

**AMENDED AND RESTATED BY-LAWS
OF
HOUSING DEVELOPMENT CORPORATION
OF NORTHEASTERN PENNSYLVANIA**

R: 5/19/94

ARTICLE I

Name and Registered Office

Section 1. The name of this Corporation is HOUSING DEVELOPMENT CORPORATION OF NORTHEASTERN PENNSYLVANIA.

Section 2. Its principal office is located at 211-213 South Main Street, Wilkes-Barre, Pennsylvania 18701.

Section 3. The corporation may also have offices at such other places as the Board of Directors may, from time to time, determine to be necessary for the conduct of the purposes of the Corporation.

ARTICLE II

Purpose

Section 1. To promote and develop low and moderate income housing in Northeastern Pennsylvania; to provide elderly persons and handicapped persons with housing facilities and services specially designed to meet their physical, social and psychological needs, and to promote health, security, happiness and usefulness in longer living, the charges for such facilities and services to be predicated upon the provision, maintenance and operation thereof on a nonprofit basis; to buy, own, sell, assign, mortgage or lease any interest in real estate and personal property and to construct, maintain and operate improvements thereon necessary or incident to the accomplishment of such purposes; to borrow money and issue evidence of indebtedness and furtherance of any or all of the objects of its business, and to secure the same by mortgage, pledge or other lien on the corporation's property; to do and perform all acts reasonably necessary to accomplish the purposes of the corporation

including the execution of a regulatory Agreement with the United States Secretary of Housing and Urban Development and/or such other instruments and undertakings as may be necessary to enable the corporation to secure the benefits of financing under Section 202 of the Housing Act of 1959 or amendments thereto.

Section 2. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions and furtherance of the purposes set forth herein.

Section 3. No substantial part of the activities of the corporation shall involve 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 any candidate for public office.

Section 4. Notwithstanding any other provision set forth herein, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

Section 5. In the event of the dissolution of the corporation or the winding up of its affairs, or other liquidation of its assets, the corporation's property shall not be conveyed to any organization created or operated for profit or to

any individual for less than the fair market value of such property, and all assets remaining after the payment of the corporation's debts should be conveyed or distributed only to an organization or organizations created and operated for nonprofit purposes similar to those of the corporation, other than one created for religious purposes, and organized and operated for such purposes as shall at all times qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code of 1954, or the corresponding provision of any future United States Internal Revenue Law, as the Board of Directors shall determine, provided however, that the corporation shall at all times have the power to convey any or all of its property to the United States Secretary of Housing and Urban Development. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the Court in which the principal office of the corporation is then located exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE III

Board of Directors

Section 1. Number of Directors. The number of Directors of the Corporation shall be not less than five (5) and not more than eleven (11). At least one-third ($\frac{1}{3}$) of the membership of the Board shall be comprised of representatives of low income neighborhoods, low income community residents or elected/appointed representatives of low income neighborhood organizations.

Section 2. Powers. The Board of Directors shall have all the powers and duties necessary or appropriate for the administration of the affairs of this

Corporation.

Section 3. Election and Term of Office. The members of the first Board of Directors of this Corporation shall be appointed by the Incorporators. In all future years, members of the Board of Directors shall be elected by the then current Board of Directors of the Corporation, the term of office of one-third ($\frac{1}{3}$) of the remaining Directors shall be fixed for three (3) years; the term of the one-third ($\frac{1}{3}$) of the remaining Directors shall be fixed one (1) year. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and qualified.

Vacancies in the Board of Directors shall be filled by a majority of the remaining members of the Board and each so elected shall serve until his successor is elected at the next annual meeting of the Board of Directors.

Section 4. Removal of Directors. At any annual or special meeting duly called, any one or more of the Directors may be removed with cause by a vote of the majority of the Directors. A successor Director may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed shall be given an opportunity to be heard at this meeting.

Section 5. Annual Meeting. Except as otherwise provided by law, a meeting of the Board of Directors for the purpose of election of officers and the consideration of any other business that may be properly brought before it shall be held at least once per calendar year at such time and place as the Board may, from time to time, determine, and notice of such meeting, as otherwise provided in the By-Laws, shall be necessary.

Section 6. Regular Meeting. Regular meetings of the Board of Directors may be

held at such time and place as shall be determined from time to time by a majority of the Directors, but shall be held at least annually during the fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least five (5) days prior to the date of such meeting.

Section 7. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meetings, Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

Section 8. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting. To the extent permitted by law, any lawful action of the Board of Directors may be taken without a meeting if written consent to such action is signed by all the Directors and filed with the minutes of the Board.

Section 9. Quorum. At all meetings of the Board of Directors, three (3) of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors except where a larger number is required by law, the Articles of Incorporation or these By-Laws. If, at any meeting of the Board of Directors, there is

less than five (5) present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

ARTICLE IV

Executive Committee

Section 1. Designation. The Board of Directors, by resolution adopted by a majority of the entire Board of Directors, may designate an Executive Committee consisting of all or less than all of the officers of the Corporation. The designation of the Executive Committee and the delegation of authority herein granted shall not operate to relieve the Board of Directors or any member thereof of any responsibility imposed on it or him by law. No member of the Executive Committee shall continue to be a member thereof after he ceases to be a Director of the Corporation. The Board of Directors shall have the power at any time to change the number of members of the Executive Committee, to fill vacancies thereon, to change any member thereof, to change the functions or terminate the existence thereof.

Section 2. Powers. During the intervals between meetings of the Board of Directors and subject to such limitations as may be provided by law, these By-Laws or by resolution of the Board of Directors, the Executive Committee shall have and may exercise all the authority of the Board of Directors in the management of the Corporation. The Executive Committee shall make a full report of all actions to the next meeting of the Board of Directors.

Section 3. Meetings. Meetings of the Executive Committee may be held at such time and place as may be from time to time determined by the President,

upon the giving of notice personally or by mail, telephone or telegraph, at least two (2) days prior to the date of the meeting.

Section 4. Quorum. A majority of the entire Executive Committee shall be necessary to constitute a quorum for the transaction of business, and the act of the majority of the members present at such meeting at which a quorum is present shall be the act of the Executive Committee.

ARTICLE V

Officers

Section 1. Designation. The principal officers of the Corporation 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. No two (2) officers, except those of Secretary and Treasurer, may be held by the same person. The Board of Directors may appoint an Assistant Secretary and Assistant Treasurer and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the corporation shall be elected bi-annually by the Board of Directors at its annual meeting and unless sooner removed by the Board, the officers shall serve for a term of two (2) years and until their successors are elected and qualify. Any vacancies occurring in the offices shall be filled by the Board of Directors. The Board of Directors shall appoint such temporary or acting officers as may be necessary during the temporary absence or disability of the regular officers.

Section 3. Removal. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Corporation. He shall preside at all meetings of the membership and of the Board of Directors. He shall have all the general powers and duties which are usually vested in the office of President of a corporation, including the power to appoint committees from time to time as in his discretion he may deem appropriate to assist in the conduct of the affairs of the Corporation.

Section 5. Vice Presidents. There shall be one or more Vice Presidents, as the Board of Directors shall from time to time determine. One of said Vice Presidents shall be designated as First (1st) Vice President. In the absence or disability of the President, the 1st Vice President shall perform the duties and exercise the powers of the President. The Vice Presidents shall also perform such other duties as shall be prescribed by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors, of the membership and of the Executive Committee. He shall have custody of the seal of the Corporation and of such other books and records of the Corporation as the Board of Directors may provide. He shall perform the duties and functions customarily performed by the Secretary of a corporation together with such other duties as the Board of Directors may prescribe.

Section 7. Treasurer. The Treasurer shall have custody of the corporate funds and securities and shall keep full and accurate account of all receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the Corporation as may be

ordered by the Board of Directors, taking proper vouchers for such disbursements and shall render an account of all his transactions as Treasurer and of the financial condition of the Corporation whenever called upon to do so.

ARTICLE VI

Amendments

Section 1. Except as otherwise required by law, these By-Laws may be amended at any regular meetings of the Board of Directors or at any special meeting called for that purpose, providing that written notice of the proposed amendment shall have been given at least five (5) days prior to such meeting. Such amendment shall require an affirmative vote of two-thirds ($\frac{2}{3}$) of the members of the Board of Directors present at a duly constituted meeting.

Section 2. No By-Law may be adopted which is inconsistent with the provisions of these Articles.

ARTICLE VII

Corporate Seal

Section 1. The Board of Directors shall provide a suitable corporate seal containing the name of the Corporation, which seal shall be in the charge of the Secretary. If so directed by the Board of Directors, a duplicate of the seal may be kept and used by the Treasurer or any Assistant Secretary or Assistant Treasurer.

ARTICLE VIII

Fiscal Management

Section 1. Fiscal year. The fiscal year of the Corporation shall begin on the 1st day of January of every year, except that the first fiscal year of the Corporation shall begin at the date of incorporation. The commencement

date of the fiscal year herein established shall be subject to change by the Board of Directors, with the prior written approval of the Government.

Section 2. Books and Accounts. Books and accounts of the Corporation shall be kept under the direction of the Treasurer of the Corporation.

Section 3. Execution of Corporate Documents. With the prior authorization of the Board of Directors, all notes and contracts shall be executed on behalf of the Corporation by either the President or a Vice President and attested by the Secretary Treasurer, Assistant Secretary or Assistant Treasurer.

Section 4. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Corporation having custody or control of corporate funds furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Corporation.

Section 5. Indemnity.

A. The Corporation does herewith indemnify any person who is made a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, including an action by or in the right of the Corporation by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the 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, to the fullest extent permitted under the laws of the Commonwealth of Pennsylvania.

B. Expenses incurred in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final

disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this Article.

C. The indemnification provided but this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

D. It is the intent of these provisions to provide indemnification to a trustee of the Corporation to the fullest extent possible and these By-Laws shall be so interpreted.