as shall be incurred by such Director for attending each meeting of the Board or committee of Directors which such Director shall attend. Any reimbursement for travel expenses must be in accordance with the travel policy of the Corporation.

ARTICLE IV

NOTICE; WAIVERS; MEETINGS

Section 4.01. Notice, What Constitutes. Whenever written notice is required to be given to any person under the provisions of the Certificate of Incorporation, these By-Laws, or the New York Not-for-Profit Corporation Law, it may be given to such person, either personally or by sending a copy thereof first class or express mail, postage prepaid, email, electronic transmission, courier services or by facsimile transmission to his or her address (or to his or her email, electronic transmission or facsimile number) supplied by such person. If the notice is sent by mail, email, electronic transmission or courier service, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail or sent via email or courier service for delivery to that person or, in the case of electronic transmission when dispatched. A notice of meeting shall specify the place, day and hour of the meeting and any other information required by law or these By-Laws. [NPCL § 711]

Section 4.02. Waivers of Notice.

(a) Whenever any written notice is required to be given under the provisions of the Certificate of Incorporation, these By-Laws, or the New York Not-for-Profit Corporation Law, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of the notice. Except as otherwise required by Section 7.09, neither the business to be transacted at nor the purpose of a meeting need be specified in the waiver of notice of such meeting. [NPCL § 711(c)]

(b) Attendance of a person at any meeting shall constitute a waiver of notice of the 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. [NPCL § 711(c)]

Section 4.03. Modification of Proposal Contained in Notice. Whenever the language of a proposed resolution is included in a written notice of a meeting required to be given under the Certificate of Incorporation, these By-Laws, or the New York Not-for-Profit Corporation Law, the meeting considering the resolution may without further notice adopt it with such clarifying or other amendments as do not enlarge its original purpose.

Section 4.04. Exceptions to Requirement of Notice.

(a) Notice of the annual or of any regular meeting by the Board is not required to be given; *provided, however*, that if the Board fixes or changes the time or place of any annual or regular meeting, notice of such action shall be provided to each Director who was not present at the meeting at which such action was taken.

(b) Wherever any notice or communication is required to be given to any person under the provisions of the Certificate of Incorporation, these By-Laws, or the New York Not-for-Profit Corporation Law, or by the terms of any agreement or other instrument or as a condition precedent to taking any corporate action, and communication with that person is then unlawful, the giving of the notice or communication to such person shall not be required and there shall be no duty to apply for a license or other permission to do so.

Section 4.05. Conference Telephone Meetings. One or more persons may participate in a meeting of the Board or 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 at the same time. Participation in a meeting pursuant to this Section shall constitute presence in person at the meeting. [NPCL § 708(c)]

ARTICLE V

OFFICERS

Section 5.01. Number, Qualifications and Designation.

(a) The officers of the Corporation shall be a chair, a president, a secretary, a treasurer, and such other officers as may be elected or appointed, as the case may be, in accordance with the provisions of this Article V. Any number of offices may be held by the same person, except that the offices of president and secretary must be held by different persons. The chair, president, secretary and treasurer must be Directors of the Corporation. Any other officers may, but need not be, Directors of the Corporation. All officers shall be natural persons. [NPCL § 713(a)]

(b) In lieu of the standards of conduct otherwise provided by law, officers of the Corporation shall be subject to the same standards of conduct, including standards of care and loyalty and rights of justifiable reliance, as shall at the time be applicable to Directors of the Corporation. Except as specifically provided otherwise by applicable law, an officer of the Corporation shall not be personally liable, as such, to the Corporation for monetary damages for any action taken, or any failure to take any action, unless the officer has breached or failed to perform the duties of his or her office under the Certificate of Incorporation, these By-Laws, or the applicable provisions of law and the breach or failure to so perform constitutes self-dealing, willful misconduct or recklessness. The provisions of this subsection shall not apply to the responsibility or liability of an officer pursuant to any criminal statute or for the payment of taxes pursuant to any criminal statute or for the payment of taxes pursuant to local, state or federal law.

Section 5.02. Election and Term of Office.

(a) Except as provided in Sections 5.02(b) and 5.02(c) below, the officers of the Corporation (other than those appointed by the president pursuant to Section 5.03 or appointed by delegated authority pursuant to Section 5.04) shall be elected by the Board, and shall serve at the pleasure of the Board.

(b) The chair of the Board shall be appointed by the Presiding Bishop of the Episcopal Church from among the members of the Board, and shall serve in such office at the pleasure of the Presiding Bishop.

(c) The president of the Corporation shall be elected by the Board in accordance with Section 5.02(a) above, and shall serve in such office at the pleasure of the Board; *provided, however*, that the initial election of an individual as president shall not become effective until first ratified by the Presiding Bishop of the Episcopal Church.

(d) Unless otherwise determined by the Board, the officers of the Corporation may, but need not be, elected or appointed for a specified term. Each officer, whether elected by the Board, appointed by the president pursuant to Section 5.03, or appointed by delegated authority pursuant to Section 5.04, shall hold office until his or her successor has been elected or appointed and has qualified, or until his or her earlier death, resignation or removal. [NPCL § 713]

Section 5.03. Subordinate Officers, Committees and Agents. The president of the Corporation may from time to time appoint such other officers and appoint such committees, employees or other agents of the Corporation as the business of the Corporation may require, including one or more vice presidents, one or more assistant secretaries, and one or more assistant treasurers. Subject in all cases to the authority of the Board, any person so appointed shall serve at the pleasure of the president, and shall hold office for such period, have such authority, and perform such duties as the president may from time to time determine. Notwithstanding the powers of the president of the Corporation described in this Section, the Board shall retain the authority, should it so desire, to appoint such officers, committees, employees or other agents of the Corporation as the business of the Corporation may require, and to remove any officer, committee, employee or agent appointed by the president. [NPCL § 713]

Section 5.04. Delegation of Powers by the Board. To the fullest extent permitted by applicable law and the Certificate of Incorporation, the Board may delegate to any committee, officer, employee or other agent any powers possessed by the Board.

Section 5.05. Resignations. Any officer, employee or other agent may resign at any time by giving written notice to the Board or the president or the secretary of the Corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5.06. Removal. Any officer, committee, employee or other agent of the Corporation may be removed, either for or without cause, by the authority which elected, established, retained or appointed such officer, committee, employee or other agent, or, in all cases, by the Board, whenever in the judgment of the Board or such authority the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of any person so removed. [NPCL § 714]

Section 5.07. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled by the Board pursuant to Section 5.02 or by the other authority to which the power to fill such office has been delegated pursuant to this Article V, and if the office is one for which a term has been prescribed, shall be filled for the unexpired portion of the term.

Section 5.08. General Powers. All officers of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the Corporation as may be determined by resolutions or orders of the Board, or, in the absence of controlling provisions in resolutions or orders of the Board, as maybe provided in these By-Laws.

Section 5.09. The Honorary Chair. The Board shall have an honorary chair who shall serve in such position in an *ex officio* capacity by virtue of the position such person holds as Presiding Bishop of the Episcopal Church, but only for a period of time coinciding with such person's tenure as Presiding Bishop. The primary duties of the honorary chair (solely in his or her capacity as honorary chair) shall be to select a chair from among the members of the Board and to ratify the election of the president by the Board. [NPCL § 713]

Section 5.10. The Chair and Vice Chair of the Board. The chair of the Board or in the absence of the chair, the vice chair of the Board, if any, shall preside at all meetings of the Board, and shall perform such other duties as may from time to time be requested by the Board. [NPCL § 713]

Section 5.11. The President. The president shall have general supervision over the activities and operations of the Corporation and over its officers, employees and agents, subject, however, to the policies and decisions of the Board, and shall have the authority to sign, execute, and acknowledge, in the name of the Corporation, deeds, mortgages, bonds, contracts or other instruments, authorized by the Board, and, in general, shall perform all duties incident to the office of president, and such other duties as from time to time may be assigned by the Board. [NPCL § 713]

Section 5.12. The Secretary. The secretary or his or her designee shall attend all meetings of the Board and shall record all the votes of the Directors and the minutes of the meetings of the Board and any committees of the Board that are keeping minutes in a book or books to be kept for that purpose, shall see that notices are given and records and reports properly kept and filed by the Corporation as required by law, shall be the custodian of the seal of the Corporation and see that it is affixed to all documents that are required to be executed on behalf of the Corporation under its seal, and, in general, shall perform all duties incident to the office of secretary, and such other duties as may from time to time be assigned by the Board, the chair, or the president. [NCPL § 713]

Section 5.13. The Treasurer. The treasurer or an assistant treasurer shall have or provide for the custody of the funds or other property of the Corporation, shall collect and receive or provide for the collection and receipt of moneys earned by or in any manner due to or received by the Corporation, shall provide for the deposit of all funds in his or her custody as treasurer in such banks or other places of deposit as the Board may from time to time designate, shall, whenever so required by the Board, render an account showing all transactions as treasurer, and the financial condition of the Corporation, and,

in general, shall discharge such other duties as may from time to time be assigned by the Board, the chair or the president. [NPCL § 713]

Section 5.14. Officers' Bonds. Any officer shall give a bond for the faithful discharge of the duties of the office in such sum, if any, and with such surety or sureties as the Board shall require. [NPCL § 713(e)]

Section 5.15. Compensation. The compensation of the officers elected by the Board shall be fixed from time to time by the Board or by such officer as may be designated by resolution of the Board. The compensation of any other officers, employees and other agents shall be fixed from time to time by the president or by the officer or committee to which the power to elect such officers or to retain or appoint such employees or other agents has been delegated pursuant to Section 5.04. The president shall not be prevented from receiving compensation for his or her services as president by reason of the fact that the president is also a Director of the Corporation, but any other Director of the Corporation who also serves as an officer of the Corporation shall not receive any compensation for such service as an officer. [NPCL §§ 715(e), 715(f)]

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER AUTHORIZED REPRESENTATIVES

Section 6.01. Scope of Indemnification.

(a) The Corporation shall indemnify an indemnified representative against any liability incurred in connection with any proceeding in which the indemnified representative may be involved as a party or otherwise, by reason of the fact that such person is or was serving in an indemnified capacity, including, without limitation, liabilities resulting from any actual or alleged breach or neglect of duty, error, misstatement or misleading statement, negligence, gross negligence or act giving rise to strict or products liability, except:

(1) where such indemnification is expressly prohibited by applicable law;

(2) where the conduct of the indemnified representative has been finally determined pursuant to Section 6.06 or otherwise:

(i) to constitute willful misconduct or recklessness sufficient under the circumstances to bar indemnification against liabilities arising from the conduct; or

(ii) to be based upon or attributable to the receipt by the indemnified representative from the Corporation of a personal benefit to which the indemnified representative is not legally entitled; or

(3) to the extent such indemnification has been finally determined in a final adjudication pursuant to Section 6.06 to be otherwise unlawful.

(b) If an indemnified representative is entitled to indemnification in respect of a portion but not of all liabilities to which such person may be subject, the Corporation shall indemnify such indemnified representative to the maximum extent for such portion of the liabilities.

(c) The termination of a proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the indemnified representative is not entitled to indemnification.

(d) For purposes of this Article:

(1) “indemnified capacity” means any and all past, present and future service by an indemnified representative in one or more capacities as a Director, officer, employee or agent of the Corporation, or, at the request of the Corporation, as a Director, officer, employee, agent, fiduciary or Director of another domestic or foreign Corporation for profit or not-for-profit partnership, joint venture, trust employee benefit plan or other entity or enterprise;

(2) “indemnified representative” means any and all Directors and officers of the Corporation and any other person designated as an indemnified representative by the Board (which may, but need not, include any person serving at the request of the Corporation, as a Director, officer, employee, agent, fiduciary or Director of another domestic or foreign Corporation for profit or not-for-profit, partnership, joint venture, trust, employee benefit plan or other entity or enterprise);

(3) “liability” means any damage, judgment, amount paid in settlement, fine, penalty, punitive damages, excise tax assessed with respect to an employee benefit plan, or cost or expense of any nature (including, without limitation, attorneys’ fees and disbursements); and

(4) “proceeding” means any threatened, pending or completed action, suit, appeal or other proceeding of any nature, whether civil

criminal, administrative or investigative, whether formal or informal, and whether brought by or in the right of the Corporation, a class of its security holders, if any, or otherwise.

Section 6.02. Proceedings Initiated by Indemnified Representatives.

Notwithstanding any other provision of this Article, the Corporation shall not indemnify under this Article an indemnified representative for any liability incurred in a proceeding initiated (which shall not be deemed to include counter-claims or affirmative defenses) or participated in as an intervenor or amicus curiae by the person seeking indemnification unless such initiation of or participation in the proceeding is authorized, either before or after commencement, by the affirmative vote of a majority of the Directors in office. This Section does not apply to reimbursement of expenses incurred in successfully prosecuting or defending an arbitration under Section 6.06 or otherwise successfully prosecuting or defending the rights of an indemnified representative granted by or pursuant to this Article.

Section 6.03. Advancing Expenses. The Corporation shall pay the expenses (including attorneys' fees and disbursements) incurred in good faith by an indemnified representative in advance of the final disposition of a proceeding described in Section 6.01 or 6.02 upon receipt of an undertaking by or on behalf of the indemnified representative to repay such amount if it shall ultimately be determined pursuant to Section 6.06 that such person is not entitled to be indemnified by the Corporation pursuant to this Article. The financial ability of an indemnified representative to repay an advance shall not be a prerequisite to the making of such advance.

Section 6.04. Securing of Indemnification Obligations. To further effect, satisfy or secure the indemnification obligations provided herein or otherwise, the Corporation may maintain insurance, obtain a letter of credit, act as self insurer, create a reserve, trust, escrow, cash collateral or other fund or account, enter into indemnification agreements, pledge or grant a security interest in any assets or properties of the Corporation or use any other mechanism or arrangement whatsoever in such amounts, at such costs, and upon such other terms and conditions as the Board shall deem appropriate. Absent fraud, the determination of the Board with respect to such amounts, costs, terms and conditions shall be conclusive and shall not be subject to voidability.

Section 6.05. Payment of Indemnification. An indemnified representative shall be entitled to indemnification within 30 days after a written request for indemnification that complies with this Article has been delivered to the secretary of the Corporation.

Section 6.06. Arbitration. Any dispute related to the right to indemnification, contribution or advancement of expenses as provided under this Article shall be decided only by arbitration in the metropolitan area in which the principal executive offices of the Corporation are located, in accordance with the commercial arbitration rules then in effect of the American Arbitration Association, before a panel of three arbitrators, one of

whom shall be selected by the Corporation, the second of whom shall be selected by the indemnified representative and the third of whom shall be selected by the other two arbitrators. In the absence of the American Arbitration Association, or if for any reason arbitration under the arbitration rules of the American Arbitration Association cannot be initiated, and if one of the parties fails or refuses to select an arbitrator, or the arbitrators selected by the Corporation and the indemnified representative cannot agree on the selection of the third arbitrator within 30 days after such time as the Corporation and the indemnified representative have each been notified of the selection of the other's arbitrator, the necessary arbitrator or arbitrators shall be selected by the presiding judge of the court of general jurisdiction in such metropolitan area. Each arbitrator selected as provided herein is required to be or have been a Director or executive officer of a Corporation whose shares of common stock were listed during at least one year of such service on the New York Stock Exchange or the American Stock Exchange or quoted on the National Association of Securities Dealers Automated Quotations System. The party or parties challenging the right of an indemnified representative to the benefits of this Article shall have the burden of proof. The Corporation shall reimburse an indemnified representative for the expenses (including attorneys' fees and disbursements) incurred in successfully prosecuting or defending such arbitration. Any award entered by the arbitrators shall be final, binding and nonappealable and judgment may be entered thereon by any party in accordance with applicable law in any court of competent jurisdiction, except that the Corporation shall be entitled to interpose as a defense in any such judicial enforcement proceeding any prior final judicial determination adverse to the indemnified representative under Section 6.01(a)(2) in a proceeding not directly involving indemnification under this Article. This arbitration provision shall be specifically enforceable.

Section 6.07. Contribution. If the indemnification provided for in this Article or otherwise is unavailable for any reason in respect of any liability or portion thereof, the Corporation shall contribute to the liabilities to which the indemnified representative may be subject in such proportion as is appropriate to reflect the intent of this Article or otherwise.

Section 6.08. Discharge of Duty. An indemnified representative shall be deemed to have discharged such person's duty to the Corporation if he or she has relied in good faith on information, advice or an opinion, report or statement prepared by:

- (1) one or more officers or employees of the Corporation whom the indemnified representative reasonably believes to be reliable and competent with respect to the matter presented;
- (2) legal counsel, public accountants or other persons as to matters that the indemnified representative reasonably believes are within the person's professional or expert competence; or

(3) a committee of the Board on which he or she does not serve as to matters within its area of designated authority, which committee he or she reasonably believes to merit confidence.

Section 6.09. Mandatory Indemnification of Directors, Officers, etc. To the extent that a Director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses actually and reasonably incurred by such person in connection therewith.

Section 6.10. Contract Rights; Amendment or Repeal. All rights under this Article shall be deemed a contract between the Corporation and the indemnified representative pursuant to which the Corporation and each indemnified representative intend to be legally bound. Any repeal, amendment or modification hereof shall be prospective only and shall not affect any rights or obligations then existing.

Section 6.11. Scope of Article. The rights granted by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, contribution or advancement of expenses may be entitled under any statute, agreement, vote of disinterested Directors or otherwise, both as to action in an official capacity and as to action in any other capacity. The indemnification, contribution and advancement of expenses provided by or granted pursuant to this Article shall continue as to a person who has ceased to be an indemnified representative in respect of matters arising prior to such time, and shall inure to the benefit of the heirs, executors, administrators and personal representatives of such a person.

Section 6.12. Reliance on Provisions. Each person who shall act as an indemnified representative of the Corporation shall be deemed to be doing so in reliance upon the rights of indemnification, contribution and advancement of expenses provided by this Article.

Section 6.13. Intervention. The provisions of this Article are intended to constitute Bylaws authorized by the New York Not-for-Profit Corporation Law. All references to the New York Not-for-Profit Corporation Law in these Bylaws shall mean such Law as it may from time to time be amended.

ARTICLE VII

MISCELLANEOUS

Section 7.01. Corporate Seal. The Corporation shall have a corporate seal in the form of a circle containing the name of the Corporation, the year of incorporation and such other details as may be approved by the Board.

Section 7.02. Checks. All checks, notes, bills of exchange or other orders in writing shall be signed by such one or more officers or employees of the Corporation as the Board may from time to time designate.

Section 7.03. Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or to execute or deliver any instrument on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 7.04. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers or employees of the Corporation as the Board shall from time to time designate.

Section 7.05. Books and Records. The Corporation shall keep at the office described in Section 1.01 the correct and complete books and records of account and any minutes of the proceedings of the Board and Executive Committee, if any. Any of the foregoing books, minutes and records may be in written form or in any other form capable of being converted into written form within a reasonable time. [NPCL § 621(a)]

Section 7.06. Purchase, Sale, Mortgage and Lease of Real Property. No purchase or real property shall be made by the Corporation, and the Corporation shall not sell, mortgage or lease real property, unless authorized by the vote of two-thirds of the entire Board; *provided, however*, that if there are twenty-one Directors, the vote of a majority of the entire Board shall be sufficient. [NPCL § 509]

Section 7.07. Annual Report of Directors. The Board shall direct the president and treasurer to present at the annual meeting of the Board a report 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.

The annual report of the Board shall be filed with the minutes of the annual meeting of the Board. [NPCL § 519(c)]

Section 7.08. Report to Executive Council and General Convention of the Episcopal Church. Promptly following the close of each fiscal year, the Board shall submit to the Executive Council a report summarizing the operations of the Corporation during the past year and plans for the coming year. Within a reasonable time following the closing of each fiscal year, the Board shall submit to the Executive Council copies of its annual audit report and its most recent federal and other tax returns. In addition, every third year, the Board shall file such documentation with the General Convention of the Episcopal Church, either directly or through the Executive Council, as the Board and the Executive Council may agree.

Section 7.09. Amendment of By-Laws. These By-Laws may be amended or repealed, or new By-Laws may be adopted, by a majority vote of the Directors of the Corporation then in office at any regular or special meeting of Directors, or by the unanimous written consent of the Directors then in office; *provided, however*, that such amendment, repeal, or adoption of new By-Laws shall not become effective until first ratified by the Executive Council. Such proposed amendment, repeal or new By-Law, or a summary thereof, shall be set forth in a notice of any meeting, whether regular or special, at which such proposed amendment, repeal, or new By-Law will be considered.

Section 7.10. Adoption of these By-Laws. These By-Laws shall be considered adopted and in effect as of the date the Board shall have adopted these By-Laws and the Executive Council shall have provided its written consent.

Section 7.11. Exempt Activities. Notwithstanding any other provision of these By-Laws, no director, officer, employee, agent or representative of the Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt from Federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or corresponding section of any future United States Internal Revenue law).