

**AMENDED AND RESTATED BYLAWS  
OF  
THE CHURCH FOUNDATION  
A Pennsylvania Nonprofit Corporation**

**ARTICLE I  
BOARD OF DIRECTORS**

SEC. 1. *Composition.*

The Board of Directors of the Corporation (the "Directors" or the "Board") shall consist of sixteen (16) Directors, which shall include persons with the following qualifications:

(a) The Bishop of the Protestant Episcopal Church having jurisdiction of the Diocese of Pennsylvania (the "Bishop of the Diocese"), ex officio.

(b) Three Clergymen of the Protestant Episcopal Church, residents of Pennsylvania and canonically connected with the Diocese of Pennsylvania; and

(c) Twelve Laypersons, citizens of Pennsylvania, members of the Protestant Episcopal Church and of some Parish or Mission canonically connected with the Diocese of Pennsylvania.

SEC. 2. *Term.*

(a) With the exception of the Bishop of the Diocese, the Directors serving on the Board shall be divided into three classes, which classes shall be known as Class A, Class B and Class C and which shall be as nearly equal in size as is practicable. The Class A Directors shall consist of those Directors composing the Board as of the date of the adoption of these bylaws whose term of service expires at the end of the Board's Annual Meeting (defined below) in 2001. The Class B Directors shall consist of those Directors composing the Board as of the date of the adoption of these bylaws whose term of service expires at the end of the Board's Annual Meeting in 2002. The Class C Directors shall consist of those Directors composing the Board as of the date of the adoption of these bylaws whose term of service expires at the end of the Board's Annual Meeting in 2003.

(b) With the exception of the Bishop of the Diocese, the Directors of each class shall serve for terms of three (3) years (or, when filling a vacancy, until the next Annual Meeting), expiring on the date of the Board's Annual Meeting or until their successors are elected and have qualified.

SEC. 3. *Manner of Election.*

(a) *Ex-Officio Director.* The Bishop of the Diocese shall serve as an ex officio Director by virtue of his official position.

(b) *Convention Nomination Rights; Election.* The Convention of the Protestant Episcopal Church of the Diocese of Pennsylvania (the "Convention"), or that body which it may designate for the purposes set forth herein, shall have the right to nominate, for each directorship with a term expiring at the Board's next Annual Meeting, at least two (2) candidates meeting the qualifications set forth in Section 1 (the "Convention Nominees"). If the Convention shall have exercised said right, the Board shall, at its next Annual Meeting, elect from the Convention Nominees those persons who will serve as directors upon the vacancy of the directorships expiring at such Annual Meeting. If the Convention shall not have exercised such right, nominations may be made by any Director present at the Annual Meeting; provided that in every case, the candidates nominated shall have the qualifications set forth on Section 1. The Directors shall elect from the candidates those persons who will serve as directors upon the vacancy of the directorships expiring at such Annual Meeting.

SEC. 4. *Removal.*

Any Director, other than the Bishop of the Diocese, may be removed from office at any time, without assigning any cause, by the affirmative vote of a majority of the Directors then in office.

SEC. 5. *Vacancies.*

With the exception of the Bishop of the Diocese, in the event of the death, incapacity, resignation, removal or other vacancy in the office of any Director, a person possessing the required qualifications may be elected by the remaining Directors to fill such Director's place and to serve until the close of the next Annual Meeting of the Corporation or until such Director's successor is elected.

**ARTICLE II**  
**MEETINGS OF THE DIRECTORS**

SEC. 1. *Annual Meeting.*

Annual meetings of the Directors (the "Annual Meeting") shall be held on the first Wednesday after the week in which has been held the Convention or at such other time as the Board may from time to time determine. At such Annual Meeting, the Directors shall elect Directors and officers and the Bishop of the Diocese shall appoint committee members and conduct such other business of the Corporation properly brought before the Board.

SEC. 2. *Regular Meetings.*

Regular meetings of the Board of Directors shall be held at such times and places as the Board may determine from time to time. Meetings of the Board may be held at any location, within or without the Commonwealth of Pennsylvania.

SEC. 3. *Special Meetings.*

Special meetings of the Board of Directors may be called by the President or upon the written request of any three or more Directors.

SEC. 4. *Notice.*

Written notice of the time and place of all meetings of the Board shall be delivered to each Director at least five (5) days prior to the scheduled date of such meeting, unless a longer period of notice is required by applicable law, by the Articles of Incorporation or by these Bylaws. Written notice shall be delivered personally, by nationally recognized overnight courier, by confined facsimile or by mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, postage prepaid, addressed to the designated Director at such Director's most recent address listed in the records of the Corporation.

Notice of the Annual Meeting or regular meetings of the Board need not specify the nature of the business to be transacted, unless the business of such meeting includes the amendment of these Bylaws or the removal of a Director or Directors. Notice of every special meeting shall state briefly the business to be transacted, and only such business shall be considered at the meeting unless otherwise consented to by three-fourths (3/4) of the entire number of Directors.

SEC. 5. *Quorum; Voting.*

The presence of a majority of the Directors then in office shall be necessary to constitute a quorum for the transaction of business at any meeting of the Board. The acts approved by the affirmative vote of the majority of those Directors present at a meeting at which a quorum exists shall be the acts of the Board of Directors, unless a greater proportion of affirmative votes is required by applicable law, by the Articles of Incorporation or by these Bylaws; provided, however, that if the Directors shall unanimously consent in writing to any action to be taken by the Directors, such action shall be the act of the Directors as though it had been taken at a meeting of the Directors duly called and held at which a quorum was present.

SEC. 6. *Conference Calls.*

Any one or more persons may participate in a meeting of the Board of Directors 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 6 shall constitute presence in person at such meeting.

### **ARTICLE III OFFICERS**

SEC. 1. *Officers.*

The officers of the Corporation shall be elected by the Board and shall be a President, who shall be the Bishop of the Diocese, *ex officio*; one or more Vice Presidents; a Secretary; a Treasurer; and such other officers as the Board may deem desirable from time to time. Any two of said offices may be held by one person.

SEC. 2. *Term; Removal.*

The officers shall hold their offices for such terms as shall be determined by the Board from time to time or until their successors are chosen and have qualified. With the exception of the President, any officer, agent or employee of the Corporation may be removed of his or her authority upon the resolution of the Board of Directors. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

SEC. 3. *Powers and Duties.*

In addition to the powers and duties that may be set forth in these Bylaws, each officer shall have such powers and duties as are usually related to such office and as the Board shall determine from time to time by resolution.

(a) *Executive Vice President.* The Board may designate one of the Vice Presidents to be the Executive Vice President of the Corporation. The Executive Vice President shall be assigned the general supervision of the affairs of the Corporation, shall be authorized to attend generally to the executive business of the Corporation under the direction of the Board, and shall be a member of all Committees (except the Executive Committee) with the right to vote if the Executive Vice President is a Director of the Corporation, and without the right to vote if the Executive Vice President is not a Director of the Corporation.

(b) *Other Officers.* The other elected officers shall perform such duties as may from time to time be assigned them by the Board.

SEC. 4. *Appointment of Employees or Agents; Compensation.*

The Board of Directors shall have power, by resolution adopted by a majority of the entire Board, to appoint such employees or agents as the business of the Corporation may from time to time require, and to fix the compensation of all officers, agents or employees of the Corporation.

**ARTICLE IV  
COMMITTEES**

SEC. 1. *Standing Committees.*

There shall be the following regular standing committees of the Board:

- (a) An Executive Committee;
- (b) A Committee on Investments;
- (c) An Audit Committee;
- (d) A Committee on Insurance, and
- (e) A Committee on Trusts

SEC. 2. *Other Committees.*

The Board may, by resolution adopted by a majority of the members of the Board of Directors, establish one or more other committees as it deems appropriate. No committee other than the Executive Committee may have or exercise any authority of the Board to manage the business and affairs of the Corporation.

SEC. 3. *Appointment; Term.*

The members of the Executive Committee shall be appointed by the Board of Directors at its Annual Meeting. The members of all other committees shall be appointed either by the President, or, in his absence, by the Board, at the first meeting of the Directors after the Annual Meeting, to serve for one year or until their successors are appointed. Vacancies in the membership of any committee shall be filled by appointments made in the same manner as the initial appointments to such committee in accordance with these Bylaws.

SEC. 4. *Quorum; Action.*

A majority of the members of a committee shall constitute a quorum for the transaction of any business and the acts of a majority of the members present at any meeting at which a quorum is present shall be the acts of such committee, unless a greater proportion is required by applicable law, by the Articles of Incorporation, by these Bylaws or by the resolutions authorizing the committee.

SEC. 5. *The Executive Committee.*

The Executive Committee shall consist of not fewer than three (3) nor more than five (5) members of the Board of Directors and shall be appointed annually by the Board of Directors, which shall fill vacancies therein. To the extent not prohibited by applicable law or by these Bylaws, the Executive Committee shall have power between meetings of the Board of Directors to manage the business of the Corporation with all the authority which could be exercised by the Board. It shall at all times in its management of the business of the Corporation carry out the directions of the Board, and shall make a report at each regular meeting of the Board, and at other meetings when called upon by the Board, as to its acts since the last regular meeting. Any member of the Executive Committee may be removed by a vote of a majority of the entire Board at any regular or special meeting.

SEC. 6. *The Committee on Investments.*

The Committee on Investments shall be charged with the duty of supervising all the investments held by the Corporation, either in the Corporation's own name or as Trustee, whether the same be securities or real estate, and shall direct the investing and reinvesting of the same, and the extending, changing the interest rates thereon or the foreclosure of mortgages, and the renting, repairing, keeping insured and, with the approval of the Board or of the Executive Committee, the selling of real estate held as investments. The Committee on Investments shall frequently examine the investments with a view to making such changes therein as may seem advisable, and shall report three times a year to the Board such changes as have been made. The Committee shall also have such other duties as may be prescribed from time to time by the Board of Directors.

SEC. 7. *Audit Committee.*

The Audit Committee shall be charged with the duty of supervising the audit of the Corporation's books and records. It shall review the scope of the examination made by the Corporation's independent public accountants and the examination reports submitted by them. It shall also be responsible for selecting the Corporation's independent public accountants and recommending their appointment to the Board annually. The Committee shall also have such other duties as may be prescribed from time to time by the Board of Directors.

SEC. 8. *The Committee on Insurance & Real Estate.*

The Committee on Insurance & Real Estate shall cause all real estate held by the Corporation to be valued when first acquired and from time to time thereafter as directed by the Board for insurance purposes and shall report to the Board the values at which such property should from time to time be insured against risk of fire or other casualty. It shall also investigate and from time to time report to the Board what directors and officers, employers' liability of other indemnity insurance should be maintained by the Corporation. The Committee shall also have such other duties as may be prescribed from time to time by the Board of Directors.

SEC. 9. *The Committee on Trusts.*

The Committee on Trusts shall have power to accept gifts and grants in trust for the Corporation which do not involve expenditures or the performance of onerous duties on the part of the Corporation, on such terms as the Board may from time to time prescribe. They shall have supervision over properties which the Corporation holds in trust but not as investments. They shall be at the service of the officers and committees for advice as to their powers and duties in trust matters. All proposals to sell any real estate held by the Corporation other than as investments shall be referred to the Committee on Trusts for report thereon to the Board.

**ARTICLE V  
FISCAL AGENT**

SEC. 1. *Fiscal Agent.*

The Board of Directors shall at all times employ as a fiscal agent one or more corporations in the business of providing custody, record-keeping and other fiduciary services to act as custodian and record-keeper for the corporation (approved by Convention of 2002).

**ARTICLE VI  
LIMITATION OF LIABILITY AND INDEMNIFICATION**

SEC. 1. *Limitation on Liability.*

To the fullest extent permitted by Pennsylvania law now in effect and as amended from time to time, a Director shall not be personally liable for monetary damages for any action taken, or any failure to take any action, unless (i) the Director has breached or failed to perform the duties of his or her office under the Pennsylvania Nonprofit Corporation Law of 1988, as amended (or any successor law), and (ii) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness. The provisions of this Section shall not apply to (i) the responsibility or liability of a Director pursuant to any criminal statute, or (ii) the liability of a Director for the payment of taxes pursuant to local, state or federal law.

SEC. 2. *Right to Indemnification.*

To the fullest extent permitted by the laws of the Commonwealth of Pennsylvania in effect at the time of such indemnification, the Corporation shall indemnify any person who was or is a party or is threatened to be or is made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including action by or in the right of the Corporation, by reason of the fact that such person is or was a Director, Officer, employee or agent of the Corporation, or, while a Director, Officer, employee or agent of the Corporation, is or was serving at the request of the Corporation as a member, director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including an employee benefit plan, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by such person in connection with such threatened, pending or completed action, suit or proceeding, provided such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

SEC. 3. *Advance of Expenses.*

The Corporation shall pay expenses incurred by a Director or officer, and may pay expenses incurred by any other employee or agent, in defending a civil or criminal action, suit or proceeding in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such person to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the Corporation.

SEC. 4. *Procedure for Determining Permissibility.*

To determine whether any indemnification or advance of expenses under this Article is permissible, the Board of Directors by a majority vote of a quorum consisting of Directors not parties to such action, suit or proceeding may, and on request of any person seeking indemnification or advance of expenses, shall be required to determine in each case whether the applicable standards in any applicable statute have been met, or such determination shall be made by independent legal counsel if such quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested Directors so directs. The reasonable expenses of any Director, officer, employee or agent in prosecuting a successful claim for indemnification, and the fees and expenses of any special legal counsel engaged to determine permissibility of indemnification or advance of expenses, shall be borne by the Corporation.

SEC. 5. *Modification or Repeal.*

No modification or repeal of any provision of this Article shall affect, to the detriment of the Director, Officer or employee, the obligation of the Corporation to indemnify or to advance expenses in connection with a claim based on any act or failure to act occurring before such modification or repeal. Any repeal or modification of any provision of this Article shall be prospective only, and shall not affect, to the detriment of any Director, any limitation on the personal liability of a Director existing at the time of such repeal or modification.

SEC. 6. *Indemnification Not Exclusive; Inuring of Benefit.*

The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other right to which one indemnified may be entitled under any agreement, vote of Directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, shall inure to the benefit of the heirs, executors and administrators of any person, and shall continue as to each such Director, officer, employee or agent who has ceased to be a Director, officer, employee or agent of the Corporation.

SEC. 7. *Insurance, Security and Other Indemnification.*

The Board of Directors shall have the power to (i) authorize the Corporation to purchase and maintain, at the Corporation's expense, insurance on behalf of the Corporation and others to the extent that power to do so has not been prohibited by law, (ii) create any fund of any nature, whether or not under the control of a trustee, or otherwise secure any of its indemnification obligations, and (iii) give other indemnification to the extent not prohibited by applicable law.

**ARTICLE VII  
AMENDMENT**

SEC. 1. *Amendment, Notice of Amendment.*

These Bylaws may be amended, altered or repealed or new Bylaws may be adopted at any regular or special meeting of the Board; but no alteration or amendment shall be made in

them unless notice in writing, stating the terms of the proposed amendment, has been given to the Secretary at least twenty days before the date of such meeting and notice has been sent at least ten days before such meeting to each Director, setting out in full the existing Bylaw and the proposed amendment thereto.

SEC. 2. *Certain Amendments.*

Every amendment affecting the relation between the Corporation and the Protestant Episcopal Church of the Diocese of Pennsylvania shall be submitted for consideration to the next annual Convention, or the body which has succeeded to the duties of such Convention; and no such amendment of these Bylaws shall be effective until approved by said Convention or some succeeding Convention or other body succeeding to its duties.

Effective Date: May 5, 2004