

2020 AMENDED BYLAWS OF CORVALLIS CARING PLACE, INC.

**ARTICLE I The Corporation**

1.1 Name. The name of this corporation is CORVALLIS CARING PLACE, INC.

1.2 Formation. The corporation is a public benefit corporation which has been formed under the Oregon Nonprofit Corporation Act (the "Act")

1.3 Purposes.

(a) The corporation is organized and shall be operated exclusively for religious, educational and charitable purposes within the meaning of Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended (the "Code").

(b) The specific and primary purpose of the corporation is to (i) meet the physical, social, and mental and emotional needs of the elderly by providing assisted care housing and related facilities on a non-profit basis, (ii) promote community livability and diversity with related facilities on a nonprofit basis through the development, construction, and operation of such housing, (iii) provide much needed affordable housing, health, and social services to the elderly, and (iv) work with other public and private entities and address the health and housing needs of low and moderate income seniors in Benton and Linn Counties, Oregon and the surrounding area.

(c) Notwithstanding any other provision of these Bylaws, the corporation shall not engage in any activity or exercise any power that is not in furtherance of a religious, educational or charitable purpose, and shall not carry on any activity not permitted to be carried on (i) by a corporation exempt from federal income taxation under Section 501 (c)(3) of the Code, or (ii) by a corporation contributions to which are deductible under Section 170(c)(2) of the Code.

(d) No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting, to influence legislation (except as otherwise provided in Section 501(h)), and the corporation shall not participate in or intervene in (including the publishing and distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.

1.4 Powers. The corporation shall have the power to take any lawful action necessary, appropriate or desirable to carry out its purposes consistent with the Act.

**ARTICLE II Membership**

2.1 Membership. The corporation shall have no members. It shall be governed and managed by a Board of Directors.

**ARTICLE III Board of Directors**

3.1 General Powers. All corporate powers of the corporation shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of, the Board of Directors. The Board of Directors shall exercise the powers of the corporation and manage the business and affairs of the corporation in accordance with Sections 1.3 and 1.4.

3.2 Restrictions on Authority. The Board of Directors shall exercise the powers of the corporation subject to any restrictions imposed by law, the Articles of Incorporation, and these Bylaws.

3.3 Number. The number of Directors shall be not more than fifteen (15), and not less than three (3). The number of Directors shall be within the limits specified, and may be increased or decreased from time to time by amendment of these Bylaws, but no decrease shall shorten the term of an incumbent Director.

3.4 Interested Directors.

(a) An "interested director" is (i) any individual currently receiving compensation by the corporation for services rendered to the corporation within the previous 12 months, whether as an employee, independent contractor or otherwise, or (ii) any family member of such an individual.

(b) A "family member" of an individual shall include the individual's brothers and sisters (whether by whole blood or half blood), spouse, ancestors, lineal descendants and in-laws of any of the foregoing. A legally adopted child of an individual shall be treated as a child of such individual by blood.

(c) At no time shall a majority of Directors be interested directors. If for any reason a majority of Directors are interested directors, the Board of Directors shall promptly remove or appoint such number of Directors as may be necessary to ensure that a majority of the Directors are not interested Directors. Any act of the Board of Directors taken at a time when a majority of Directors are interested directors shall not be effective unless and until such act is approved in writing by the Board of Directors.

3.5 Nominating. The Nominating and Membership Committee shall prepare a list of nominees for officers and positions on the Board of Directors to be presented at a regularly scheduled meeting at/or prior to the October Board meeting. Candidates for membership and board positions should be sought from the Benton Community at large, as well as from existing or past Board members. Nominations for positions on the Board of Directors may also be made from the floor at the October Board meeting.

3.6 Election. The Board of Directors shall elect individuals to positions on the Board of Directors at the November Board meeting. Prior to such election, the Board of Directors shall consider the list of nominees presented to it by the Nominating Committee and any nominations made from the floor at the October Board meeting.

3.7 Term. The terms of all Directors shall be for the position they are elected to. Each Board position shall be for three years beginning January 1<sup>st</sup> and run to December 31<sup>st</sup> three years later. Directors shall be limited to serving three full terms of office. Despite the expiration of a Director's term, each Director shall continue to serve until the Director's successor is elected and qualifies or until there is a decrease in the number of Directors and the Director is not re-elected. Board of Director positions shall be on a three year rotating

basis, with approximately 1/3 of the positions expiring annually.

**3.8 Resignation.** A Director may resign at any time by delivering written notice to the Board of Directors or the corporation. A resignation is effective when the notice is received by the Board of Directors or the corporation unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

**3.9 Removal.** An elected Director may be removed, with or without cause, by the Board of Directors, but only at a meeting called for the purpose of removing the Director and the meeting notice must state that the purpose or one of the purposes, of the meeting is removal of the Director.

**3.10 Vacancies.** Should the number of directors fall below the minimum designated in Section 3.3, the Board shall elect Directors until the minimum threshold is met.

**3.11 Standard of Conduct.**

(a) A Director shall discharge the duties of a Director, including the Director's duties as a member of a Committee:

- (1) In good faith;
- (2) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (3) In a manner the Director reasonably believes to be in the best interests of the Corporation.

(b) In discharging the duties of a Director, a Director is entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by:

- (1) One or more Officers or employees of the corporation whom the Director reasonably believes to be reliable and competent in the matters presented;
- (2) Management Service Contract, Legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or
- (3) A Committee of the Board of Directors of which the Director is not a member, as to matters within its jurisdiction, if the Director reasonably believes the Committee merits confidence.

(c) A Director is not acting in good faith if the Director has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 3.11 (b) unwarranted.

**3.12 Conflicts of Interest**

(a) A "conflict of interest" transaction is a transaction with the corporation in which a Director has a direct or indirect interest (whether financial or otherwise and whether actual or potential).

(b) If a Director knows or reasonably believes that a conflict of interest transaction in which the Director has a direct or indirect interest is to be discussed or voted on at a meeting, the Director shall, either prior to or at the meeting, disclose fully to the Board of Directors or to

a Committee of the Board of Directors the material facts of the transaction and the Director's interest in the transaction.

(c) A conflict of interest transaction may be approved by the vote of the Board of Directors or a Committee of the Board of Directors if the material facts of the transaction and the Director's interest in the transaction are disclosed fully or known to the Board of Directors or Committee of the Board of Directors. A conflict of interest transaction is authorized, approved and ratified if it receives the affirmative vote of a majority of the Directors who have no direct or indirect interest in the transaction. If a majority of the Directors who have no direct or indirect interest in the transaction votes to authorize, approve or ratify the transaction, a quorum is present for the purposes of taking action under this Section 3.12(b). The presence of, or vote cast by, a Director with a direct or indirect interest in the transaction shall not affect the validity of any action taken if the transaction is otherwise approved as provided in this Section 3.12(b).

(d) A conflict of interest transaction is not voidable and may not be the basis for imposing liability on a Director if the transaction was entered into or is approved as provided in Section 3.12(b).

(e) A Director has an "indirect interest" in a transaction if (i) a family member of the Director is a party to the transaction, (ii) another entity in which the Director has a material interest is a party to the transaction, or (iii) another entity of which the Director is a director, officer or trustee is a party to the transaction, and the transaction is or should be considered by the Board of Directors.

(f) "Family member" shall have the meaning set forth in Section 3.4(c).

3.13 Liability. No Director shall be personally liable to the corporation for monetary damages for conduct as a Director; provided, however, that this Section 3.13 shall not eliminate or limit the liability of a Director for (i) any act or omission occurring prior to the effective date of these Bylaws, (ii) any breach of the Director's duty of loyalty to the corporation, (iii) acts or omissions not in good faith which involve intentional misconduct or a knowing violation of law, (iv) any unlawful distribution, (v) any transaction from which the Director received an improper personal benefit, and (vi) any act or omission in violation of ORS 65.361 to ORS 65.367.

3.14 Compensation. No Director shall receive any compensation for services rendered as Director. The corporation may, in its sole discretion, reimburse a Director for any reasonable expenses incurred by the Director in connection with the attendance of any meeting.

3.15 Representation. Any Director who is a member of St. Mary's Church, Corvallis, Oregon shall be deemed to be acting in the Director's capacity as an individual, and not as an agent or representative of St. Mary's Church. This section 3.15 shall not be amended without the written consent of the Archbishop of Portland in Oregon.

#### **ARTICLE IV Board of Directors' Meetings**

4.1 Annual Meetings. The corporation shall hold an annual meeting on such date and at such time as may be designated by the Board of Directors or, if not so designated, then at

the regularly scheduled meeting in November each year, for the purpose of electing individuals to positions on the Board of Directors and transacting such other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday in the State of Oregon the meeting shall be held on the next succeeding business day. The failure to hold an annual meeting on the date set forth in this Section 4.1 shall not affect the validity of any corporate action.

4.2 Regular Meetings. The Board of Directors shall hold a minimum of four (4) regular meetings each calendar year on such dates and at such times as may be designated by the Board of Directors, for the purpose of discussing the business and affairs of the corporation. If the day fixed for a regular meeting is a holiday in the State of Oregon, the meeting shall be held on the next succeeding business day. Unless otherwise designated by the Board of Directors, regular meetings shall be held at the corporation's principal office. Regular meetings of the Board of Directors may be held without notice of the date, time, place or purpose of the meeting.

4.3 Special Meetings. The Board of Directors shall hold a special meeting on the call of the President or any two Directors. Special meetings of the Board of Directors must be preceded by at least two days' notice to each Director of the date, time, and place of the meeting. The notice will describe the purposes of the meeting.

4.4 Waiver of Notice.

(a) A Director may at any time waive any notice required by law, the Articles of Incorporation or these Bylaws. Except as set forth in Section 4. 4(b), the waiver must be in writing, must be signed by the Director, must specify the meeting for which notice is waived, and must be delivered to the corporation for inclusion in the minutes or filing with the corporate records.

(b) A Director's attendance at a meeting waives objection to the lack of notice or defective notice of the meeting unless the Director at the beginning of the meeting, or promptly upon the Director's arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

4.5 Quorum. A majority of the number of Directors in office immediately before a meeting of the Board of Directors begins constitutes a quorum for that meeting.

4.6 Voting.

(a) If a quorum is present when a vote is taken, the affirmative vote of a majority of Directors present when the act is taken is the act of the Board of Directors. A Director is considered present regardless of whether the Director votes or abstains from voting. All members of the Board of Directors are eligible to vote unless there is a conflict of interest as per section 3.12 above.

(b) A Director who is present at a meeting of the Board of Directors or at a Committee of the Board of the Directors when corporate action is taken is deemed to have assented to the action taken unless:

- (1) The Director objects at the beginning of the meeting, or promptly upon the Director's arrival, to holding the meeting or transacting business at the meeting;
- (2) The Director's dissent or abstention from the action taken is entered in the minutes of the meeting, or
- (3) The Director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the corporation immediately after adjournment of the meeting.

The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

4.7 Telephone/Remote Meetings. The Board of Directors may permit any or all Directors to participate in a regular or special meeting by, or conduct the meeting through, use of any means of communication by which all Directors participating may simultaneously hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting.

4.8 Action Without a Meeting. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board of Directors. The action must be evidenced by one or more written consents describing the action taken, signed by each Director, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken without a meeting is effective when the last Director signs the consent, unless the consent specifies an earlier or later effective date.

#### **ARTICLE V Committees of the Board of Directors**

The President shall appoint Committee members and the Chair to all committees with the exception of the Executive committee. All committees are appointed for one year terms. All committees other than Quality Assurance may have Non-Board members as needed to function more efficiently.

5.1 Standing Committees. The corporation shall have the following standing Committees of the Board of Directors:

- (a) Nominating and Membership Committee; shall consist of at least three members. The Committee will prepare a slate of officers and candidates for the Board to review at a regularly scheduled meeting at/or prior to the October board meeting. (See charter for responsibilities.)
- (b) Executive Committee; shall consist of the President, Vice President, Secretary and Treasurer, and Past President who shall have authority to act on behalf of the Board, so long as such actions are unanimous. (See charter for responsibilities.)
- (c) Finance and Building Committee; shall consist of at least three members. The Treasurer will be chair of this committee. (See charter for responsibilities.)
- (d) Quality Assurance Committee; shall consist of three Board members. The Committee will provide ongoing oversight of Management Agent resident care services to ensure that

the highest standards of quality care are provided to all Corvallis Caring Place residents. This Committee is limited to Board members only. (See charter for responsibilities.)

(e) Community Relations and Policy Review Committee; shall consist of three Board members. The Committee provides ongoing oversight of the CCP Public Relations goals and objectives. Ensures Policies and Procedures are updated and maintains current membership folders. (See charter for responsibilities.)

5.2 Additional Committees. In addition to the standing Committee set forth in Section 5.1, the Board of Directors may create one or more Committees of the Board of Directors. The Board may also, from time to time, appoint special limited duration committees and/or task forces composed of non-Directors and Directors in order to assist the Board in accomplishing specific organizational goals and special projects.

5.3 Term. Unless otherwise specified by the Board of Directors, the terms of all Committee members expire December 31<sup>st</sup> of each year. Despite the expiration of a Committee member's term, the Committee member shall continue to serve until the Committee member's successor is appointed and qualifies or until there is a decrease in the number of Committee members and the Committee member is not re-appointed.

5.4 Resignation. A member of a Committee may resign at any time by delivering written notice to the Chairperson of the Committee or the Board of Directors. A resignation is effective when the notice is received by the Chairperson of the Committee or the Board of Directors unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Chairperson of the Committee or the Board of Directors.

5.5 Removal. The Board of Directors may at any time remove one or more members of a Committee with or without cause.

5.6 Vacancies. If a vacancy occurs on a Committee, including a vacancy resulting from an increase or below the stated minimum membership, the President may fill the vacancy by appointment.

5.7 Committee Meetings. Each Committee shall hold regular meetings on such dates and at such times as may be designated by the Committee. Each Committee shall hold a special meeting on the call of the Chairperson of the Committee or any two members of the Committee.

5.8 Committee minutes. Committee chairs are responsible for providing the board oral or written minutes of meetings.

## **ARTICLE VI Officers**

6.1 Officers. The Officers of the corporation shall include a President, a Vice President, a Secretary, a Treasurer, and Past-President, and such other Officers as the Board of Directors may from time to time establish. The same individual may simultaneously hold more than one office in the corporation, except that the President may not also serve as Secretary.

6.2 Election of Officers. The Board of Directors shall elect the Officers at the November Meeting of the Board of Directors.

6.3 Term of Office. Unless otherwise specified by the Board of Directors, the terms of all Officers shall begin on January 1<sup>st</sup> and expire on December 31<sup>st</sup>. Despite the expiration of an Officer's term, each Officer shall continue to serve until the Officer's successor is elected and qualifies or until the office is abolished.

6.4 Resignation. An Officer may resign at any time by delivering written notice to the Board of Directors. A resignation is effective when the notice is received by the Board of Directors unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the Board of Directors.

6.5 Removal. The Board of Directors may at any time remove any Officer with or without cause.

6.6 Vacancies. If a vacancy occurs in an office, the Board of Directors may fill the vacancy by electing a Board Member to the office after receiving recommendations from the Nominating and Board Membership Committee.

6.7 President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, in general shall supervise, direct and control the business and affairs and the other Officers of the corporation. The President shall preside at all meetings of the Board of Directors. The President shall perform all duties commonly incident to the office of President and such other duties as from time to time may be assigned by the Board of Directors.

6.8 Vice-President. The Vice-President shall perform all of the duties of the President in the absence or disability of the President and shall perform such other duties as from time to time may be assigned by the Board of Directors.

6.9 Secretary. The Secretary shall (i) ensure the minutes of all meetings of the Board of Directors and committees are completed and maintain records of all Board and Committee meetings, (ii) maintain a copy of all of the records, accounts and reports of the corporation at the corporation's principal office, (iii) supervise all correspondence of the corporation, (iv) ensure that all notices are duly given in accordance with the provisions of these Bylaws or as may be required by law or contract, (v) countersign all instruments requiring the seal of the corporation except when the power to sign or execute is expressly delegated to another Officer by the Board of Directors or these Bylaws, (vi) authenticate records of the corporation, and (vii) in general perform all duties commonly incident to the office of Secretary and such other duties as from time to time may be assigned by the Board of Directors or an Officer authorized by the Board of Directors to prescribe the duties of other Officers.

6.10 Treasurer. The Treasurer shall (i) have charge and custody of and be responsible for all funds of the corporation, (ii) maintain accurate accounts of all of the business transactions of the corporation, (iii) receive and give receipts for monies due and payable to the



corporation from any source whatsoever and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected by the Board of Directors, (iv) at each regular meeting of the Board of Directors, inform the Board of Directors of the current financial status of the corporation, (v) at the annual membership meeting, present reports for the past year's finances, (vi) file IRS and state taxation and other forms when required, and (vii) in general perform all duties commonly incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Directors or an Officer authorized by the Board of Directors to prescribe the duties of other Officers.

6.11 Past-President. The immediate Past-President shall serve on the Executive Committee and shall perform such other duties as from time to time may be assigned by the Board of Directors.

### **ARTICLE VII Advisory Boards**

7.1 Advisory Boards. The Board of Directors may create one or more Advisory Boards to serve at the pleasure of the Board of Directors. An Advisory Board shall consist of two or more members, each of whom may be, but need not be, Directors or Officers. Advisory Board members shall be appointed by the President and affirmed by the Board of Directors. Each Advisory Board has such authority as is prescribed by the Board of Directors or by direction of an Officer authorized by the Board of Directors to prescribe such authority to an Advisory Board.

### **ARTICLE VIII Contracts, Loans, Checks, and Deposit**

8.1 Contracts. Except as provided otherwise by law or these Bylaws, the Board of Directors may authorize any Officers, employees or agents to enter into any contract or execute and deliver any instrument in the name and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, employee or agent shall have any power or authority to bind the corporation by any contract or agreement or to pledge the corporation's credit to render it liable for any purpose or to any amount. (See Spending Approval Policy)

8.2 Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in the name of the corporation unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

8.3 Checks and Drafts. All checks, drafts or other orders for the payment of money and notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such Officers, employees or agents of the corporation as from time to time shall be determined by resolution of the Board of Directors.

8.4 Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

### **ARTICLE IX Records Accounts and Reports**

9.1 Records, Accounts and Reports. The corporation shall maintain the following records, accounts and reports at its principal office:

- (a) Minutes of all meetings of the Board of Directors and all Committees, and records of all corporate actions taken by the Board of Directors and all Committees without a meeting;
- (b) Accounting records of all operations and expenditures of the corporation;
- (c) Articles of Incorporation, and all amendments and restatements currently in effect;
- (d) Bylaws, and all amendment and restatements currently in effect;
- (e) Written communications required by the ORS 65.771 and those regarding general corporate matters;
- (f) A list of the names and business or home addresses of the Directors and Officers;
- (g) The last three annual financial statements of the corporation, if any, and the last three accountant's reports, if annual financial statements are reported upon by a public accountant; and
- (h) The most recent annual report of the corporation delivered to the Secretary of State.

9.2 Confidentiality. Except as is necessary to conduct the business of the corporation, the records, accounts and reports of the corporation shall be held in confidence by those persons with access to them to the extent such records and reports have not become known to the public.

#### **ARTICLE X Indemnification**

10.1 Directors and Officers. The corporation shall indemnify its Directors and Officers who are made, or threatened to be made, parties to a proceeding by reason of the fact that the person is or was a Director or Officer of the corporation, for uninsured liability incurred by such persons as a result of such proceedings, to the fullest extent permitted by the Act, as the same exists or may hereafter be amended (but, in the case of alleged occurrences of actions or omissions preceding any such amendment, only to the extent that such amendment permits the corporation to provide broader indemnification rights than the Act permitted the corporation to provide prior to such amendment).

10.2 Employees and Other Agents. The corporation may indemnify an employee or other agent who is made, or threatened to be made, a party to a proceeding by reason of the fact that the person is or was an employee or agent of the corporation, for uninsured liability incurred by such person as a result of such proceeding.

10.3 No Presumption of Bad Faith. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interests of the corporation or, with respect to any criminal proceeding, that the person had reasonable cause to believe that its conduct was unlawful.

10.4 Advances of Expenses to Directors and Officers. The uninsured reasonable expenses incurred by a Director or Officer in any proceeding to which that person is made a party by reason of the fact that the person is or was a Director or Officer shall, at the written request of the Director or Officer, be paid by the corporation prior to final judgment or disposition of the matter, if the Director or Officer furnishes the corporation (i) a written affirmation of such person's good faith belief that such person is entitled to be indemnified by the corporation, and (ii) a written undertaking to repay such advance to the extent that it is ultimately determined by a court that such person is not entitled to be indemnified by the

corporation. Such advances shall be made without regard to the person's ability to repay such expenses and without advance determination of the person's ultimate entitlement to indemnification under this Article X or otherwise.

10.5 Witnesses. The corporation may indemnify a Director or Officer who appears as a witness in a proceeding at a time when the Director or Officer has not been made a party to the proceeding, for uninsured liability incurred by such person as a result of such proceeding.

10.6 Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to or on behalf of Directors and Officers under this Article X shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the Director or Officer who serves in such capacity at any time while these Bylaws and relevant provisions of the Act and other applicable law, if any, are in effect. Any right to indemnification or advances granted by this Article X to a Director or Officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is improperly denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days after a written request therefor. The claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the reasonable expense of prosecuting the enforcement claim. It shall be a defense to any such action (other than an action brought to enforce a claim for reasonable expenses incurred in connection with any proceeding in advance of its final disposition when the required affirmation and undertaking have been tendered to the corporation) that the claimant has not met the standards of conduct which make it permissible under the Act for the corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the corporation. Neither the failure of the corporation (including its Board of Directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the claimant has met the applicable standard of conduct set forth in the Act, nor an actual determination by the corporation (including its Board of Directors or independent legal counsel) that the claimant has not met such applicable standard of conduct, by itself shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

10.7 Non-Exclusivity of Rights. The rights conferred on any person by this Article X shall not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of Articles of Incorporation, Bylaws, agreement, vote of disinterested Directors or otherwise, both as to action in the person's official capacity and as to action in another capacity while holding office. The Board of Directors is specifically authorized to enter into individual contracts with any or all of the corporation's Directors, Officers, employees, or agents on behalf of the corporation respecting indemnification and advances, to the fullest extent permitted by the law. To the extent any such contract is more limited than the rights created by this Article X, the contract shall govern.

10.8 Survival of Rights. The rights conferred on any person by this Article X shall continue as to a person who has ceased to be a Director, Officer, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such person.

10.9 Insurance. To the fullest extent permitted by the Act, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Article X or any contract. Any obligation or authorization of the corporation for payment of indemnity or advancement of expenses to or on behalf of a Director, Officer, employee, or other agent pursuant to any provision in this or other documents shall be extinguished to the extent there is enforceable insurance coverage for the same expenses or liabilities. If insurance coverage is disputed, the corporation shall advance any expenses and other payments required by this Article X upon assignment of the claim against the insurer for failure to provide or pay such amounts.

10.10 Amendment. Any repeal of this Article X shall operate only prospectively and no repeal or modification hereof shall adversely affect the rights under this Article X in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

10.11 Savings Clause. If any portion of this Article X is invalidated on any ground by any court of competent jurisdiction, the corporation shall retain the obligation or power to indemnify each Director, Officer, or other agent to the fullest extent permitted by any applicable portion of this Article X that shall not have been invalidated, or by any other applicable law.

10.12 Certain Definitions. For purposes of this Article X, the terms Director, expenses, liability, officer, party and proceeding shall have the meanings ascribed to such terms in ORS 65.387 as in effect as of the date these Bylaws are adopted.

#### **ARTICLE XI Distribution of Assets**

11.1. Distribution of Assets. The assets of the corporation are irrevocably dedicated to religious, educational and charitable purposes, and no part of the assets of the corporation shall ever inure to the benefit of any Director, Officer or other individual having a personal or private interest in the activities of the corporation. Upon the dissolution of the corporation, the assets of the corporation remaining after payment, or provision for payment, of all of the debts and liabilities of the corporation shall be distributed to one or more organizations selected; provided, however, that any such organization must be exempt from taxation under Section 501(c)(3) of the Code at the time of the distribution.

#### **ARTICLE XII Amendments**

12.1. Amendments. Except as otherwise provided herein, these Bylaws may be amended, repealed or restated by a majority vote of the Directors then in office, at the annual meeting or at any regular or special meeting of the Board of Directors, as permitted in ORS 65.461

**FIRST AMENDMENT TO 2020 AMENDED BYLAWS OF  
CORVALLIS CARING PLACE**

THIS FIRST AMENDMENT TO 2020 AMENDED BYLAWS OF CORVALLIS CARING PLACE (“First Amendment”) is adopted by the Board of Directors of Corvallis Caring Place, an Oregon nonprofit public benefit corporation (the “Corporation”), as of this 15th day of December, 2020, and amends those 2020 Amended Bylaws of the Corporation adopted as September 10, 2020 (the “Bylaws”).

**RECITALS:**

WHEREAS, the Corporation is seeking to reduce the interest rate on the existing mortgage loan from Ziegler Financing Corporation in the original principal amount of \$3,119,900.00 (the “Loan”) on the assisted living facility known as Corvallis Caring Place, which Loan was insured by the U.S. Department of Housing and Urban Development (“HUD”) under the provisions of Section 232 pursuant to Section 223(f) of the National Housing Act, as amended;

WHEREAS, as a condition of providing such insurance, HUD requires that the Corporation amend the Bylaws to include the provisions contained in this First Amendment;

WHEREAS, these Recitals are hereby incorporated into this First Amendment.

**AGREEMENTS:**

- I.** The title of the Bylaws is amended and restated as follows:  
“2020 AMENDED BYLAWS OF CORVALLIS CARING PLACE”.
- II.** Section 1.1 of the Bylaws is amended and restated as follows:  
“1.1 Name. The name of this corporation is CORVALLIS CARING PLACE.”
- III.** The following Article XIII shall be added to the Bylaws and shall read as follows:

**ARTICLE XIII HUD-Required Provisions**

Notwithstanding any clause or provision in the Amended and Restated Articles of Incorporation filed with the Oregon Secretary of State on October 6, 1999, as amended (“Articles of Incorporation”), and these Bylaws, as amended, to the contrary and so long as the United States Department of Housing and Urban Development (“HUD”) or a successor or assign of HUD is the insurer or holder of a loan to the Corporation (the “HUD Loan”), the following provisions shall prevail:

13.1 DEFINITIONS. The following terms as used herein shall have the following meanings:

“HUD Loan Documents” shall mean (i) the Regulatory Agreement (as defined below), (ii) the note executed by the Corporation in connection with the HUD Loan, and (iii) the security instrument and any other security agreements executed by the Corporation in connection with the HUD Loan.

“Regulatory Agreement” shall mean that certain Healthcare Regulatory Agreement – Borrower by and between HUD and the Corporation, and, if applicable, that certain Healthcare Regulatory Agreement – Operator by and between HUD and the Corporation, in connection with the HUD Loan.

“Project” shall mean that certain assisted living facility located in Corvallis, Oregon, and commonly known as Corvallis Caring Place, FHA Project No. 126-22128.

13.2 CONFLICTS WITH THE HUD LOAN DOCUMENTS. If any of the provisions of the Corporation’s Articles of Incorporation, as amended, these Bylaws, as amended, or any other organizational document conflicts with the provisions of any of the HUD Loan Documents, the provisions of the HUD Loan Documents shall control.

13.3 RESTRICTIONS ON AMENDMENTS. No provision required by HUD to be inserted in these Bylaws or any other organizational document of the Corporation may be amended without the prior written approval of HUD. No provision of these Bylaws or any other organizational document of the Corporation that results in any of the following will have any force or effect without the prior written approval of HUD:

- (a) Any amendment that shortens the term of the Corporation’s existence;
- (b) Any amendment that triggers application of HUD’s previous participation certification requirements (as set forth in Form HUD-2530, Previous Participation Certification, and/or 24 C.F.R. § 200.210, et seq.);
- (c) Any amendment that in any way affects the HUD Loan Documents;
- (d) Any amendment that would authorize any member, partner, owner, officer, manager, director, and/or any other person, other than one previously approved by HUD, to bind the Corporation for all matters concerning the Project that require the consent or approval of HUD;
- (e) Any change that is subject to HUD’s Transfer of Physical Assets requirements described in Program Obligations, as that term is defined in the HUD Loan Documents; or

(f) Any change in any guarantor of any obligation to HUD (including those obligations arising from violations of the Regulatory Agreement).

13.4 HUD LOAN AUTHORIZATION. The Corporation is authorized to execute (i) the HUD Loan Documents in order to secure the HUD Loan and (ii) such other documents as may be required by HUD in connection with the HUD Loan.

13.5 INCOMING MEMBERS, PARTNERS AND OWNERS. Any incoming member, partner, officer, director and/or owner of the Corporation must as a condition of receiving an interest in the Corporation agree to be bound by the HUD Loan Documents and all other documents required in connection with the HUD Loan to the same extent and on the same terms as the other respective members, partners and/or owners.

13.6 DISSOLUTION AND CONVERSION. The Corporation shall not be voluntarily dissolved or converted into another form of entity without the prior written approval of HUD. Upon any dissolution of the Corporation, no right or title to possession and control of the Project, and no right to collect the rents from the Project, shall pass to any individual or entity that is not bound by the Regulatory Agreement in a manner satisfactory to HUD.

13.7 LIABILITY OF KEY PRINCIPALS. The key principals of the Corporation identified in Section 38 of the Regulatory Agreement, if any, are liable in their individual capacities to HUD as set forth in the Regulatory Agreement.

13.8 OFFICIAL REPRESENTATIVE. The Corporation has authorized Karen Hooker or any successor President as its official representative for all matters concerning the Project that require the consent or approval of HUD. The signature of this representative shall bind the Corporation in all such matters. The Corporation may from time to time authorize a new official representative to perform this function, but within three (3) business days of doing so, will provide HUD with written notification of the name, address and telephone number of such new official representative. When an individual other than the individual identified above as the official representative has full or partial authority to manage the Project, the Corporation shall promptly provide HUD with the name of that individual and the nature of that individual's management authority.

13.9 BUSINESS OF THE CORPORATION. The business and purpose of the Corporation shall consist solely of (a) acquiring, owning, operating and maintaining the Project, (b) executing, delivering and performing its obligations under the HUD Loan Documents, and (c) any lawful activities permitted under the law of the state in which the Corporation is organized that are incidental to the foregoing or necessary or convenient to accomplish the foregoing. The

Corporation shall not engage in any other business or activity. The Project shall be the sole asset of the Corporation, and the Corporation shall not own any other real estate other than that associated with the Project.

13.10 INDEMNIFICATION. Any obligation of the Corporation to provide indemnification herein or in any other organizational documents of the Corporation shall be limited to (i) coverage afforded under any liability insurance carried by the Corporation, and (ii) available “surplus cash” of the Corporation as defined in the Regulatory Agreement. Until funds from a permitted source for payment of indemnification are available for payment, the Corporation shall not (a) pay funds to any members, partners, owners, officers and directors, or (b) pay the deductible on an indemnification policy for any members, managers, partners, officers and directors.”

**IV.** This First Amendment shall modify and amend the Bylaws only as specifically set forth herein. All other terms and conditions set forth in the Bylaws are hereby reaffirmed and shall remain in full force and effect. In the event there is any inconsistency between the Bylaws and this First Amendment, this First Amendment shall govern.

**V.** Terms not defined in this First Amendment are defined as they are in the Bylaws.

*[Certificate on following page]*



**CERTIFICATE**

I certify that on December 15, 2020, the foregoing First Amendment to 2020 Amended Bylaws was adopted by vote of the Board of Directors of the Corporation in accordance with the Articles of Incorporation and Bylaws of the Corporation. There are no members of the Corporation having voting rights with regard to this First Amendment.

By: \_\_\_\_\_  
Kathy Hale, Secretary