

**BY-LAWS**  
**OF**  
**CAMP HANOVER, INC.**

**ARTICLE I**

**MISSION STATEMENT**

1.1 The Mission of Camp Hanover, Inc. (“corporation”) is to provide a place apart for renewal and growth in an environment of Christian hospitality. In pursuit of this mission, Camp Hanover, Inc. develops and operates programs and facilities that offer youth and adults of all ages and abilities opportunities for meaningful fellowship, community building, leadership training, outdoor education, volunteer service, and personal growth, through camps, retreats, conferences, recreation, environmental stewardship and other activities, while seeking to honor Camp Hanover’s heritage and historic relationship to the Presbyterian Church.

1.2 The corporation acknowledges and affirms the present support for its’ mission based on a historic relationship of mutuality of purpose between the Presbytery of The James, Inc. (“POJ”), which is a council of the Presbyterian Church (U.S.A.) and the corporation, formerly the Camp Hanover Board.

**ARTICLE II**

**DIRECTORS AND MEETINGS OF THE BOARD**

2.1 General Powers. The business and affairs of the corporation shall be managed under the direction of the Board of Directors (“Board”) subject to the Virginia Nonstock Corporation Act (§ 13.1-801 of the Code of Virginia), the corporation’s Articles of Incorporation, these By-laws, and in accordance with the principles of any corporate covenant with the POJ adopted by the Board of Directors. The Board shall have all voting power including the power to vote on electing, appointing or removing directors, and amending the Articles of Incorporation except as otherwise provided in the Articles or the Virginia Nonstock Corporation Act.

2.2 Directors; Eligibility; Composition To be eligible to serve as a director, an individual must be an adult, interested in and willing to promote, support and advocate for the corporation and its programs. The Board shall consist of not be less than twelve (12), nor more than twenty-one (21), unless otherwise provided in the By-laws. The number of directors serving from time to time shall be fixed by the Board by resolution or by amendment of these By-laws.

A director shall attend the annual meeting of the corporation, shall make his best efforts to prepare for and attend all meetings of the Board of Directors, shall make an annual financial contribution to the corporation, and shall actively participate in the life and work of the corporation. No director or an immediate family member shall be eligible for financial aid or scholarship assistance for any program of the corporation.

(a) Election and Classes of Directors; Vacancies; Resignation; Removal of Directors. From among the Camp Hanover Ministries Board Purpose Group of the POJ, the initial directors shall be divided into three classes, each comprised of one-third (or as near as possible to one-third) of the total number of directors, as follows: (i) one third of the initial directors shall serve an six-month term; (ii) one third of the initial directors shall serve a 1 year, 6-month term; and (iii) one third of the initial directors shall serve a 2 year, 6-month term; each dating from the first annual meeting of the corporation. Thereafter, all directors shall serve a three year terms, and may serve two consecutive three-year terms, except that an initial director may serve two additional three-year terms. One class of directors shall be elected by the incumbent directors for a term of three years to succeed the class of directors whose terms expire that year.

(b) Notwithstanding Article 2, Section 2, when achievable the Board may include at least one person serving as a Youth Director from among its' number. To be eligible to serve as a youth director, an individual must be junior or senior in high school, interested in and willing to promote, support and advocate for the corporation and its programs. The Youth Director will be elected for a nine-month term in August, and his term shall be from September to May.

(c) Vacancies on the Board for any reason other than normal expiration of terms may be filled by the Board at any meeting. A vacancy is filled by the affirmative vote of a majority of the remaining directors. A director selected to fill a vacancy will serve for the unexpired term of his predecessor in office and will still be eligible for two additional consecutive terms if the partial term is less than one year. Any director so elected shall be deemed to have served one full term upon the normal end of the term of the director whose seat he is elected to fill without regard to the date of his election as a director. New directors shall be nominated by a committee, in accordance with the principles of the corporation's covenant with the POJ if any, and elected by a majority of the Board attending a meeting of the Board at which the election is held.

(d) A director may resign at any time by delivering written notice to the President or the Secretary, effective when the notice is delivered unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board may fill the pending vacancy before the effective date if the Board provides that the successor shall not take office until the effective date. Directors who are absent from as many as one-half of the regular scheduled meetings in any calendar year for whatever reason may be removed from the Board.

(e) Directors may be removed, by a majority of the Board, with or without cause at any time at a meeting called for that purpose or at a regular meeting where written notice of a vote for removal from office is specified in the agenda, which shall be distributed to the Board, including to the director under consideration, in writing at least three (3) days prior to the meeting at which such a vote may occur.

(f) The Board, from time to time, may elect Honorary Directors or Advisory Directors, or both. Honorary and/or Advisory Directors shall be persons deserving of special recognition because of their association with, or support of, the purposes of the corporation or persons who have the talents or means to be of service to the same in a capacity other than as a director. Honorary and/or Advisory Directors shall serve three-year terms from the date of their election and shall be eligible for an unlimited number of terms. Honorary and/or Advisory Directors shall have no vote and shall not be counted in the determination of a quorum.

2.3 Meetings of the Board; Quorum; Annual Meeting; Notices. A majority of all directors shall be necessary to constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board. Two-thirds (2/3) of the directors must vote affirmatively to authorize the sale of real property or to change or amend the By-laws and in accordance with the principles of the corporation's covenant with the POJ. If a quorum shall not be present at any meeting of the Board, the directors present may adjourn the meeting from time to time without notice until a quorum shall be present.

(a) The Board will try to act by consensus. Any action that may be taken at a meeting of the Board or a committee of the Board, may be taken without a meeting if a written consent, stating the action to be taken, is signed by the number of directors or committee members necessary to take that action at a meeting at which all of the directors or committee members are present and voting. The consent shall state the date of each director's or committee member's signature. Prompt notice of the taking of any action by directors or a committee without a meeting by less than unanimous written consent shall be given to each director or committee member who did not consent in writing to the action.

(b) The annual organizational meeting of the Board (the "Annual Meeting") shall be held in the second month after the end of the fiscal year on a day to be selected by the Board for the purpose of electing directors, officers and transacting such other business as may come before the meeting. There shall be at least **four** regular meetings of the Board annually (including the Annual Meeting). Regular meetings of the Board shall be held at such time and place as the Board may determine. Special meetings of the Board may be called at any time by the President or any two directors.

(c) Any notice required or permitted by these By-laws to be given to a director, officer, or member of a committee of the corporation may be given by mail, e-mail, fax, telegram, or any other electronic medium or method reasonably likely to provide actual notice. If mailed, a notice is deemed delivered three (3) days following deposit in the mail addressed to the person at his or her address as it appears on the corporation's records, with postage prepaid. If given by telegram, a notice is deemed delivered when accepted by the telegraph company and addressed to the person at his or her address as it appears on the corporation's records. If given by email or fax, the notice is deemed delivered on the day it is provided if it is delivered prior to 5:00 p.m. Eastern time on a business day, or if not delivered prior to such time, then the notice shall be deemed delivered on the next business day. A person may change his or her address in the corporation's records by giving written notice of the change to the Secretary of the corporation.

Whenever any notice is required by law or under the Certificate of Incorporation or these By-laws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. Notice of any meeting in which a sale of real property or change in the By-laws is to be considered must include notice of such intended action.

(d) The Board may permit any or all directors to participate in any meeting of the Board by, or conduct the meeting through the use of, conference telephone, videoconference, computer or any other means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by such means shall be deemed to be present in person at the meeting. When a meeting is so conducted, a written record shall be made of the action taken at such meeting.

(e) Votes of the Board or any committee may be taken at a meeting of the Board or applicable committee or by email, fax, text messaging, or some other electronic means. This provision shall be broadly construed to include whatever electronic means technology provides for and shall not be limited solely to email or similar communication. Such Board votes shall occur at the discretion of the Executive Director and the Chair and shall concern only matters deemed by the Executive Director and the Chair to be non-controversial. Such committee votes shall occur at the discretion of the committee Chair and shall concern only matters deemed by him/her as noncontroversial. Any director may request that the vote occur by meeting by conference call instead of email or other electronic voting. All Board electronic votes shall be sent only to the Secretary; committee electronic votes shall be sent only to the committee Chair. Electronic voting shall be completed within forty-eight (48) hours of the initial request for votes by the Chair and the results shall be reported promptly to either the Executive Committee or the Board or the voting committee. Electronic votes taken outside a meeting require a majority of the Board of Directors then in office for approval.

2.4 Compensation. Directors may not receive compensation for their services as directors. With the prior approval of the Executive Director or Chair of the Board, a director may be reimbursed for reasonable and unusual expenses related to performance of Board duties. A director may serve the corporation in any other capacity and may receive reasonable compensation for specific, contracted services provided outside the scope of Board membership.

Although the corporation may from time to time recognize its donors, supporters or friends (individual or corporate) by use of the term "member," the corporation is a non-member, nonstock corporation; therefore, donors, supporters or friends of the corporation shall have no rights or privileges as such.

### **ARTICLE III**

## **PRINCIPAL OFFICE, REGISTERED OFFICE AND AGENT**

3.1 Principal Office. The principal office of the corporation is 3163 Parsleys Mill Road, Mechanicsville, Virginia 23111.

3.2 Other Offices. The corporation may also have offices and places of business at such other places within or without Mechanicsville, Virginia, as the Board of Directors may from time to time determine.

3.3 Registered Office and Registered Agent. The corporation shall maintain a registered office as required by statute, at which it shall maintain a registered agent. The registered office may, but need not, be identical with the principal office, and the address of the registered office may be changed from time to time by the Board. The initial registered office of the corporation shall be located at 8101 Vanguard Drive, Suite 150, Mechanicsville, Virginia 23111 and the name of the initial registered agent at such address is Christopher K. Peace, Esq., who is a member in good standing of the Virginia State Bar.

3.4 Records. The corporation shall keep correct and complete books and records of account, and shall also keep minutes of the proceedings of the Board of Directors and of committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving names, addresses and telephone numbers of the Board of Directors.

## **ARTICLE IV**

### **OFFICERS; EMPLOYEES; OTHER AGENTS**

4.1 General; Officers. The Board shall elect the officers of the corporation. The officers of the corporation shall consist of a Chairman of the Board if the Board shall designate a person to serve in such capacity; a President; one or more Vice-Presidents; a Secretary; and a Treasurer; and if deemed advisable by the Board, one or more Assistant Secretaries and Assistant Treasurers. At each Annual Meeting of the Board, the directors shall elect officers to fill vacancies occurring at that meeting. All officers shall serve until the Annual Meeting of the Board next following their election and until their successors are elected. Any person may hold two or more offices simultaneously other than the offices of President and Secretary. Officers must be directors. Each officer shall be elected by a majority of the Board attending a meeting of the Board at which such election is held. As outlined herein, these officers shall exercise such other duties as provided by law and as may be assigned to them by the Board. All officers shall continue to serve until their successors are duly elected.

4.2 Chairman of the Board. The Chairman of the Board, if so designated by the Board, shall be the senior officer of the corporation, with full authority to act for and bind the corporation within the scope of his duties and responsibilities. The Chairman of the Board (or "the Chairman of the Board of Directors") shall, if requested by the President, act as chairman of and preside over

meetings of the Board of Directors or other activities of the corporation where a presiding officer may be appropriate. The Chairman of the Board shall also represent the corporation in dealings with third parties as may be appropriate, and shall assist in developing donor and other relationships for the corporation as may be appropriate, and shall perform such other duties as may be lawfully required or requested of him by the President or by the Board of Directors.

4.3 President. The President shall be the chief executive officer of the corporation and shall be primarily responsible for implementing the policies and procedures established by the Board. The President shall preside at meetings of the Board and of the Executive Committee, unless he is unable to do so or unless he shall ask the Chairman to do so, supervise the other officers, perform such other duties as may be prescribed from time to time by the Board or set forth in these By-laws, and have all other powers and duties that pertain to the position of chief executive officer.

4.4 Vice President. The Vice President shall assume the duties of the President in the absence of the President until the President is able to resume the office or until the office is declared vacant by the Board and a successor is elected. The Vice President shall be responsible for chairing the Governance Committee and shall perform such other duties as may be assigned by the President or the Board from time to time.

4.5 Secretary. The Secretary shall certify the actions of the Board when necessary, keep the minutes of the Board, maintain, with the assistance of the Executive Director, the records of the corporation and give, or supervise the giving, of all required notices of meetings of the Board. The Secretary shall have such other powers and duties as designated by the Executive Committee (defined below) or the Board as may be prescribed from time to time.

4.6 Treasurer. The Treasurer shall be the chief financial officer of the corporation. The Treasurer shall have supervision of all operating funds of the corporation and shall see that a true and accurate accounting of the financial transactions of the corporation is made and that reports of those transactions are presented promptly to the Board. The Treasurer shall be responsible for chairing the Finance Committee and shall have such other powers and duties as may be prescribed by the President or the Board from time to time.

4.7 Executive Director. The Board may elect an Executive Director to serve at its pleasure. The Executive Director shall be responsible to the Board for the administration of the business affairs and assets of the corporation and for the employment and supervision of all other employees of the corporation. As operating head of the corporation in its day-to-day operations to the extent authorized by the Board, the Executive Director shall execute policy set by the Board, and shall work under the general supervision of the President and the Executive Committee. The Executive Director shall assist the committees of the corporation as requested. The Executive Director shall not be a member of the Board, but shall attend all meetings thereof and shall have the privilege of the floor, without vote.

4.8 Employees and Other Agents. The Board, in consultation with the Executive Director, may hire such other employees and agents deemed essential or appropriate for the management of the corporation and/or required by law. Employees of the corporation shall work under the supervision of the Executive Director or, if none, the Executive Committee. The

authority and duties of each agent shall be those prescribed in the resolution adopted by the Board establishing the need for that agent.

4.9 Resignation and Removal of Officers, Executive Director, Other Agents. An officer may resign at any time by delivering notice of resignation to the President or the Secretary. A resignation is effective upon delivery unless the resignation specifies a later effective date in which case, if the Board accepts the future effective date, it may fill the pending vacancy before the effective date provided the successor does not take office until the effective date. The Executive Director and/or other employees or agents may be removed with or without cause whenever the Board in its discretion shall consider that the person's removal will serve the best interests of the corporation. Election or appointment of an officer or employee or agent shall not of itself create contract rights.

Any officer may be removed from his/her position by a majority vote of the members of the Board attending any meeting called for that purpose. Any Officer under consideration of removal must be notified about the consideration by written notice at least five (5) days prior to the meeting at which the vote takes place.

## **ARTICLE V**

### **DUTIES OF THE BOARD**

5.1. Meetings. The Board shall meet a minimum of four times annually, including the annual meeting to be held in the second month after the end of the fiscal year, and at other special times upon call of the Chair of the Board, who shall set the time and designate the place for such meetings. Notice of all meetings and the purpose of such meetings shall be given to all the directors at least ten days prior to such meetings.

5.2. Governance. The Board is responsible for establishing the governing policies of the corporation, selecting the Executive Director and evaluating the performance of the Executive Director of the corporation, selecting other senior officers upon the recommendation of the Executive Director, and ensuring the appropriate stewardship of the buildings, facilities and financial resources of the corporation and its success in achieving its stated mission.

5.3. Cooperation. The Board shall cooperate with agencies of the Presbyterian Church (U.S.A.) in carrying out its commission and function, including the making of such reports as may be requested from time to time to such agencies with which the corporation may have a covenant relationship.

5.4. Advisors; Delegation. Directors may select advisors and delegate duties and responsibilities to them, such as the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on the corporation's behalf, and to sell, transfer, or otherwise dispose of the corporation's assets and properties at a time and for a consideration that the advisor deems appropriate. The directors have no liability for actions taken or omitted by the advisor if

the Board acts in good faith and with ordinary care in selecting the advisor. The Board may remove or replace the advisor at any time and without any cause whatsoever.

5.5. Conflicts of Interest. Contracts or transactions between directors or officers who have a financial interest in a matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the director or officer is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose. However, every director or officer with any personal interest in a contract or transaction must disclose all material facts concerning the contract or transaction, including all potential personal benefits and potential conflicts of interest, to the other members of the Board or committee of the Board authorizing the contract or transaction.

After disclosure of all material facts, the contract or transaction must be approved by a majority of the disinterested directors or committee of the Board with the authority to authorize the contract or transaction acting in good faith and with ordinary care regardless of whether such disinterested majority constitutes a quorum; provided, that in the event the material facts are not disclosed, the contract or transaction shall be valid if the contract or transaction is fair to the corporation when the contract or transaction is authorized, approved, or ratified by the Board or committee of the Board. Interested directors or officers may be included in determining the presence of a quorum at a meeting of the Board or a committee of the Board that authorizes the contract or transaction.

## **ARTICLE VI**

### **COMMITTEES**

6.1. Standing Committees. The Board shall maintain standing committees through which the work of the Board shall be conducted between Board meetings. The purposes of the committee structure is to determine what matters of business are appropriate and necessary for regular review among the various divisions of the corporation, for evaluating compliance with policies, for achievement of goals and objectives, and for recommending policies designed to further the mission.

The standing committees of the Board shall be the Executive, Governance, Finance, Property, Development and Program Committees and any others as may be established by the Board. Each director shall be encouraged to serve on at least one standing committee. Members of the Executive Committee may serve on one or more standing committees in addition to the Executive Committee. At or following the annual meeting of the Board, the President, in consultation with the Governance Committee, shall appoint the members of all committees, other than the Executive Committee, and, in consultation with the Governance Committee, shall appoint the chairmen of all committees other than the Executive Committee and the Finance and Governance Committees. The members and chairmen of all standing committees shall be appointed for one-year terms and may be appointed for successive terms. No committee shall consist of fewer than three members. Each committee may set its own meeting dates and shall make a written or oral report at the next regular meeting of the Board. At least one committee member shall be a director, but not all committee members shall be directors. Committee chairmen who are not directors shall serve as Advisory Directors.

These standing committees, whose membership and specific responsibilities shall be detailed in the Operating Manual of the Board, shall also review recommendations of the Executive Director as they have been developed through the work of the other executives and the staff.

6.2. Executive Committee. The Board may create an Executive Committee consisting of the elected officers of the Board. The Executive Committee is empowered to meet and act in consultation with the Executive Director between meetings of the Board, and may exercise the authority of the Board to the extent permitted by law subject to the restrictions specified in these By-laws, the policies of the Board, and any other limitations on its authority, such as covenant agreements, if any, that the Board may impose and shall have such other powers and duties as the Board may provide time to time. A majority of the members of the Executive Committee shall constitute a quorum. The President will preside at all Executive Committee meetings.

In no case shall the Executive Committee have authority to (a) appoint directors; (b) amend the Articles of Incorporation or By-laws; (c) approve a plan of merger or consolidation; (d) voluntarily dissolve the corporation; (e) select and hire an Executive Director; or (f) buy or sell real property. The Executive Committee shall meet quarterly and more frequently as needed. The Board will be notified of any action taken by the Executive Committee on behalf of the Board between meetings of the Board. The Executive Committee shall supervise the work of the Executive Director and of the other employees and agents of the corporation.

6.3 Governance Committee. The Vice President shall be the chairman of the Governance Committee. The Governance Committee shall seek and nominate directors and officers. In accordance with the principles contained in the corporation's covenant with the POJ, the Committee shall identify and maintain contact with qualified persons and shall make recommendations for leadership appointments such as committee chairmen. The Governance Committee shall develop and administer a self-evaluation process for the Board including periodic reviews of the By-laws and shall be responsible for the orientation of new Directors. The Governance Committee shall meet quarterly, and more frequently as needed.

6.4 Finance Committee. The Finance Committee shall be chaired by the Treasurer. The Finance Committee shall develop an annual budget to present to the Board for approval and shall manage the investment funds of the corporation with power to sell, invest and reinvest the funds, subject to policies set by the Board and in accordance with the principles of the corporation's covenant with the POJ. The Finance Committee shall recommend investment and record-keeping policies and other financial management policies for approval by the Board. The Finance Committee shall conduct an annual independent review to be presented to the Board at its next regular meeting after completed. The Board will immediately provide to the Presbytery of the James, Inc. a copy of this report, prepared according to its By-laws and in compliance with the requirements of its incorporation, along with periodic updates as reasonable and appropriate. The Committee shall meet quarterly and more frequently as needed.

6.5 Property Committee. The Property Committee may recommend policies to the Board regarding the management of the corporation's real estate, buildings, grounds, and other

facilities, and specific actions for the possible acquisition, disposition and use of such real estate, buildings, grounds, and other facilities. The primary purpose of this committee shall be to assist the Board and its staff regarding maintenance of the real property, fixtures, equipment, and tangible assets of the corporation to preserve good working order and repair, making any improvements as finances allow and need requires.

The corporation holds its real property in trust in accordance with the principles of the corporation's covenant with the POJ therefore, the corporation may not sell any of its real property without consent. Deed restrictions may contain reversion clauses for the benefit of the Presbytery of the James, Inc. if the real property cease to be used for the corporation's mission. The corporation may encumber the property only up to 30% of the prior fiscal year's gross revenue.

In the event of the dissolution, bankruptcy, or receivership, remaining corporate assets after provision for payment of valid debts and liabilities shall revert to the Presbytery of the James, Inc. or its successor in accordance with the corporation's Articles of Incorporation, laws of the Commonwealth of Virginia and the Internal Revenue Code.

The Committee shall meet quarterly and more frequently as needed.

6.6 Development Committee. The Development Committee shall develop an effective strategy that supports both short- and long-term funding needs of the corporation, including identifying, cultivating and soliciting potential public and private, individual, corporate or philanthropic donors, and otherwise developing third-party collaborative relationships that may be beneficial to the purposes of the corporation. The Development Committee will help to implement a development plan to be approved by the Board. The Committee shall meet quarterly and more frequently as needed.

6.7 Program Committee. The Program Committee shall develop and implement the corporation's program activities in keeping with its mission. The Program Committee may include outside resources representing the various communities and constituencies the corporation hopes to reach. The Committee shall meet quarterly and more frequently as needed.

6.8 Other Standing Committees and Special Committees. The Board may establish other standing committees. The President with the approval of the Board may establish special committees to perform specific functions and services. Special committees shall limit their activities to the accomplishments of the tasks for which they are created.

6.9 Quorum. A majority of the number of committee members constitutes a quorum for transacting business at any committee meeting. With the exception of the Executive Committee, committee members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough committee members leave the meeting so that less than a quorum remains.

6.10 Action. Committees will try to take action by consensus. However, if a consensus is not available, the vote of a majority of committee members present and voting at a meeting at

which a quorum is present is enough to constitute the act of the committee unless the act of a greater number is required by statute or by some other provision of these By-laws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

## ARTICLE VII

### INDEMNIFICATION AND INSURANCE

7.1 Mandatory Indemnification. To the extent permitted by law, the corporation will indemnify a Director, officer, committee member, employee, or agent of the corporation who was, is, or may be named defendant or respondent in any proceeding as a result of his or her actions or omissions within the scope of his or her official capacity in the corporation. For the purposes of this article, an agent includes one who is or was serving at the corporation's request as a director, officer, partner, venturer, proprietor, director, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

7.2 Pre-Conditions. Notwithstanding the indemnification pursuant to Section 9.1, the corporation will indemnify a person only if he or she acted in good faith as determined by the Board or its designee and reasonably believed that his or her conduct was in the corporation's best interests. In case of a criminal proceeding, the person may be indemnified only if he or she had no reasonable cause as determined by the Board or its designee to believe that the conduct was unlawful. The corporation will not indemnify a person who is found liable to the corporation or is found liable to another on the basis of improperly receiving a personal benefit from the corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted.

7.3 Expenses. The corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might eventually be entitled to indemnification, even though there has been no final disposition of the proceeding. However, the corporation will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the corporation or if the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

7.4 Expenses of Witnesses. The corporation will pay or reimburse expenses incurred by a director, officer, committee member, employee, or agent of the corporation in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the corporation when the person is not a named defendant, respondent, or responsible third party in the proceeding.

7.5 Discretionary Indemnification. In addition to the situations otherwise described in this Article, the corporation may, at its discretion and pursuant to a majority vote of the Board indemnify a director, officer, committee member, employee, or agent of the corporation to the

extent permitted by law. However, the corporation will not indemnify any person in any situation in which indemnification is prohibited by paragraph 9.2 above.

7.6 Insurance. To the extent permitted by applicable law, the Board shall adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any person who is or was a director, officer, employee or other agent of the corporation, or who is serving or who has served in any such capacity in any other enterprise at the request of the corporation, against any liability asserted against such person or incurred by such person in such capacity or arising out of such person's status as such, whether or not the corporation would have the power to indemnify the person against such liability under the Certificate of Formation, these By-laws or provisions of law.

## ARTICLE VIII

### IRC 501(C)(3) TAX EXEMPTION PROVISIONS

8.1 Limitations on Legislative and Political Activities. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

8.2 Prohibition Against Private Inurement.

(a) No Inurement. The corporation is not organized for profit and is to be operated exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, and in the promotion of religious and charitable activities in accordance with the purposes stated in corporation's Certificate of Formation. The net earnings of the corporation shall be devoted exclusively to religious, charitable, and educational purposes and shall not inure to the benefit of any private individual. No director, officer, or person from whom the corporation may receive any property or funds shall receive or shall be entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the corporation be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the Board; provided, however, that (i) reasonable compensation may be paid to any director while acting as an agent, including consultant, contractor, or employee of the corporation for services rendered in affecting one or more of the purposes of the corporation; and (ii) any director may, from time to time, be reimbursed for his or her actual reasonable expenses incurred in connection with the administration of the affairs of the corporation.

(b) No Loans to Directors or Officers. No loans or advances, other than customary travel advances, shall be made by the corporation to directors or Officers.

8.3 Distribution of Assets. Upon the dissolution of the corporation according to the laws of the Commonwealth of Virginia and the Internal Revenue Code, its assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. A joint recommendation of the Finance and Real Estate Committees shall be made to this end in accordance with the principles of the corporation's covenant with the POJ.

8.4 Further Prohibitions. Notwithstanding any other provision of these By-laws, the corporation shall not carry on any activities not permitted to be carried on (a) by a non-profit corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a non-profit corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future tax code.

## **ARTICLE IX**

### **MISCELLANEOUS**

9.1 Certificate of Incorporation. All references in these By-laws to the Certificate of Incorporation shall be to the Articles of Incorporation of the corporation filed with the Office of the Clerk of the Virginia State Corporation Commission.

9.2 Fiscal Year. The fiscal year of the corporation shall be the calendar year (January 1 - December 31).

9.3 Internal Revenue Code. All references in these By-laws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

9.4 Governing Law. These By-laws shall be construed in accordance with the laws of the Commonwealth of Virginia and the United States of America including but not limited to the Virginia Nonstock Corporation Act. All references in the By-laws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

9.5 Legal Construction. If any By-law provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and these By-laws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in these By-laws. Furthermore, in lieu of such invalid, illegal, or unenforceable provision, there shall be added automatically as a part of these By-laws a provision as similar in terms to such invalid, illegal, or unenforceable provision as may be possible and be valid, legal, or enforceable.

9.6 Amendment. The power to alter, amend or repeal these By-laws or to adopt new By-laws shall be vested exclusively in the Board. These By-laws, or any part of them, may be altered, amended, or repealed and new By-laws adopted by approval of at least two-thirds (2/3) of the Board or by such greater percentage of the Board as may be required by applicable law. Any notice of a meeting at which these By-laws are to be amended, repealed, or modified, and/or new bylaws adopted, shall include notice of such proposed action as provided herein.

9.7 Headings. The descriptive headings of the articles, sections and paragraphs contained in these By-laws are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions of these By-laws.

9.8 Gender and Number of Words. When the context requires, the gender of all words used in these By-laws include the masculine, feminine and neuter, and the number of all words includes the singular and the plural.

9.9 Conflict. If there is any conflict between the provisions of these By-laws and the Certificate of Formation, the provisions of the Certificate of Formation shall govern.

9.10. Effective Date. These By-laws shall become effective upon their approval by the initial Board of Directors of the corporation.

#### **CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of the corporation and that these By-laws constitute the corporation's By-laws. These By-laws were duly adopted at a meeting of the Board held on the \_\_\_\_\_ day of \_\_\_\_\_, 2018

Dated:

\_\_\_\_\_  
\_\_\_\_\_, Secretary of the Corporation

Evaluate:

CHMB By-laws Article IV Section 9 Confidentiality

CHMB By-laws Article IV Section 10 Parliamentary Procedure