

**BY-LAWS OF GROVE MANOR,  
A NON-PROFIT CORPORATION**

**ARTICLE I - NAME AND REGISTERED OFFICE**

Section 1.01. Name. The registered name of the Corporation is GROVE MANOR, a non-profit corporation, incorporated under the laws of the Commonwealth of Pennsylvania on November 7, 1966.

Section 1.02. Registered Office. The registered office of the Corporation is 435 North Broad Street, Grove City, Pennsylvania 16127.

**ARTICLE II - PURPOSE**

Section 2.01. Purpose. The purpose of the Corporation which is organized exclusively for charitable purposes within the meaning of Section 501 of the Internal Revenue Code of 1954, or the corresponding provision of any subsequent law, shall be to establish and operate various types of health care and/or residential facilities for senior citizens or other dependent persons and for said purposes it is the further object of the Corporation to receive gifts, devises, and bequests of real and personal property, to execute trusts, to buy, hold, manage, sell, exchange, and lease real and personal property, to establish and operate houses and other such buildings as may be needed for the fulfillment of the said objects and purposes agreeable to the laws of the Commonwealth of Pennsylvania. The Corporation is organized exclusively for charitable purposes, including for such purposes, the making of distributions to organizations that qualify as exempt organizations within the meaning of Section 501 of the Internal Revenue Code or the corresponding provisions of any subsequent law.

**ARTICLE III - FINANCES**

Section 3.01. Fiscal Year. The fiscal year of the Corporation shall be from July 1 to June 30. The Board of Directors may, from time to time, adopt Resolutions relating to the finances of the Corporation such as, but not limited to, the adoption of a budget for the Corporation.

Section 3.02. 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such banks, trust companies, or other depositories as the Board may approve or designate, and all such funds shall be withdrawn only upon checks signed by such one or more officers, employees or such other persons as the Board shall from time to time determine.

Section 3.03. Books and Accounts. Books and accounts of the Corporation shall be kept as determined by the Board of Directors and the financial condition and results of operation shall be audited not less than annually by an independent firm of certified public accounts.

Section 3.04. Annual Report. The Board shall direct the Treasurer to present at the Annual Meeting of the Board of Directors a report showing in appropriate detail the following:

- (1) 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.
- (2) The principal changes in assets and liabilities including trust funds, during the year immediately preceding the date of the report.
- (3) 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.
- (4) 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 fund held by or for the Corporation.

## ARTICLE IV - MEMBERSHIP

Section 4.01. The Corporation shall consist of those persons who comprise the Board of Directors.

Section 4.02. Any member of the Board accepting residency in Grove Manor or any of the Corporation's homes shall not continue to serve on the Board of Directors or be elected to the Board of Directors.

Section 4.03. Any full-time employee of Grove Manor or any of the Corporation's homes shall be ineligible to serve on the Board of Directors, except for a full time Chaplain.

## ARTICLE V - BOARD OF DIRECTORS

Section 5.01. Powers. The Board shall have full power to conduct, manage and direct the business and affairs of the Corporation. All powers vested in the Corporation by the Pennsylvania Non-Profit Corporation Law of 1988, as amended, (NPCL) shall be vested in and exercised by the Board of Directors.

Section 5.02. Qualifications and Selection. Each Director shall be a natural person of full age and need not be a resident of Pennsylvania.

Section 5.03. Number and Term of Office. The Board shall consist of at least twelve (12) Directors unless changed by Resolution of the Board. All Directors shall be elected by the Administrative Council of the Allegheny Region Conference of the Churches of God, General Conference, from a slate of nominees submitted by the existing members of the Grove Manor Board of Directors. At least five (5) members of the Board of Directors must be members of Churches of God located within the Allegheny Region Conference of the Churches of God, General Conference; at least two (2) Directors must be members of Churches of God CGWM of the Allegheny Region Conference of the Churches of God, General Conference; and no more than five (5) Directors shall be elected from the public at large. Each Director shall serve a term of three (3) years or until his/her successor shall have been elected and qualified. The terms of the Director shall be staggered so that at least four (4) Directors will be elected each year. Non-voting advisory members of the Board of Directors shall include the Grove Manor Solicitor, selected members of the Management Company, the Regional Director and the President of the Allegheny Region Conference of the Churches of God, General Conference.

Section 5.04. Organization. At every meeting of the Board, the President of the Corporation, if there be one, or, in the case of vacancy in the office or absence of the President of the Corporation, one of the following officers present in the order stated: the Vice President of the Corporation, if there be one, the President, the Vice Presidents in their order of rank and seniority, or a Chairman chosen by a majority of the Directors present, shall preside, and the Secretary, or, in his absence, an Assistant Secretary, or in the absence of the Secretary and the Assistant Secretaries, any person appointed by the Chairman of the meeting, shall act as Secretary.

Section 5.05. Resignations. Any Director of the Corporation may resign at any time by giving written notice to the President 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 5.06. Vacancies. Vacancies on the Board of Directors shall be filled by appointment by the remaining members of the Board of Directors, though less than a quorum, at any regular or special meeting. The appointment shall be made from a slate of appointees selected by the Executive Committee consistent with the qualifications and guidelines set forth in Section 5.03 above. Each Director so appointed shall serve the unexpired portion of the vacating Director's term of office.

Section 5.07. Regular Meetings. Regular meetings of the Board shall be held at such a time and place as shall be designated from time to time by resolution of the Board. If the date fixed for any such regular meeting be a legal holiday under the laws of the State where such meeting is to be held, then the same shall be held on the next succeeding business day, not a Saturday, or at such other time as may be determined by resolution of the Board. At such meetings, the Board shall transact such business as may properly be brought before the meeting. Notice of regular meetings need not be given unless otherwise required by law or these By-Laws.

Section 5.08. Annual Meeting. The Annual Meeting of the Board of Directors shall be held in September of each year. The election of new Directors or re-election of Directors shall have taken place prior to the annual meeting so all newly elected or appointed Directors may be seated and qualified to vote at the Annual Meeting.

Section 5.09. Notice of Meetings. Written notice of the annual and regular meetings of the Board of Directors shall be given to each Director at least five (5) days prior to each meeting either personally, by mail, facsimile transmission or other commonly used and accepted written method of delivery or transmission.

Section 5.10. Informal Action in Lieu of Meeting. Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Corporation.

Section 5.11. Special Meetings. Special meetings of the Board of Directors may be called by the President, Vice President or any two (2) Directors upon three (3) days written notice to each Director, either personally or by facsimile transmission, which notice shall include a statement as to the general nature of the business to be carried on at such meeting and the time and place of said meeting.

Section 5.12. Waiver of Notice. Whenever any written notice is required to be given under the provisions of the Articles or these By-Laws or the Non-Profit Corporation Law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting.

Section 5.13. Meetings by Telephone Conference Calls. One or more persons may participate in a meeting of the Board or of a committee of the Board by means of conference, telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 5.14. Quorum, Manner of Acting, and Adjournment. A majority of the Directors in office shall be present at each meeting in order to constitute a quorum for the transaction of business. Every Director shall be entitled to one vote. Except as otherwise specified in the Articles or these By-Laws or provided by statute, 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 and voting may adjourn the meeting from time to time until a quorum is present. The Directors shall act only as a Board and the individual Directors shall have no power as such, except that any action which may be taken at a meeting of the Board may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Corporation.

Section 5.15. Executive and Other Committees. The Board may, by Resolution adopted by a majority of the Directors in office, establish an Executive Committee and one or more other committees, each committee to consist of two (2) or more Directors of the Corporation. The Board may designate one (1) 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, or any committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another Director to act at the meeting in the place of any such absent or disqualified member. Each committee of the Board shall serve at the pleasure of the Board.

The Executive Committee 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:

- (1) The filling of vacancies in the Board.
- (2) The adoption, amendment or repeal of the By-Laws.
- (3) The amendment or repeal of any Resolution of the Board.

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 Nonprofit Corporation Law of 1988 in the Board as such, but any other committee of the Board or Executive Committee concerning the exercise of such powers and authority.

Written notice of each meeting of the Executive Committee shall be given to each member of the Committee by the Secretary of the Corporation at least three (3) days prior to each meeting in the manner prescribed in Section 5.09 above.

The establishment of any committee of the Board and the delegation thereto of power and authority shall not alone relieve any Director of his fiduciary duty to the Corporation.

A majority of the Directors 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.

Each committee shall keep regular minutes of its proceedings and report such proceedings periodically to the Board.

Persons who are not Directors may be permitted to attend Committee Meetings and to serve on Committees in an advisory capacity and any such person shall not be entitled to vote.

Section 5.16. Conflicts. No member of the Board of Directors shall participate in the discussion or vote on any matter in which he shall have a financial interest, either directly or indirectly, and said member shall be counted as present for the purposes of determination of quorum at such meeting but shall not be counted for purposes of determination of majority vote to carry such motion.

Section 5.17. Compensation of Directors. Directors shall serve without compensation for their services, but shall be entitled to reimbursement of expenses incurred by them in performance of their duties as may be determined by a Resolution of the Board of Directors including expenses for attendance at regular and special meetings of the Board.

## ARTICLE VI - OFFICERS

Section 6.01. Number and Term. The officers of the Corporation shall be elected by the Board of Directors at its Annual Meeting and shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors from among its members. The Board of Directors may also elect such other officers and appoint such agents, as it shall deem necessary, who shall hold their offices for such terms, having such authority and perform such duties, as may from time to time be prescribed by the Board of Directors. The initial officers of the Corporation shall serve until the first Annual Meeting of the Board and until their successors are duly elected and shall qualify.

Section 6.02. Removal. Upon the affirmative vote of a majority of the members of the Board of Directors at a regular or special meeting of the Board, any officer or agent elected or appointed may be removed at any time and within the period, if any, for which such person was elected or employed whenever in the Board's judgment it is in the best interest of the Corporation, and all persons shall be elected and employed subject to the provisions hereof. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 6.03. President. The President shall be the Chief Executive Officer of the Corporation; shall preside at all meetings of the Directors; shall have general and active management of the affairs of the Corporation; shall see that all orders and resolutions of the Board are put into effect, subject however, to the right of the Board of Directors to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Corporation.

Section 6.04. Vice President. There shall be one or more Vice Presidents, as the Board may determine from time to time. In the absence or disability of the President, any one of the Vice Presidents chosen by the President, shall perform the duties and exercise the powers of the President, and each Vice President shall perform such other duties as may be assigned to him by the Board of Directors or the President.

Section 6.05. Secretary. Duties and Authority of Secretary. The Secretary shall cause notices of all meetings to be served as prescribed in these By-Laws and shall keep or cause to be kept the minutes of all meetings of the Board. The Secretary shall have charge of the seal of the Corporation if one is adopted. The Secretary shall perform such other duties and possess such other powers as are incident to that office or as are assigned by the President or the Board.

Section 6.06. Treasurer. The Treasurer is responsible to be knowledgeable of the financial operations of the Corporation; shall act as Chairman of the Finance Committee; shall insure that monthly financial information is provided to the Board of Directors; shall provide a summary of the most recent financial results of the Corporation at each regularly scheduled Board of Directors meetings; shall present and provide advice on significant changes in financial operations of the Corporation.

Section 6.07. Compensation. The salaries, if any, of all officers, shall be fixed by the Board of Directors.

**ARTICLE VII - LIMITATION OF PERSONAL LIABILITY OF DIRECTORS;  
INDEMNIFICATION OF DIRECTORS, OFFICERS  
AND OTHER AUTHORIZED REPRESENTATIVES**

Section 7.01. Limitation of Personal Liability of Directors. A Director of the Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action unless:

- (a) The Director has breached or failed to perform the duties of his or her office as defined in Section 7.02 below; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The provisions of this Section shall not apply to (a) the responsibility or liability of a Director pursuant to any criminal statute; or (1) the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Section 7.02. Standard of Care and Justifiable Reliance.

- (a) A Director of the Corporation shall stand in a fiduciary relationship to the Corporation, and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
  - (i) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
  - (ii) Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person;
  - (iii) A committee of the Board upon which he or she does not serve, duly designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in questions that would cause his or her reliance to be unwarranted.

- (b) In discharging the duties of their respective positions, the Board, committees of the Board and their individual Director may in considering the best interests of the Corporation, consider the effects of any action upon employees, upon persons with whom the Corporation has business and other relations and upon communities which the offices or other establishments of or related to the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (a) of this Section.
- (c) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Corporation.

Section 7.03. Indemnification in Third Party Proceedings. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completion action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action suit or 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 person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause

to believe that his or her conduct was unlawful.

Section 7.04. Indemnification in Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he or she 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 except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Common Pleas or such other court shall deem proper.

Section 7.05. Mandatory Indemnification. Notwithstanding any contrary provision of the Articles or these By-Laws, to the extent that a representative of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in either Section 7.03 or Section 7.04 above, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 7.06. Determination of Entitlement to Indemnification. Unless ordered by a court, any indemnification under Section 7.03 or 7.04 above shall be made by the Corporation only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such paragraph. Such determination shall be made:

- (a) By the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or
- (b) If such a quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in written opinion.

Section 7.07. Advancing Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in paragraph 1 through 3 above.

Section 7.08. Indemnification of Former Representatives. Each such indemnity may continue as to a person who has ceased to be a representative of the Corporation and may inure to the benefit of the heirs, executors and administrators of such person.

Section 7.09. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or the enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's status as such, whether or not the Corporation would otherwise have the power to indemnify such person against such liability.

Section 7.10. Reliance on Provisions. Each person who shall act as an authorized representative of the Corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

## **ARTICLE VIII - CORPORATE SEAL**

8.01. Corporate Seal. The Board of Directors shall prescribe the form of a suitable corporate seal which shall contain the full name of the Corporation and the year and state of incorporation on behalf of the Corporation. The Corporation, nevertheless, reserves the right to adopt a seal to be used on corporate instruments as it sees fit.

## **ARTICLE IX - EXECUTION OF INSTRUMENTS**

Section 9.01. Execution of Instruments. All checks, drafts, bills of exchange, notes or other obligations or orders for payment of money shall be signed in the name of the Corporation by such person or persons holding the offices or positions as may be designated by the Board.

Section 9.02. Contracts. Except as otherwise provided in these By-Laws, 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.

## **ARTICLE X - AMENDMENT OF BY-LAWS**

Section 10.01. These By-Laws may be amended or repealed, by a two thirds vote of the members present at a meeting of the Board of Directors called for that purpose.

Section 10.02. A summary of any changes proposed to be acted upon by the Board of Directors shall first have been submitted to each Director in writing, for his review, not less than ten (10) days prior to the vote.

## **ARTICLE XI - DISSOLUTION**

Section 11.01. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c) (3) of the Internal Revenue Code of 1954 (or Internal Revenue Law), as the Board of Directors shall determine. Any of such assets not so disposed of shall be disposed of by the Allegheny Regional Conference of the Churches of God exclusively for such purposes or causes that the Conference shall determine which are organized and operated exclusively for such purposes.

**BY-LAWS OF CHRISTIAN LOVING FUND,  
A PENNSYLVANIA NONPROFIT CORPORATION**

**ARTICLE I - NAME AND REGISTERED OFFICE**

Section 1.01. Name. The registered name of the Corporation is CHRISTIAN LOVING FUND (formerly, Christian Loving Fund of Western Pennsylvania Conference of the Churches of God).

Section 1.02. Registered Office. The registered office of the Corporation is 435 North Broad Street, Grove City, Pennsylvania 16127.

Section 1.03. Mailing Address. The mailing address of the Corporation shall be P.O. Box 1055, Franklin, Pennsylvania 16323-5055.

**ARTICLE II - PURPOSE AND INVESTMENT POLICY**

Section 2.01. Purpose. The Corporation is organized exclusively for charitable purposes within the meaning of Section 501 of the Internal Revenue Code. The purpose of the Corporation shall be to hold, invest, manage, administer and disburse property of all types which may be contributed, devised, bequeathed or otherwise given to the Corporation and to disburse the same in accordance with these By-Laws.

Section 2.02. Investment Policy. The Corporation shall invest its funds in accordance with the ideals and principles of the Allegheny Region Conference of the Churches of God, General Conference (hereinafter referred to as "Allegheny Region Conference") or its successor, and the laws of the Commonwealth of Pennsylvania.

Section 2.03. Disbursement of Funds. Unless restricted by the donor, the Corporation may distribute funds or assets to any organization that has tax exempt status under Section 501 of the Internal Revenue Code. The Corporation shall attempt to preserve the principal of its assets when practicable.

**ARTICLE III - FINANCES**

Section 3.01. Fiscal Year. The fiscal year of the Corporation shall be from July 1 to June 30. The Board of Directors may, from time to time, adopt Resolutions relating to the finances of the Corporation such as, but not limited to, the adoption of a budget for the Corporation.

Section 3.02. 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 as the Board shall from time to time determine.

Section 3.03. Books and Accounts. Books and accounts of the Corporation shall be kept under the direction of the Treasurer of the Corporation and the financial condition and results of operation shall be audited not less than annually by an independent firm of certified public accounts.

**ARTICLE IV - MEMBERS**

Section 4.01. Members. The Corporation shall have no members.

**ARTICLE V - BOARD OF DIRECTORS**

Section 5.01. Powers. The Board shall have full power to conduct, manage and direct the business and affairs of the Corporation. All powers vested in the Corporation by the Pennsylvania Non-Profit Corporation Law of 1988, as amended, (NPCL) shall be vested in and exercised by the Board of Directors.



Section 5.02. Qualifications and Selection. Each Director of the Corporation shall be a natural person of full age. No more than one (1) Director of the Corporation may serve on the Board of Directors of Grove Manor Corporation, a Pennsylvania non-profit corporation. At least three (3) Directors shall be members of the Churches of God.

Section 5.03. Number and Term of Office. The Board shall consist of five (5) Directors unless changed by resolution of the Board. Each Director shall hold office for five (5) years or until his/her successors shall have been elected and qualified or until his/her earlier death, resignation or removal. The initial Directors of the Corporation shall have staggered terms, one (1) each for one (1) year, two (2), three (3), four (4) and five (5) years.

Section 5.04. Organization: At every meeting of the Board, the President of the Corporation, if there be one, or, in the case of vacancy in the office or absence of the President of the Corporation, one of the following officers present in the order stated: the Vice President of the Corporation, if there be one, the President, the Vice Presidents in their order of rank and seniority, or a Chairman chosen by a majority of the Directors present, shall preside, and the Secretary, or, in his absence, an Assistant Secretary, or in the absence of the Secretary and the Assistant Secretaries, any person appointed by the Chairman of the meeting, shall act as Secretary.

Section 5.05. Resignations. Any Director of the Corporation may resign at any time by giving written notice to the President 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 5.06. Vacancies. The Board, by majority vote, may remove any Director for a cause or in the event said Director shall have been absent from three (3) consecutive meetings, whether regular or special.

Section 5.07. Appointment of Directors and Filling of Vacancies. All vacancies on the Board of Directors resulting from the expiration of the term of a Director or resulting from the death, resignation, disqualification, removal in any manner, increase in the number of Directors, or any other cause, shall be filled by a majority of the remaining members of the Board though less than a quorum, at any regular or special meeting. A Director whose appointment results from the expiration of the term of a prior Director shall be appointed for a full term equal to that of the Director whose term expired. A Director whose appointment results from the death, resignation, disqualification or removal in any manner of a member of the Board shall serve for the balance of the unexpired term of the Director whose position was vacated. If at any time there are no Directors living or no Directors able to serve or in the event the Board of Directors fails to fill a vacancy within ninety (90) days after written request to do so from the Allegheny Region Conference, the vacancy shall be filled by appointment by the Allegheny Region Conference.

Section 5.08. Regular Meetings. Regular meetings of the Board shall be held at such a time and place as shall be designated from time to time by resolution of the Board. If the date fixed for any such regular meeting be a legal holiday under the laws of the State where such meeting is to be held, then the same shall be held on the next succeeding business day, not a Saturday, or at such other time as may be determined by resolution of the Board. At such meetings, the Board shall transact such business as may properly be brought before the meeting. Notice of regular meetings need not be given unless otherwise required by law or these By-Laws.

Section 5.09. Annual Meeting. The Annual Meeting of the Board of Directors shall be held in July of each year at such time and place as may be fixed by the Board of Directors for the purpose of, among other items, nominating Directors and electing the officers of the Corporation.

Section 5.10. Notice of Meetings. Written notice of the annual and regular meetings of the Board of Directors shall be given to each Director at least five (5) days prior to each meeting either personally, by mail or facsimile transmission.

Section 5.11. Informal Action in Lieu of Meeting. Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Corporation.

Section 5.12. Special Meetings. Special meetings of the Board of Directors may be called by the President, Vice President or any two (2) Directors upon three (3) days written notice to each Director, either personally or by facsimile transmission, which notice shall include a statement as to the general nature of the business to be carried on at such meeting and the time and place of said meeting.

Section 5.13. Waiver of Notice. Whenever any written notice is required to be given under the provisions of the Articles or these

By-Laws or the Non-Profit Corporation Law, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Attendance of a person at any meeting shall constitute a waiver of notice of such meeting.

Section 5.14. Meetings by Telephone Conference Calls. One or more persons may participate in a meeting of the Board or of a committee of the Board by means of conference, telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

Section 5.15. Quorum, Manner of Acting, and Adjournment. A majority of the Directors in office shall be present at each meeting in order to constitute a quorum for the transaction of business. Every Director shall be entitled to one vote. Except as otherwise specified in the Articles or these By-Laws or provided by statute, 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 and voting may adjourn the meeting from time to time until a quorum is present. The Directors shall act only as a Board and the individual Directors shall have no power as such, except that any action which may be taken at a meeting of the Board may be taken without a meeting, if a consent or consents in writing setting forth the action so taken shall be signed by all of the Directors in office and shall be filed with the Secretary of the Corporation.

Section 5.16. Executive and Other Committees. The Board may, by Resolution adopted by a majority of the Directors in office, establish an Executive Committee and one or more other committees, each committee to consist of two (2) or more Directors of the Corporation. The Board may designate one (1) 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, or any committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another Director to act at the meeting in the place of any such absent or disqualified member. Each committee of the Board shall serve at the pleasure of the Board.

The Executive Committee 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:

- (1) The filling of vacancies in the Board.
- (2) The adoption, amendment or repeal of the By-Laws.
- (3) The amendment or repeal of any Resolution of the Board.

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 Nonprofit Corporation Law of 1988 in the Board as such, but any other committee of the Board or Executive Committee concerning the exercise of such powers and authority.

The establishment of any committee of the Board and the delegation thereto of power and authority shall not alone relieve any Director of his fiduciary duty to the Corporation.

A majority of the Directors 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.

Each committee shall keep regular minutes of its proceedings and report such proceedings periodically to the Board.

Section 5.17. Conflicts. No member of the Board of Directors shall participate in the discussion or vote on any matter in which he shall have a financial interest, either directly or indirectly, and said member shall be counted as present for the purposes of determination of quorum at such meeting but shall not be counted for purposes of determination of majority vote to carry such motion.

Section 5.18. Fees. Each Director may be paid such reasonable fee, if any, as shall be fixed by the Board for each meeting of the Board or committee or Directors which he shall attend and may be paid such other compensation for his services as a Director as may be fixed by the Board.

## ARTICLE VI - OFFICERS

Section 6.01. Number and Term. The officers of the Corporation shall be elected by the Board of Directors at its Annual Meeting and shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors from among its members. The Board of Directors may also elect such other officers and appoint such agents, as it shall deem necessary, who shall hold their offices for such terms, having such authority and perform such duties, as may from time to time be prescribed by the Board of Directors. The initial officers of the Corporation shall serve until the first Annual Meeting of the Board and until their successors are duly elected and shall qualify.

Section 6.02. Removal. Upon the affirmative vote of a majority of the members of the Board of Directors at a regular or special meeting of the Board, any officer or agent elected or appointed may be removed at any time and within the period, if any, for which such person was elected or employed whenever in the Board's judgment it is in the best interest of the Corporation, and all persons shall be elected and employed subject to the provisions hereof. If the office of any officer becomes vacant for any reason, the vacancy shall be filled by the Board of Directors.

Section 6.03. President. The President shall be the Chief Executive Officer of the Corporation; shall preside at all meetings of the Directors; shall have general and active management of the affairs of the Corporation; shall see that all orders and resolutions of the Board are put into effect, subject, however, to the right of the Board of Directors to delegate any specific powers, except such as may be by statute exclusively conferred on the President, to any other officer or officers of the Corporation.

Section 6.04. Vice President. There shall be one or more Vice Presidents, as the Board may determine from time to time. In the absence or disability of the President, any one of the Vice Presidents chosen by the President, shall perform the duties and exercise the powers of the President, and each Vice President shall perform such other duties as may be assigned to him by the Board of Directors or the President.

Section 6.05. Secretary. Duties and Authority of Secretary. The Secretary shall cause notices of all meetings to be served as prescribed in these By-Laws and shall keep or cause to be kept the minutes of all meetings of the Board. The Secretary shall have charge of the seal of the Corporation if one is adopted. The Secretary shall perform such other duties and possess such other powers as are incident to that office or as are assigned by the President or the Board.

Section 6.06. Treasurer. The Treasurer shall have the custody of the corporate funds; shall keep full and accurate accounts of the receipts and disbursements in books belonging to the Corporation; shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as shall be designated by the Board of Directors, shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements; shall render to the President and Directors, at regular meetings of the Board, or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

Section 6.07. Compensation. The salaries, if any, of all officers, shall be fixed by the Board of Directors.

## ARTICLE VII - LIMITATION OF PERSONAL LIABILITY OF DIRECTORS; INDEMNIFICATION OF DIRECTORS, OFFICERS AND OTHER AUTHORIZED REPRESENTATIVES

Section 7.01. Limitation of Personal Liability of Directors. A Director of the Corporation shall not be personally liable for monetary damages as such for any action taken, or any failure to take any action unless:

- (a) The Director has breached or failed to perform the duties of his or her office as defined in Section 7.02 below; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct or recklessness.

The provisions of this Section shall not apply to (a) the responsibility or liability of a Director pursuant to any criminal statute; or b,) the liability of a Director for the payment of taxes pursuant to local, state or federal law.

Section 7.02. Standard of Care and Justifiable Reliance.

- (a) A Director of the Corporation shall stand in a fiduciary relationship to the Corporation, and shall perform his or her duties as a Director, including his or her duties as a member of any committee of the Board upon which he or she may serve, in good faith, in a manner he or she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances. In performing his or her duties, a Director shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:
- (i) One or more officers or employees of the Corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
  - (ii) Counsel, public accountants or other persons as to matters which the Director reasonably believes to be within the professional or expert competence of such person;
  - (iii) A committee of the Board upon which he or she does not serve, duly designated authority, which committee the Director reasonably believes to merit confidence.

A Director shall not be considered to be acting in good faith if he or she has knowledge concerning the matter in questions that would cause his or her reliance to be unwarranted.

- b) In discharging the duties of their respective positions, the Board, committees of the Board and their individual Director may in considering the best interests of the Corporation, consider the effects of any action upon employees, upon persons with whom the Corporation has business and other relations and upon communities which the offices or other establishments of or related to the Corporation are located, and all other pertinent factors. The consideration of those factors shall not constitute a violation of subsection (a) of this Section.
- (c) Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Director or any failure to take any action shall be presumed to be in the best interests of the Corporation.

Section 7.03. Indemnification in Third Party Proceedings. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completion action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action suit or 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 person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 7.04. Indemnification in Derivative Actions. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a representative of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees) actually and reasonably incurred in connection with the defense or settlement of such action or suit if he or she 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 except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the Court of Common Pleas of Philadelphia County or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Common Pleas or such other court shall deem proper.

Section 7.05. Mandatory Indemnification. Notwithstanding any contrary provision of the Articles or these By-Laws, to the extent that a representative of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding

referred to in either Section 7.03 or Section 7.04 above, he or she shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him or her in connection therewith.

Section 7.06. Determination of Entitlement to Indemnification. Unless ordered by a court, any indemnification under Section 7.03 or 7.04 above shall be made by the Corporation only as authorized in the specific case upon determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in such paragraph. Such determination shall be made:

- (a) By the Board by a majority vote of a quorum consisting of Directors who were not parties to such action, suit or proceeding; or
- (b) If such a quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in written opinion.

Section 7.07. Advancing Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board in a specific case upon receipt of an undertaking by or on behalf of the representative to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in paragraph 1 through 3 above.

Section 7.08. Indemnification of Former Representatives. Each such indemnity may continue as to a person who has ceased to be a representative of the Corporation and may inure to the benefit of the heirs, executors and administrators of such person.

Section 7.09. Insurance. The Corporation shall have the power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or the enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of such person's status as such, whether or not the Corporation would otherwise have the power to indemnify such person against such liability.

Section 7.10. Reliance on Provisions. Each person who shall act as an authorized representative of the Corporation shall be deemed to be doing so in reliance upon the rights of indemnification provided by this Article.

## **ARTICLE VIII - CORPORATE SEAL**

8.01. Corporate Seal. No seal shall be necessary to validate any instrument otherwise properly executed on behalf of the Corporation. The Corporation, nevertheless, reserves the right to adopt a seal to be used on corporate instruments as it sees fit.

## **ARTICLE IX - EXECUTION OF INSTRUMENTS**

Section 9.01. Execution of Instruments. All checks, drafts, bills of exchange, notes or other obligations or orders for payment of money shall be signed in the name of the Corporation by such person or persons holding the offices or positions as may be designated by the Board.

Section 9.02. Contracts. Except as otherwise provided in these By-Laws, 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.

## **ARTICLE X - AMENDMENT OF BY-LAWS**

Section 10.01. These By-Laws may be amended or repealed, by new By-Laws adopted by a majority of the vote of the Board of Directors and approved by the Administrative Council of the Allegheny Region Conference or its successor.

Section 10.02. A summary of any changes proposed to be acted upon by the Board of Directors shall first have been submitted to each Director in writing, for his review, not less than ten (10) days prior to the vote.

## **ARTICLE XI - DISSOLUTION**

Section 11.01. In the event of dissolution of the Corporation, any remaining assets shall be distributed to such organization or organizations, which are exempt under Section 501 of the Internal Revenue Code, and will be chosen by the Allegheny Region Conference or its successor.

**CERTIFIED TO BE A TRUE AND CORRECT COPY OF THE BY-LAWS OF THE CORPORATION AS AMENDED  
BY THE BOARD OF DIRECTORS AT A DULY CALLED AND HELD MEETING ON MAY 21, 2001.**

**APPROVED BY THE ALLEGHENY REGION CONFERENCE IN SESSION ON OCTOBER 12, 2001.**