

CHELTENHAM TOWNSHIP COMMUNITY DEVELOPMENT CORPORATION

BY-LAWS

ARTICLE I - PURPOSE

1. STATEMENT OF PURPOSE.

The corporation is formed exclusively for charitable and educational purposes with the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") (or the corresponding provision of any future United States Internal Revenue Law), and particularly, but not limited to: (a) combating community deterioration within Cheltenham Township, Pennsylvania by, among other things, engaging in economic development, preventing deterioration, educating the public, relieving the burdens of government and preserving the historic and architectural character of Cheltenham Township, Pennsylvania; and (b) subject to the limitations set forth in these Articles, do all other things and acts and exercise all other powers, rights and privileges which a nonprofit corporation may now or hereafter be organized or authorized to do or to exercise under the laws of the Commonwealth of Pennsylvania.

2. LIMITATIONS.

The corporation, is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, including for such purposes the making of distributions to organizations that qualify as exempt organizations under said section or the corresponding provisions of any subsequent laws. The corporation shall not carry on any other activities not permitted to be carried on either (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or, (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, (or the corresponding provision of any future United States Internal Revenue law).

3. RESTRICTIONS ON EARNINGS.

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its directors, 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 in furtherance of its purposes as set forth herein. No substantial Part of the activities of the corporation shall be directed toward an attempt to influence legislation and the corporation shall not participate in any political campaign on behalf of any candidate for public office.

4. DISSOLUTION.

In the event of dissolution of this corporation, all remaining assets shall, after payment or provision for payment of all liabilities of the corporation, be distributed exclusively for the purposes of the corporation in such manner or to such organization which shall at the time qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986,

as amended, as the board of directors shall determine. In the event of any assets not so disposed of, they shall be disposed of by the Court of Common Pleas in the county 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, and in no manner shall revert back to the incorporators, directors or officers of the corporation or to their individual benefit.

ARTICLE II - OFFICES

The registered office of the corporation shall be 8230 Old York Road, Elkins Park, Montgomery County, Pennsylvania 19027. The corporation's principal place of business shall be 1333 W. Cheltenham Avenue, Suite 203, Elkins Park, Montgomery County, Pennsylvania 19027. The corporation may also have offices at such other places as the Board of Directors may from time to time appoint or the business of the corporation may require.

ARTICLE III - SEAL

The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words "Corporate Seal, Pennsylvania."

ARTICLE IV - BOARD OF DIRECTORS

1. POWERS.

(a) The Board of Directors is that group of persons vested with the management of the business and affairs of this corporation. The Board shall be responsible for the orderly pursuit of the philosophy of the Corporation. It shall investigate, inform, and recommend action at the corporate meetings. It may exercise all such powers of the corporation and do all such lawful acts as are not by statute or by the Articles of Incorporation or by these By-Laws prohibited or required to be done otherwise.

(b) Notwithstanding the foregoing, no purchase of real estate and no sale, mortgage, lease or other disposition of any corporate real estate shall be made unless authorized by the affirmative vote of two-thirds (2/3) of the members in office of the Board of Directors. Provided that a sale or other conveyance of real property is authorized pursuant to these By-Laws, if such real property is subject to a trust, the sale or other conveyance shall be free of trust and the trust shall be impinged upon the proceeds of such sale or other conveyance.

2. BOARD MEMBERSHIP.

(a) The business of this corporation shall be managed by a Board of Directors, which shall consist of nine (9) members, each of whom shall be natural persons of full age and who need not be residents of this Commonwealth. The Commissioners of Cheltenham Township shall be entitled to appoint the greater of: (i) ten percent (10%) of the members of the Board of Directors, or (ii) one (1) Board member. Subject to the immediately preceding sentence, successors shall be appointed by the Board of Directors. There shall be no limitation on the number of terms which a director may serve. Directors must be elected by a majority vote of all directors then serving at a meeting called for that purpose. Should the number of directors fall

below the authorized figure at any time, it shall be lawful for the remaining directors to continue the corporate existence until substitutes can be elected.

(b) **Classification of Directors.** The Board of Directors shall be divided into two (2) classes, Class I and Class II (each, a "Class"), Class I consisting of four (4) Directors and class II consisting of five (5) Directors. Each Director shall be assigned to a Class at the time of his or her appointment. The number and Classes of Directors may be increased or decreased solely by amendment to these By-Laws.

(c) **Terms.** The initial term of the Director of each Class shall be as follows: Class I Directors shall serve for an initial term of one (1) year and Class II Directors shall serve for an initial term of two (2) years. Upon expiration of the initial term of each Class of Directors, the person selected or designated to serve as a Director for such Class shall serve for a two (2) year term. Thereafter, each Director shall be elected for a term of two (2) years and shall serve until his or her successor shall be elected and shall qualify.

3. **COMMITTEES.**

(a) **Appointment.** The Board of Directors, by resolution adopted by a majority of the directors in office may establish one (1) or more committees to exercise all of the powers and authority delegated to the committee by the Board. However, the creation of such committees will not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed on him/her by law or By-Laws.

(b) **Powers.** All such committees shall consist of one or more directors of the corporation. Any such committee, to the extent provided in the Resolution of the Board of Directors or in the By-Laws, shall have and may exercise all of the powers and authority of the Board of Directors, except that no such committee shall have any power or authority as to the following:

- (1) The creation or filling of vacancies in the Board of Directors;
- (2) The adoption, amendment or repeal of the By-Laws;
- (3) The amendment or repeal of any resolution of the Board that by its terms is amendable or repealable only by the Board;
- (4) Action on matters committed by the By-Laws or resolution of the Board of Directors to another committee of the Board;
- (5) Any matter requiring shareholder approval, except where shareholder approval is not required with regard to the Articles, By-Laws or an Agreement and action on the subject matter is reserved exclusively for the Board.

Each committee of the Board shall serve at the pleasure of the Board.

4. **RESIGNATIONS.**

Members of the Board shall give sixty (60) days written notice of their intended resignation.

5. VACANCIES.

Subject to Article III, Section 2(a) above, vacancies in the Board of Directors, including vacancies resulting from an increase in the number of directors, shall be filled by a majority of the members of the Board though less than a quorum, and each person so elected shall be a director to serve for the balance of the unexpired term and until his successor is elected.

6. REMOVAL.

(a) Any member of the Board may be removed upon a two-thirds (2/3) majority vote of the Board of Directors for any of the following reasons:

- (1) Conviction of a felony;
- (2) Finding of incompetency or insanity by order of a court of competent jurisdiction;
- (3) Failure to attend three (3) meetings of the Board of Directors in any twelve (12) month period; or
- (4) Engaging in public conduct of such a nature as to be materially detrimental to the corporation and/or its purposes.

(b) Any member of the Board may be removed without assigning cause by a two-thirds (2/3) majority vote of the Board of Directors.

(c) No member of the Board shall be removed unless at a special meeting called for that stated purpose upon ten (10) days written notice thereof.

ARTICLE V - MEETINGS OF DIRECTORS

1. MEETINGS.

Meetings of the Board of Directors shall be held at the office of the corporation or at such other place (s) either within or without the Commonwealth of Pennsylvania, as may be selected by a majority of the directors.

2. ANNUAL MEETINGS.

The annual meeting of the corporation shall be held on the 31st day of March of each year, if not a legal holiday, and if a legal holiday, then on the next Wednesday following at such time as is agreed by the Board, at which meeting there shall be elected Directors to the Board and be transacted such other business as may properly be brought before the meeting. If

the annual meeting shall not be called and held within six (6) months of the designated time, any director may call such meeting at any time thereafter.

3. REGULAR MEETINGS.

Regular meetings of the Board of Directors will be held at such times as are designated by the Board at its first meeting each year at the registered office of the corporation or at such other time and place as shall be determined by the Board. Notwithstanding any other provision of these By-Laws, no written notice of regular meetings shall be required if the matters to be considered are not matters ordinarily reserved to shareholders in a business corporation and provided they are held at the time and place prescribed in this section.

4. SPECIAL MEETINGS.

Special meetings of the Board of Directors may be called at any time by the President, Chairman of the Board, or directors entitled to cast at least a majority of the votes which all directors are entitled to cast at the particular meeting. At any time, upon written request of any person or persons who have duly called a meeting, it shall be the duty of the Secretary to fix the date of the meeting, to be held not more than thirty (30) days after the request, and to give due notice thereof. If the Secretary shall neglect or refuse to fix the date of the meeting and give notice thereof, the person or persons calling the meeting may do so. Business transacted at all meetings shall be confined to the objects stated in the call and matters germane thereto, unless all directors entitled to vote are present and consent.

5. NOTICE.

(a) Written notice of the annual or special meetings of the directors stating the time and place and object thereof shall be given to each director entitled to vote thereat at least five (5) days before such meeting either personally or by mail, express mail, or telegram by the President or Secretary, unless a greater period of notice is required by statute in a particular case.

(b) Whenever written notice is required to be given to any person, it may be given to such person, either personally or by sending the notice through the mail, or by telegram, charges prepaid, to his address appearing on the books of the corporation, or supplied by him to the corporation for the purpose of notice. If the notice is sent by mail or by telegram, it shall be deemed to have been given to the person entitled thereto when deposited in the United States mail, a reputable express overnight mail delivery company, or with a telegraph office for transmission to such person. Notice of a meeting shall specify the place, day and hour of the meeting and the general nature of the business to be transacted.

6. QUORUM.

A majority of the Directors in office shall be necessary to constitute a quorum for the transaction of business, and 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 of Directors. Any action which may be taken at a meeting of the Directors may be taken without a meeting if consent or consents in

writing, setting forth action so taken, shall be signed by all of the Directors and shall be filed with the Secretary of the Corporation.

7. **MEETINGS BY UNANIMOUS CONSENT.**

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 and shall be filed with the Secretary of the Corporation.

8. **WAIVER OF NOTICE.**

Whenever any written notice is required by statute, or by the Articles or By-Laws of this corporation, 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. Neither the business to be transacted nor the purpose of the meeting need be specified in the waiver of notice of such meeting. Attendance of a person, either in person or by proxy, at any meeting shall constitute a waiver of notice of such meeting, except where a person attends a meeting for the express purpose of objecting to the transactions of any business because the meeting was not lawfully called or convened.

9. **MEETINGS BY CONFERENCE CALL.**

One or more directors may participate in a meeting of the Board or a committee of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

ARTICLE VI - OFFICERS

1. **GENERAL PROVISIONS.**

The executive officers of the corporation shall be chosen by the directors and shall be a President, Secretary and Treasurer. The Board of Directors may also choose Vice Presidents, an Historian and such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall have such authority and shall perform such duties as are provided herein, or as prescribed from time to time by the Board. Any number of offices may be held by the same person. It shall not be necessary for the officers to be directors, except the President, who shall be a member of the Board of Directors. Any officer may be removed by a majority vote of the Board of Directors whenever, in its judgment, the best interest of the corporation will thus be served.

2. **SALARY.**

The salaries of all officers and agents of the corporation, if any, shall be fixed by the President subject to the approval of the Board.

3. **TERM.**

The executive officers of the corporation shall hold office for one (1) year and until their successors are chosen and have qualified.

4. **PRESIDENT.**

The President must be a natural person of full age and shall be the chief executive officer of the corporation; he shall preside at all meetings of the directors; he shall have general and active management of the business of the corporation, and shall see that all orders and resolutions of the Board are carried into effect, subject, however, to the right of the directors to delegate any specific powers, except such as may be by statute exclusively conferred upon the President or to any other officer or officers of the corporation. He shall execute bonds, mortgages and other contracts ordinarily requiring a corporate seal of a business corporation, under the seal of the corporation, if any. He shall be EX OFFICIO a member of all committees and divisions and shall have the general powers and duties of supervision and management usually vested in the office of the President of a corporation.

5. **VICE PRESIDENT.**

Except as otherwise ordered by the Board, the Vice Presidents (if any) shall have and exercise such powers and duties as from time to time may be conferred upon them by the Board of Directors or by the President. The seniority of Vice Presidents shall be in the order designated at the time of their election. At the request of the President or in his absence or disability, the senior Vice President shall have and exercise the powers and duties of the President.

6. **SECRETARY.**

The Secretary must be a natural person of full age and shall attend all sessions of the Board and act as clerk thereof, and record all the votes of the corporation and the minutes of all its transactions in a book to be kept for that purpose, and shall perform like duties for all committees of the Board of Directors when required. He shall give, or cause to be given, notice of all meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors or President, under whose supervision he shall be. He shall keep in safe custody the corporate seal of the corporation, if any, and when authorized by the Board, affix the same to any instrument requiring it.

7. **TREASURER.**

The Treasurer may be a corporation, but if said Treasurer is a natural person he shall be of full age, and shall have custody of the corporate funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation, and shall keep the monies of the corporation in a separate account to the credit of the corporation. He shall disburse the funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and directors, at the 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. The Treasurer will not pay any order or make any check or note without the co signature of one (1) of the duly authorized directors until and unless otherwise authorized by resolution of the Board. In case of his death or resignation, retirement or removal from office, all books, papers, vouchers, monies and other corporate property of whatever kind in his possession shall belong to the corporation. In the

absence of the Treasurer, checks may be signed on behalf of the corporation by the President and one (1) authorized director of the Board, or two (2) authorized Directors.

ARTICLE VII - CORPORATE RECORDS

There shall be kept at the registered office or principal place of business of the corporation an original or duplicate record of the proceedings of the directors, and the original or a copy of its By-Laws, including all amendments or alterations thereto to date, certified by the Secretary of the corporation. Every director shall, upon written demand under oath stating the purpose thereof, have a right to examine, in person or by agent or attorney, during the usual hours for business for any proper purpose, the list of Directors, books or records of account, and records of the proceedings of the directors, and make copies or extracts therefrom. A proper purpose shall mean a purpose reasonably related to such person's interest as a director. In every instance where an attorney or other agent shall be the person who seeks the right to inspection, the demand under oath shall be accompanied by a power of attorney or such other writing which authorizes the attorney or other agent to so act on behalf of the director. The demand under oath shall be directed to the corporation at its registered office in this Commonwealth or at its principal place of business.

ARTICLE VIII - ANNUAL STATEMENT

The President and Board of Directors shall present at each annual meeting a full and complete statement of the business and affairs of the corporation for the preceding year verified by the President and Treasurer or by a majority of the Board. Such statement shall be prepared and presented in whatever manner the Board of Directors shall deem advisable and need not be verified by a certified public accountant. Such report shall set forth:

(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 the trust funds, of the corporation as of the end of the fiscal 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 trust fund held by or for the corporation.

ARTICLE IX - INVESTMENT OF TRUST FUNDS

1. INVESTMENT.

Unless otherwise specifically directed in the trust instrument, the Board of Directors shall have power to invest any assets vested in the corporation by such instrument, or the proceeds thereof, separately or together with other assets of the corporation, in the manner authorized for fiduciaries by the Fiduciaries Investment Act of 1949, as amended, or replaced from time to time, and to retain any investments heretofore so made. The corporation may, by appropriate action of its Board of Directors, keep any investments or fractional interests in any investments, held by it or made by it, in the name of the corporation or in the name of a nominee of the corporation.

2. APPLICATION OF FUNDS.

Except as otherwise permitted under the Estates Act of 1947, as amended, or replaced from time to time, the Board of Directors shall apply all assets thus received to the purposes specified in the trust instruments. The directors or other body shall keep accurate accounts of all trust funds, separate and apart from the accounts of other assets of the corporation.

3. ALLOCATION.

(a) With respect to any assets thus received (including any participation in any common trust fund), so much of the net realized capital gains as of the end of any fiscal year of the corporation as the directors shall within four (4) months after the end of such year, in their sole discretion, allocate to income for such fiscal year, shall be deemed income.

(b) The amount allocated under paragraph (a) of this subsection, when added to all other income derived by the corporation from the same assets or participation in a common trust fund for such fiscal year, shall not exceed 9% of the market value (as of the end of such fiscal year) of the principal remaining with respect to such assets or participation after allocation of such gain to income unless otherwise allowed by statute.

(c) Allocation to income of realized capital gains in a common trust fund may be made in accordance with the provisions of paragraphs (a) and (b) of this subsection without regard to whether the capital gains in question were realized before or after any particular trust or fund became a part of such common trust fund and without regard to whether the separate records maintained with respect to such particular trust or fund reflect the existence of a capital gain in such trust or fund.

(d) As used in subsection 3 of this Article "net realized capital gains as of the end of any fiscal year" means the balance accumulated as of such date, since the inception of the trust or fund or common trust fund, as the case may be, of all realized gains less realized losses, computed in the manner provided in Section 1001 et seq. of the Internal Revenue Code of 1954, as amended or replaced from time to time, on the basis of actual cost, or in the case of property transferred to the fund or trust, on the basis of fair market value on the date of transfer.

ARTICLE X - AMENDMENTS

These By-Laws may be amended or repealed by the vote of directors entitled to cast at least a two-thirds (2/3) majority of the votes which all directors are entitled to cast thereon, at any regular or special meeting of the directors, duly convened after ten (10) days written notice to the directors of that purpose.

ARTICLE XI - FISCAL YEAR

The fiscal year of the corporation shall begin on January 1st and shall conclude the following December 31st each year.

ARTICLE XII - INDEMNIFICATION

(a) To the extent allowed by law, the Board of Directors may adopt a resolution whereby the corporation shall indemnify each person who is or was a director or officer of the corporation, or of any other corporation, partnership, joint venture, trust or other enterprise which he served as such at the request of the corporation, against any and all liability and reasonable expense that may be incurred by him in connection with or resulting from any claim, action, suit, or proceeding (whether brought by or in the right of the corporation or such other corporation or otherwise), civil or criminal or in connection with an appeal relating thereto, in which he may become involved, as a party or otherwise, by reason of his being or having been a director or officer of the corporation or of such other corporation, partnership, joint venture, trust or other enterprise, or by reason of any past or future action taken or not taken in his capacity as such director or officer, whether or not he continues to be such at the time such liability or expense is incurred, unless such person has breached or failed to perform the duties of his office which, for officers and directors, shall be as defined in Section 8363 of the Directors' Liability Act and such breach or failure to perform constitutes self dealing, willful misconduct or recklessness.

(b) As used in this subsection, the terms "liability" and "expense" shall include, but shall not be limited to, counsel fees and disbursement and amounts of judgments, fines or penalties. The termination of any claim, action, suit or proceeding, civil or criminal, by judgment, settlement (whether with or without court approval) or conviction or upon a plea of guilty or of nolo contendere, or its equivalent, shall not create a presumption that a director or officer did not meet the standards of conduct set forth in the first sentence of paragraph (a) of this subsection, except where there shall have been a judgment rendered by a court specifically finding that the action or conduct of such director or officer constituted self dealing, recklessness or willful misconduct. Any such director or officer referred to in this subsection who has been wholly successful, on the merits or otherwise, with respect to any claim, action suit or proceeding of the character described above shall be entitled to indemnification as of right. Expenses incurred with respect to any civil or criminal, action, suit or proceeding may be advanced by the corporation prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount if it shall ultimately be determined that he is not entitled to indemnification under this subsection. The rights of indemnification provided in this subsection shall be in addition to any rights to which any person concerned may otherwise be entitled by contract or as a matter of law, and shall inure to the benefit of the heirs, executors and administrators of any such person.

ARTICLE XIII - GENERAL

The use of the masculine gender in these By-Laws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

ADOPTION OF BY-LAWS

Adopted by the resolution and vote of the Board of Directors of Cheltenham Township Community Development Corporation on July 5, 2005 at Montgomery County, Pennsylvania.

**CHELtenham TOWNSHIP COMMUNITY
DEVELOPMENT CORPORATION**

BY: _____

Brad Pransky
BRAD PRANSKY, PRESIDENT

ATTEST: _____

Greta Mills
GRETA MILLES, SECRETARY

SEAL



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