

June 6<sup>th</sup>, 2010

## CONGREGATION KOL EMET BYLAWS

### ARTICLE I: NAME AND REGISTERED OFFICE

1-1: The name of the corporation shall be Congregation Kol Emet Yardley Reconstructionist Congregation.

1-2: The registered office of the corporation shall be at 1360 Oxford Valley Road, Yardley, PA 19067, or at such other place in the Commonwealth of Pennsylvania, as the Board of Directors shall determine.

### ARTICLE II: THE SEAL

2-1: The corporate seal shall have inscribed thereon the name of the corporation, the year of its incorporation and the words "Corporate Seal, Pennsylvania."

### ARTICLE III: AFFILIATION

3-1: The congregation may, by a majority vote of those eligible voters at a congregational meeting determine with what, if any, organization to affiliate or disaffiliate.

### ARTICLE IV: MEMBERSHIP

4-1: Any person of the Jewish faith, spouse or ex-spouse or, partner sharing living quarters with or ex-partner sharing living quarters with a person of the Jewish faith, at least 18 years of age, shall be eligible for regular membership.

4-2: Regular Membership shall include individuals, couples and residing dependents as defined by the Board's rules and regulations.

4-3: The synagogue may have special membership and dues structures for young couples, new members, singles and senior citizens. The board may decide to establish or terminate these types of memberships, as well as establish criteria and special dues for these categories of memberships.

4-4: Applications for membership shall be made in writing to the membership committee.

4-5: The Board, by majority vote of the members present at a regular or special meeting, shall have the authority to resolve all questions of membership and their decision shall be final.

4-6: A member may be suspended or expelled by a vote of two-thirds of the Board present at any regular meeting or special meeting called for such purpose for failure to pay dues or assessments, or engages in any pattern of action, statements or conduct which is contrary to the best interests of the Congregation.

### ARTICLE V: PRIVILEGES OF MEMBERSHIP

5-1: Congregants holding regular membership and are members in good standing as defined in Article VI shall have the following privileges:

- A. To attend all congregational meetings and all regularly scheduled meetings of the Board and standing committees.
- B. To hold office in the congregation or be a committee member subject to Article VII & XI.
- C. To participate in all religious services provided for the congregation subject to rules and regulations which may be established by the Board.
- D. To enroll their dependent children in the religious school of the congregation subject to the rules and regulations which may be established by the Board.
- E. To have themselves or their dependent children instructed for Bar/Bat Mitzvah under such rules and regulations as may be established by the Board.
- F. To call upon the Rabbi to officiate at Jewish life cycle events subject to rules and regulations established by the Board. The congregation will sanction interfaith marriages, after the couple has been counseled by the Rabbi of Kol Emet, which service may be performed within our sanctuary by the Rabbi of Kol Emet, or an ordained Rabbi approved by the Kol Emet Rabbi. However, a non-Jewish cleric may not participate in the ceremony in an official capacity.
- G. To utilize the congregational buildings for the use of any member of their household subject to the rules and regulations established by the Board.
- H. To have a voice and one member household vote at all congregational meetings and one member household vote in special elections. Each regular member household shall be entitled to a single vote.

- I. To permit non-Jewish members to hold the Torah, light candles, participate in naming ceremonies, blow a shofar and, after discussion of the meaning and ramifications of the prayer with the Rabbi, say the prayers (aliyah) at the reading of the Torah.
- J. To receive a financial report of the congregation's total assets and liabilities, total revenue and expenses and the number of members and projections of financial stability at the annual congregational meeting.
- K. To enroll their dependent children in the preschool of the congregation subject to space availability and the rules and regulations, which may be established by the Board.

#### **ARTICLE VI: DUES AND ASSESSMENTS**

6-1: Members shall pay such dues and assessments and in such manner as determined by the Board.

6-2: A member is in good standing when payment of all financial obligations is made on or before the final date for payment established by the Board of Directors.

#### **ARTICLE VII: OFFICERS**

7-1: List of Officers: The following shall be the officers of the congregation: President, one or more Vice Presidents, Secretary, Treasurer, and any such officers as the Board may from time to time designate. The President and the Vice Presidents shall be members of the Jewish faith. Officers shall have such duties as may be delegated to them by the Board or President.

7-2: Term of Office:

- A. The President shall be elected for a two-year term, while the remaining officers shall be elected annually for a one-year term, in the manner set forth in Article IX, Elections, by the regular members of the congregation at the annual meeting of the congregation.
- B. The term of office shall extend from the June congregational meeting until the June congregational meeting of the following year.
- C. The President may not be elected for consecutive terms. All other officers are eligible to be elected for consecutive terms.

7-3: The President: The President shall be the chief operating officer of the corporation, and preside at all meetings of the congregation, the Board and the executive committee. Except as otherwise provided in these By-Laws or as otherwise directed by the Board, the President shall appoint the chairpersons of all committees and shall be an ex-officio member thereof, but with limited right to vote at committee meetings as provided by the Board rules and regulations. The President, or his/her designee, shall sign all agreements, contracts, deeds and other documents of the congregation, pursuant to appropriate resolutions by the Board.

7-4: The Vice Presidents: The Vice Presidents shall assist the President in the discharge of his/her duties. Should a vacancy occur in the office of President, the Board shall select a temporary President from the Vice-Presidents until the office is filled by election. Responsibilities of the Vice Presidents shall be established by the Board's rules and regulations.

7-5: The Secretary:

- A. The Secretary shall keep a complete list of all members of the congregation. S/he shall furnish the Treasurer with the names of all persons who have become members of the congregation.
- B. The Secretary shall keep accurate records of all the proceedings of the congregation, and of the Board; issue all notices for meetings; carry on all correspondence of the congregation and the Board; and sign such instruments or documents as may be necessary to effectuate the proper directions of the congregation or the Board.
- C. The Secretary shall have control of the corporate seal of the congregation, and shall be responsible for all the deeds, books, and papers of the congregation not specifically entrusted to other officers.

7-6: The Treasurer:

- A. The Treasurer shall be in charge of the financial records of the congregation, which are open at all times for inspection by the Board and the budget and finance committee.
- B. The Treasurer shall issue all congregational bills.
- C. The Treasurer shall take charge of all money and valuable papers belonging to the congregation not especially entrusted to other officers.
- D. The Treasurer shall submit a financial report at all Board meetings, the annual congregational meeting, and at such other meetings or occasions as may be requested to do so by the Board. Upon retirement from office, the Treasurer shall deliver to the successor or to the President, all money, books and papers in his/her possession. Actions of the Treasurer shall be in accordance with the Board's rules and regulations.

7-7: Execution of Documents by Officers: The President, Treasurer, and two other members of the Board appointed by the President and approved by the Board, shall be authorized to sign checks. There must be two signatures on all checks with the exception of certain regularly scheduled disbursements, as defined by the Board, which may be paid by Electronic Fund Transfers. The signatures of the President (or his/her designee) and one other person so authorized by the Board, are necessary to sign documents on behalf of the congregation if that document would cause a debt of over one thousand dollars.

7-8: Replacement of an officer:

A. In the event of a vacancy in an officer position, a successor may be appointed pursuant to the provisions of Section 8-9 to fill the vacancy for the unexpired term.

B. An officer may be removed by two-thirds vote of the Board.

C. In the event that the positions of President and Vice President(s) become vacant at the same time or that the Vice President(s) are otherwise unwilling or unable to serve as the President following the resignation or removal of the President, the order of succession for President that will be followed is:

1) Treasurer

2) Secretary

Then the respective Board of Directors of the following standing committees.

3) Finance

4) Ritual

5) House

6) Membership

7) Education

Followed by:

8) The immediate past President currently serving on the Board.

9) Should all board positions be vacant at the same time, the position of President shall be filled by the most immediate past President willing to serve

Any officer or Board member who shall succeed into the position of President pursuant to the foregoing provisions must meet the qualifications for President as set forth in By-Law 7-1 and shall serve as temporary President until the office is filled by election.

Any officer or Board member that has been removed subject to Sections 7-8(B) or 8-7 of the By-Laws will be excluded from the above succession order.

7-9: Two individuals in the same household shall not be permitted to serve as officers at the same time.

#### **ARTICLE VIII: BOARD OF DIRECTORS:**

8-1: The management, conduct and administration of the affairs of this congregation, its employees, religious school, preschool, property and buildings shall be vested in the Board of Directors (referred to as "the Board").

8-2: The Board shall include as directors:

A. The elected officers of the congregation who shall comprise the Executive Committee as set forth in Section 11-2.

B. Not less than six nor more than fifteen elected Directors, the exact number to be determined by the Board.

C. The Presidents of the Sisterhood, the Men's Club, and the Religious School Parent Teacher Organization and a member representative of the Preschool Parent Teacher Organization, if any.

D. The immediate past President of the congregation.

E. The Liaison Chair, if any, who will be appointed by the President upon approval by the Board.

8-3: All members of the Board must hold Regular Membership in the congregation, and be members in good standing pursuant to Section 6-2. All elected directors shall chair or co-chair a committee.

8-4: Terms of Office

A. The elected officers of the congregation, and the Presidents of the Women's, Men's, and Parent-Teacher Associations shall remain on the Board while they hold those respective positions.

B. The past President shall remain on the Board until displaced as the immediate past President.

C. Directors shall be elected to the Board pursuant to Article IX for a three-year term commencing with their election at meeting called for that purpose.

1. Consistent with its rules and regulations, the Board shall structure the election of Directors so that approximately one-third of the elected Directors will be elected in a given year.

2. No director shall serve more than 6 consecutive years exclusive of any term as an officer, with a minimum one-year hiatus.

8-5: Board members are expected to attend all Board meetings. The President may declare the seat of any elected director to be vacant if they are absent for three or more consecutive Board meetings.

8-6: Quorum – A majority of the members of the Board presently in office shall constitute a quorum for the transaction of business at meetings of the Board of Directors. Except as otherwise expressly provided in these By-Laws, the action of a majority of the Directors present at a duly called meeting of the Board, at which a quorum is present, shall constitute the action of the Board. All votes must be cast by board members currently in attendance at any meeting.

8-7: The Board may, by a two-thirds vote at any meeting with a quorum, remove an elected director from the Board for proper cause including but not limited to failing to comply with these By-Laws, or Board rules and regulations, or for conduct that brings discredit upon the Board or the congregation.

8-8: The Board may, by a simple majority vote at any meeting with a quorum remove non-elected Board members from the Board for the reasons set forth in Section 8-7 above.

8-9: The President has the authority to fill any Board vacancy which occurs for any reason based upon procedures set forth in its rules and regulations, upon the approval of the Board, and until that vacancy can be filled pursuant to the election procedures set forth in Article IX.

8-10: The Board of Directors shall regularly meet monthly, except as provided by its rules and regulations, and at such times as shall be determined by the President. The President may call special meetings at any time, but shall call special meetings upon the request of at least five directors. Written notice of all Board special meetings shall be provided consistent with these By-Laws and the Board's rules and regulations. The President may call for a closed session of the Board during any regularly scheduled meeting.

8-11: The Board of Directors shall make rules and regulations and procedures consistent with these By-Laws to aid in the management, conduct and administration of this congregation, its employees, religious school, property and buildings.

8-12: In the management and administration of the affairs of the congregation, the Board is:

- A. Authorized to make all final decisions regarding the hiring or removal of all congregation employees, except the Rabbi as provided by Article XIII.
- B. Authorized to appoint any member of the congregation to represent it at any function.
- C. Prohibited from borrowing money, purchasing, selling, leasing, or otherwise acquiring or disposing of any real estate, or enter into contracts, without approval of the congregation as set forth in Board rules and regulations, if the monetary value of any of the above exceeds ten thousand dollars except in emergency circumstances to the physical plant of the congregation.
- D. Authorized to establish financial limitations on committee expenditures.

## **ARTICLE IX: ELECTIONS**

9-1: Eligibility: All regular members of the congregation in good standing shall be eligible for election to the Board and as officers. Any member nominated for President under the provisions of Section 9-3 or 9-4 shall have served on the Board of Directors for a minimum of one full year prior to the annual congregational meeting in which the election will occur. There is no restriction as to the time period that the one-year term was served.

9-2: Nominating Committee: A nominating committee shall consist, each year, of a chairperson and six members. The chairperson of the committee shall be the immediate past President of the congregation who has not been removed from office. If the immediate past President cannot serve, then the past President that served prior to the immediate past President, in succession shall be appointed as the chairperson. The remaining members of the committee shall be appointed by the President, subject to approval by the Board at its January meeting. Two of the committee members shall be current members of the Board who are not up for election in the upcoming year. Four of the members of the nominating committee shall be members in good standing of the congregation who are not members of the Board. The Secretary will send an announcement to the congregation at least 30 days prior to the nominating committee selection allowing any congregant in good standing to request consideration for the four non-Board positions. Within ten days after approval of the nominating committee, the Secretary of the congregation shall send an announcement of their appointment to all members of the congregation, together with a notice that any member of the

congregation may submit suggestions to the nominating committee as to candidates for office and election to the Board. Any member of the committee, who chooses to no longer to serve, may be replaced at the discretion of the President, upon approval of the Board.

9-3: The Board shall present to the nominating committee the positions to be filled for the next year's Board. The nominating committee shall submit to the Board, at or before the Board's March meeting, the committee's recommendations for a candidate for each office and each director's seat (if possible) to be filled at the next annual congregational meeting. At its next meeting, the Board shall act upon such recommendations, and by majority vote of those directors present at such meeting, shall nominate a candidate for each office and each director's seat to be filled at the next annual congregational meeting. Within one week after the April Board meeting the Secretary shall send an announcement of the candidates nominated by the Board to all members of the congregation, together with a statement of the procedure for additional nominations pursuant to Section 9-4.

9-4: Other Nominations: At any time after the announcement of the Board's candidates, but prior to the second Tuesday in May, any member of the congregation may be nominated for any office or a director's seat on the Board, by providing a petition in writing, signed by more than 10% of the member households in good standing of the congregation, to the Secretary of the congregation.

9-5: Notice of Candidates: If, but only if, one or more members of the congregation are nominated by petition for office or for election to the Board pursuant to Section 9-4 above, the Secretary shall send to all members of the congregation, no later than the third Tuesday in May, a notice setting forth the names of all candidates for office or for election to the Board, indicating which have been nominated by the Board and which have been nominated by petition.

9-6: Annual Election:

A. Election of officers and directors shall be held at the annual congregational meeting. Only those persons who have been nominated for office or for election as a director in accordance with the procedures in the foregoing Sections of this article shall be candidates.

B. If there is more than one candidate for any office, the election to fill that office shall be by secret written ballot. The candidate for each office receiving the highest number of votes shall be elected. Each member household is entitled to one vote.

C. If there are more candidates for election as directors than there are seats on the Board to be filled at such election, the election for directors shall be by secret written ballot. Each member household of the congregation shall be entitled to vote for as many candidates as there are directors to be elected (but may not cast more than one vote for any one candidate) and the candidates receiving the highest numbers of votes shall be elected.

9-7: Under no circumstances will there be any special elections held outside of the normal guidelines set forth in the Bylaws for the purpose of filling any vacant officer and/or board positions.

## **ARTICLE X: CONGREGATIONAL MEETINGS**

10-1: The annual meeting of the congregation shall be held each year during the month of June, on a date determined by the Board.

10-2: Special Meetings of the congregation may be called by the President or by the Board at any time. It shall be the duty of the President to call a special meeting whenever requested in writing to do so by a representative of 10% of the member households or 10 member households in good standing of the congregation, whichever is greater, which writing shall set forth the purpose of such meeting. If the President fails, within ten days after receiving such request, to call a special meeting, to be held within 30 days after such call, any other officer may call such meeting.

10-3: Notice of all meetings shall be emailed by the Secretary to all members at least fourteen days prior to the meeting, and notices of special meetings shall set forth the business to be transacted. No business shall be transacted at a special meeting except that set forth in the notice.

10-4: An amendment to the bylaws cannot be voted on at any congregational meeting unless an outline of the amendment (including section number) has been provided to the Secretary one week before the announcement of the meeting and the outline is included in the email to members announcing the meeting.

10-5: Meeting Format:

A. A representative of ten percent of the member households or ten member households in good standing, whichever is greater, of the congregation, shall constitute a quorum for the transaction of business at a meeting of the congregation.

B. All members voting shall be required to be present in person at a meeting. No person may vote by proxy.

C. All voting shall be by majority vote of those member households present, unless otherwise provided for in these By-

Laws. All voting shall be by open ballot, unless:

1. The vote is for a contested election or removal of an officer or member of the Board.
2. Any member present requests a closed written ballot.
3. A closed written ballot is required elsewhere by these By-Laws.

## **ARTICLE XI: COMMITTEES**

### 11-1: General:

- A. The Board may, by resolution adopted by a majority of the Board, establish committees, each of which shall have and exercise only the power and authority specifically prescribed and granted by the Board in the resolution establishing them.
- B. All members shall be eligible for membership on all committees of the congregation (other than the executive committee).
- C. Chairpersons of all committees shall be appointed by the President, and serve at his/her discretion until the next election.
- D. No committee, including the Executive Committee, shall have the power and authority to:
  1. Submit to members any action requiring approval of members under the non-profit congregation law of 1972.
  2. Fill vacancies on the Board.
  3. Adopt, amend or repeal these By-Laws.
  4. Amend or repeal any resolution of the Board.

11-2: Executive Committee: The Executive Committee shall be composed of the officers of the congregation and shall have the following powers and duties:

- A. To recommend for Board approval, the employment or termination of employment of the professional staff.
- B. To make recommendations for Board approval regarding contract renewal and salary adjustments of the professional staff.
- C. To make decisions pertaining to the management of all other personnel.
- D. To have such other powers and duties as may be delegated to it by the Board.
- E. To assign specific duties to the officers, in the absence of other direction from the Board.
- F. To act for the Board, when it is not feasible for the Board to meet in regular or special session, in the conduct and management of the business of the congregation. Any action taken pursuant to this provision shall be reported at the next meeting of the Board.
- G. To act in the interim between Board meetings, utilizing all of the Board's powers, subject to any limitations imposed on it by the Board. No action taken shall be inconsistent with any action or resolution adopted by the Board.
- H. To delegate the powers to a personnel committee to perform the above functions 11-2-A, B & C and report to the executive committee.

11-3: Standing Committees shall be the Ritual, School, Finance, Membership and others designated in the Board's rules and regulations.

11-4: The House Committee and the Capital Replacement Fund - At least once every five years a capital replacement analysis shall be undertaken by the House Committee to determine the sufficiency of the Capital Replacement Account. The Capital Replacement Account is created to accumulate funds to pay for the replacement or repair of large capital items of the building, such as for example, the roof, parking lot and HVAC systems. Such capital replacement analysis shall be used, until the next analysis is performed, to determine the annual budget amount for the Capital Replacement. In the event that the Capital Replacement Account is not sufficient when the mortgage is paid or reduced, an amount equal to the difference from the prior mortgage payments for each year should be directed to the Capital Replacement Account until such a time that the account is deemed sufficient as determined by the most recent capital replacement analysis.

## **ARTICLE XII: THE KOL EMET RELIGIOUS SCHOOL**

12-1: The congregation shall own and operate and exercise full control over its own religious school, known as the Kol Emet Religious School, its employees and property.

- A. The Board shall have ultimate authority to make all decisions over the operation of the school including, but not limited to, whom it employs, salaries, location, days and hours of operation, calendar, curriculum, class size, and books and materials.
- B. Consistent with its rules and regulations, the Board may delegate certain authority to the School Committee and Educational Director to oversee the operation of the school.

12-2: The congregation shall own and operate and exercise full control over its own preschool, known as the Kol Emet Preschool, its employees and property.

A. The Board shall have ultimate authority to make all decisions over the operation of the preschool including, but not limited to, whom it employs, salaries, location, days and hours of operation, calendar, curriculum, class size, and books and materials.

B. Consistent with its rules and regulations, the Board may delegate certain authority to the Preschool Committee and Educational Director to oversee the operation of the preschool.

### **ARTICLE XIII: EXECUTIVE STAFF**

13-1: Employment - The congregation may employ an executive staff of a Rabbi, Associate or Assistant Rabbi, Educational Director, Cantor, and Executive Director.

A. The Rabbi shall be employed after having been recommended by a majority of the Board and upon having been elected by a majority of the congregation present at a congregational meeting consistent with Board rules and regulations.

B. All other executive employees shall be employed after having been recommended by the committee authorized to interview and make such recommendations, and upon having been approved by a majority of the Board.

C. The Board may hire, or designate committees to hire, other employees as necessary.

D. All executive employees shall be employed pursuant to the terms of their individual employment contract, these By-Laws, and the Board's rules and regulations.

13-2: Renewal & Termination

A. The congregation may renew the Rabbi's contract by a majority vote of the congregation present at a meeting called at least in part to consider that purpose. This meeting must be held prior to the date set in the Rabbi's contract for notification of renewal. In the absence of congregational action, the Board may renew the Rabbi's contract on a year-to-year basis by a majority vote of the Board present at a meeting called at least in part to consider that purpose.

B. The Board may terminate the remainder of the Rabbi's contract by a two-part procedure:

1. A two-thirds vote of the Board present at a meeting called at least in part to consider that purpose, then

2. A two-thirds vote of the Board present at a special meeting, of which members of the Board had been given written notice one week prior to said meeting, called specifically to consider the termination of the Rabbi's contract.

C. The Board may renew the contract of, or terminate the unexpired contract of all other employees by a majority vote.

13-3: Rabbi - The Rabbi shall be the spiritual leader of the congregation who will guide the synagogue to meet the needs of its members.

13-4: Associate or Assistant Rabbi - The Associate or Assistant Rabbi shall assist the Rabbi as spiritual leader of the congregation. The appointment of an individual to either position does not convey automatic accession to the position of Rabbi.

13-5: Cantor - The Cantor shall perform the duties as set forth in the rules and regulations.

13-6: Educational Director - The Educational Director shall implement the curriculum and educational objectives, as determined by the congregation and Rabbi, for the Kol Emet Religious School and Preschool.

13-7: Executive Director - The Executive Director shall be responsible for the financial and day-to-day operation of the congregation.

### **ARTICLE XIV: AUXILIARY ORGANIZATIONS**

14-1: The congregation shall have such auxiliary organizations as authorized by the Board.

14-2: Membership in the congregation is required for membership in all auxiliary organizations, except for youth organizations and the Preschool Parent Teacher Organization. The Board shall have the authority to allow non-members to join an auxiliary organization for one year.

14-3: The activities of the auxiliary organization shall be consistent with these By-Laws.

### **ARTICLE XV: INDEMNIFICATION AND LIMITATION OF LIABILITY**

15-1: Definitions. For purposes of this Article, directors and officers shall be those defined by Article VII & VIII.

15-2: Limitation of Directors' Liability. No director of the congregation shall 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 under the Pennsylvania Directors' Liability Act (relating to standard of care and justifiable reliance), and b.) the breach or failure to perform constitutes self-dealing, willful misconduct or recklessness; provided, however, that the provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute, or to the liability of a Director for the payment of taxes pursuant to local, State or Federal law. This Section shall be applicable to any action taken and any failure to take any action on or after January 27, 1987.

### 15-3: Indemnification and Insurance

#### A. Indemnification of Directors and Officers.

1. Each Indemnitee (as defined below) shall be indemnified and held harmless by the congregation for all actions taken by him or her and for all failure to take action (regardless of the date of any such action or failure to take action) to the fullest extent permitted by Pennsylvania law against all expense, liability and loss (including without limitation attorneys' fees, judgments, fines, taxes, penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Indemnitee in connection with any Proceeding (as defined below). No indemnification pursuant to this Section shall be made, however, in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.

2. The right to indemnification provided in this Section shall include the right to have the expenses incurred by the Indemnitee in defending any Proceeding paid by the congregation in advance of the final disposition of the Proceeding to the fullest extent permitted by Pennsylvania Law; provided that, if Pennsylvania law continues so to require, the payment of such expenses incurred by the Indemnitee in advance of the final disposition of a proceeding shall be made only upon delivery to the congregation of an undertaking, by or on behalf of the Indemnitee, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnitee is not entitled to be indemnified under this Section or otherwise.

3. Indemnification pursuant to this Section shall continue as to an Indemnitee who has ceased to be a Director or officer and shall inure to the benefit of his or her heirs, executors and administrators.

#### 4. Definitions: for purposes of this Article:

a. "Indemnitee" shall mean each Director or officer of the congregation who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any proceeding, by reason of the fact that he or she is or was Director or officer of the congregation or is or was serving in any capacity at the request or for the benefit of the congregation as a Director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, any constituent group or committee of the congregation, another congregation or any partnership, joint venture, trust, employee benefit plan, or other enterprise or entity.

b. "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of the congregation), whether civil, criminal, administrative or investigative.

B. Indemnification of Employees and Other Persons. The congregation may, by action of its Board of Directors and to the extent provided in such action, indemnify employees and other persons as though they were Indemnitees.

C. Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in this Article shall not be exclusive of any other rights that any person may have or hereafter acquire any statute, provision of the congregation's Articles of Incorporation or By-Laws, agreement, vote of members or Directors, or otherwise.

D. Insurance. The congregation may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania Law against any expense, liability or loss, whether or not the congregation would have the power to indemnify such person under Pennsylvania or other law. The congregation may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.

E. Fund for Payment of Expenses. The congregation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise may secure in any manner its indemnification obligations, whether arising hereunder, under the Articles of Incorporation or these Bylaws, by agreement, vote of members or Directors, or otherwise.

15-4: Amendment: The provisions of this Article relating to the limitation of Directors' liability, to indemnification and to the advancement of expenses shall constitute a contract between the congregation and each of its Directors and officers which may be modified as to any Director or officer only with that person's consent or as specifically provided in this Section. Notwithstanding any other provision of these By-Laws relating to their amendment generally, any repeal or amendment of this article which is adverse to any Director or officer shall apply to such Director or officer only on a prospective basis, and shall not reduce any limitation on the personal liability of a Director of the congregation, or limit the rights of an Indemnitee to indemnification or to

the advancement of expenses with respect to any action or failure to act occurring prior to the time of such repeal or amendment.

15-5: Changes in Pennsylvania Law. References in this Article to Pennsylvania Law or to any provision thereof shall be to such law (including without limitation the Directors' Liability Act) as it existed on the date this Article was adopted or as such law thereafter may be changed; provided that:

- A. in the case of any change which expands the liability of Directors or limits the indemnification rights or the rights to advancement of expenses which the Congregation may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article shall continue as theretofore to the extent permitted by law; and
- B. if such change permits the Congregation without the requirement of any further action by members or Directors to limit further the liability of Directors (or limit the liability of officers) or to provide broader indemnification rights or rights to the advancement of expenses than the Congregation was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

## **ARTICLE XVI: MISCELLANEOUS PROVISIONS**

16-1: Fiscal Year - The fiscal year of the congregation shall end on June 30<sup>th</sup>.

16-2: Disputes - All disputes regarding the meaning, construction, or interpretation of any part of these By-Laws or the Board's rules and regulations shall be decided by a majority of the Board of Directors.

16-3: Gifts – A gift of \$100,000 or more by an individual donor or by a single household family unit (Donor) to the congregation will qualify the Donor to have a named dedication (Naming Opportunity), as approved by the Board. Existing Naming Opportunities include endowment funds; and the lobby area, social hall, administrative wing, and library of the facility at 1360 Oxford Valley Road, Yardley. Future Naming Opportunities, and associated donation levels, will be approved by the Board.

The pledge for a gift associated with a Naming Opportunity must be fulfilled within six years of Board approval to accept the gift. During the six year time period, the Board will not make that Naming Opportunity available to any other Donor. All fulfilled gifts for past, existing, or future Naming Opportunities shall be in perpetuity.

All donations made against a pledge are non-refundable. If the Donor is unable to fulfill the pledge within the six year time period and wishes to retain exclusive naming rights, the Donor may request an extension period to complete the pledge or request a reduction in the amount of the pledge. The Board has discretion to approve or deny the request.

Proper recognition of fulfilled gifts associated with Naming Opportunities may include a special plaque specifying the named dedication. Any official recognition (plaque, ceremony, written history, or any other public proclamation) of a gift associated with a Naming Opportunity cannot be conducted until 100% of the pledge is fulfilled.

Proper recognition of donors who participate at a specified giving level in capital or other formal fundraising campaigns will include a separate designation on a central plaque to be located in the synagogue's main lobby area.

All name and named dedication plaques shall be of high quality and visible to all whom enter the facilities.

## **ARTICLE XVII AMENDMENTS TO THE BY-LAWS**

17-1: Any congregant may present a proposed amendment to the Bylaws. The congregant shall submit the amendment in writing to the President, who will then place it on the agenda of the next meeting of the Executive board. The Executive Board will decide either to include it on the agenda of the next BOD meeting or to convene the Bylaws committee in order to discuss the matter. In either case the congregant shall be provided the opportunity to present reasons for its passage. The proposed amendment does not have to be submitted in any required or special format.

17-2: <removed>

17-3: The proposed amendment shall be voted on by the Board within 90 days of its submission to the President. Two-thirds of the Board members present at a meeting where a quorum is present shall be necessary to approve the amendment. If the Board approves the amendment, the congregation shall vote on the amendment at the next congregational meeting (or special meeting) in accordance with Article X of these By-Laws.

17-4: If the amendment is not approved the congregant may present the amendment for a vote at the next congregational meeting (or special meeting), providing a petition signed by a representative of not less than 10% of the member households in good standing of the congregation is presented to the Secretary at least 30 days prior to the meeting. A vote of 2/3 of the member households attending the meeting and voting shall be required to approve the proposed By-Law amendment.

17-5: The President shall notify the Board in writing if a vote on a By-Law Amendment will occur at the next meeting.

#### **ARTICLE XVIII: ENDOWMENT FUND COMMITTEE**

18-1: The purpose of the Endowment Fund (hereafter referred to simply as the Fund) is to provide in perpetuity an alternative source of funds, apart from dues, fees, and other ordinary income, to enhance the mission of Congregation Kol Emet.

18-2: The Endowment Fund Committee (hereafter referred to simply as the Committee) is the custodian of the Fund. It will consist of between five (5) and nine (9) members, all of whom are voting members of Congregation Kol Emet.

18-3: Upon adoption of these Standing Rules, the Congregation shall elect five (5) members of the Committee: two (2) for a term of three (3) years, two (2) for a term of two (2) years, and one (1) for a term of one (1) year. Thereafter, at each annual meeting, the congregation shall elect the necessary number for a term of three (3) years. The Rabbi, President, and Treasurer of the Board shall be advisory members of the Committee. The Committee may request other members of the congregation to serve as advisory members, and at the expense of the Fund (taken from the annual distribution amount or undistributed capital appreciation), may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the Fund as approved by the Board for expenditures exceeding \$5000 annually.

18-4: Members of the Committee shall be nominated by a separate Kol Emet Endowment Nominating Committee and elected henceforth at the annual meeting in the same manner as other officers and directors. No member shall serve more than two consecutive three-year terms. After a lapse of one (1) year, former Committee members may be re-elected.

18-5: In the event of a vacancy on the Committee, the Committee with the approval of the Board shall appoint a member to fill the vacancy until the next annual meeting of the congregation, at which time the congregation shall elect a member to fulfill the term of vacancy.

18-6: The Committee shall elect from its membership a chairperson, a financial secretary, and a recording secretary.

A. The chairperson, or member designated by the chairperson, shall preside at all committee meetings.

B. The recording secretary shall maintain complete and accurate minutes of all meetings of the Committee and supply a copy thereof to each member of the Committee and to the Board. Each member shall keep a complete copy of minutes to be delivered to his/her successor.

C. The financial secretary shall assist Kol Emet's Treasurer in maintaining complete and accurate accounting for the Fund. The financial secretary and another designated Committee member (such as the chairperson or recording secretary) shall sign all checks payable from the Fund. Two authorized signatures shall be required for all amounts.

18-7: The Committee shall meet at least quarterly.

18-8: A quorum shall consist of 2 (two) more than 50% of its members when the Committee has 8 (eight) members or more; otherwise a quorum shall consist of a majority of the Committee members.

18-9: A  $\frac{3}{4}$  (three-fourths) majority of those present and voting is required to pass a Committee motion or resolution. Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the Fund, including stocks, bonds, debentures, mortgages, notes, or other securities, as in their judgment and discretion they deem wise and prudent, and in accordance with the approved investment policy for the Fund, are to be made by the Committee. Subsequent execution of agreed-upon transactions will be handled by the delegated member of the Committee.

18-10: All assets are to be held in the name of the Endowment Fund of Congregation Kol Emet.

18-11: The investment policy of the Committee will be consistent with the philosophy of the congregation and will be approved by the Board. The Committee shall abide by and keep a record of the terms and restrictions of all gifts to the Fund and shall determine what is principal and income according to accepted accounting principles.

18-12: Distributions from the Fund shall be made at such times as deemed necessary and/or feasible to accomplish the

following purposes, including, but not limited to:

- A. for the enhancement of the physical plant of Congregation Kol Emet
- B. for scholarships or grants to members and staff of Congregation Kol Emet for the purpose of Jewish education and leadership, to enable members of this congregation to grow in service to Judaism
- C. for outreach to our associates in the Jewish community including, but not limited to, grants to Jewish institutions to which this congregation relates, and to programs designed for persons in our community who are in spiritual and/or economic need and for the wider mission of Judaism at home and overseas.

18-13: Distributions shall be recommended by the Committee and approved by the Board for funding.

18-14: Distributions from the Fund shall not be used for the annual operating budget of the congregation except only in particular, temporary, difficult circumstances. Where integrity of gift restrictions permit, this congregation may, with prior approval of  $\frac{3}{4}$  (three-fourths) of the Board and  $\frac{3}{4}$  (three-fourths) of the congregation in meeting assembled, use Fund distributions for its own or operating expenses. Except where specifically authorized otherwise in the terms of a gift, distributions from the Fund will be made in amounts not to exceed the annual income of the Fund or annual appreciation of the Fund adjusted for inflation in the prior twelve months and less fees incurred by the Fund in the prior twelve months.

18-15: The principal of the Fund, with the approval of  $\frac{3}{4}$  (three-fourths) of the congregation in meeting assembled, may be used, after the exhaustion of reserve operation monies, to meet financial emergencies that threaten the continued life of the congregation.

18-16: The books shall be reviewed annually by an appropriate person who is not a member of the Committee. The Committee shall report on a quarterly basis to the Board and at each annual or special meeting of the congregation, shall render a full, complete, and reviewed account of the administration of the Fund during the previous year.

18-17: No Committee member shall engage in self-dealing or transactions with the Fund in which the member has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interest would conflict with the interest of the Fund.

18-18: Members of the Committee will be covered under the synagogue's Directors and Officers liability insurance policy and are subject to the same indemnification and liability limitations as described in Article XV of the Bylaws.

18-19: In the event that Congregation Kol Emet ceases to exist either through merger or dissolution, disposition or transfer of the Fund shall be at the discretion of the synagogue Board in conformity with the approved congregational constitution and in consultation with the Jewish Reconstructionist Federation. Consultation with the Jewish Reconstructionist Federation may also be desirable for continuation of the Endowment Fund's obligations to grantors of gifts.