

**BYLAWS  
OF  
HOME OF HOPE, INC.**  
A California nonprofit Public Benefit Corporation

**ARTICLE I**

**PURPOSE**

Section 1.1 Organization. This corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for charitable purposes.

Section 1.2 Purpose. The specific purpose of this corporation is to provide care, education and support to orphaned and destitute children.

Section 1.3 Compliance with Internal Revenue Code. This corporation is organized exclusively for charitable purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code. Notwithstanding any other provisions of these ByLaws, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this corporation, and the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States internal revenue law, or (b) by a corporation, contributions to which are deductible under Section 170 (c) (2) of the Internal Revenue Code of 1954 or the corresponding provisions of any future United States internal revenue law.

**ARTICLE 11**

**OFFICES**

Section 2.1 Principal Office. The corporation shall maintain its principal office in the City of Hillsborough, County of San Mateo, State of California.

Section 2.2 Other Offices. The corporation may also have offices at such other places, within or without the State of California, where it is qualified to do business, as its business may require and as the Board of Directors, may, from time to time designate.

**ARTICLE III**

**MEMBERS**

Section 3.1 Members. The corporation shall have no members. Any Action which would otherwise, under law or the provisions of the Articles of

Incorporation or Bylaws of this corporation, require approval by a majority of all members, or approval by members, shall only require the approval of the Board of Directors.

#### **ARTICLE IV**

#### **DIRECTORS**

**Section 4.1 Members.** The corporation shall have at least four (4) but not more than eight (8) Directors. The Directors shall collectively be known as the Board of Directors.

**Section 4.2 Powers.** Subject to the provisions of the California Nonprofit Benefit Corporation Law and any limitations in the Articles of Incorporation and these Bylaws, the activities and affairs of this corporation shall be conducted, and all corporate powers shall be exercised, by or under the direction of the Board of Directors. Directors need not be residents of the State of California.

**Section 4.3 Duties.**

It shall be the duty of the Directors to:

- a. Perform any and all duties imposed on them, collectively or individually, by law, by the Articles of Incorporation of this corporation, or by these Bylaws.
- b. Appoint and remove, employ and discharge, and except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation.
- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are properly performed.
- d. Meet at such times and places as required by these Bylaws.
- e. Register their addresses with the Secretary of the corporation. Notices of meetings mailed or "taxed" to them at such addresses shall be valid notices thereof.

**Section 4.4 Terms of Office.** Each Director shall hold office until the next annual meeting for election of the Board of Directors, as specified by these Bylaws and until his or her successor is elected and qualified.

**Section 4.5 Compensation.** Directors shall serve without compensation except that they shall be allowed and paid their actual and necessary expenses incurred in attending Directors meetings. In addition, they shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their regular duties as

specified in Section 3 of services to the corporation in any capacity other than as director, unless such other compensation is reasonable and is allowable under the provisions of Section 6 of this Article.

Section 4.6 Restriction Regarding Interested Directors.

Notwithstanding any other provisions of these Bylaws, not more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means any person currently being compensated by the corporation for services rendered it within the previous twelve (12) months, whether as a full or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or

Section 4.7 Place of Meetings.

Meetings shall be held at the principal office of the corporation, unless otherwise provided by the Board, or at such place within or without the State of California which has been designated from time to time by resolution of the Board of Directors.

In the absence of such designation, any meeting not held at the principal office of the corporation shall be valid if held on the written consent of all Directors given either before or after the meeting and filed with the Secretary of the corporation, or after all Board member have been given written notice of the meeting, as hereinafter provided for special meetings of the Board. Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all Directors participating in such meetings can hear one another.

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Section 4.8 Regular and Annual Meetings.

Regular meetings of the Board of Directors shall be held at least once every three months on a date to be determined by the Secretary of the Corporation.

The annual Meeting of the Board of Directors shall be held during the last quarter of each year on a date to be determined by the Secretary of the Corporation. At the annual Meeting, Directors shall be elected by the Board of Directors. Cumulative voting for the election of Directors shall not be permitted. The candidates receiving the highest number of votes up to the number of Directors to be elected shall be elected. Each Director shall cast one vote, with voting being by ballot only.

Section 4.9 Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, the President, the Secretary, or by any two Directors, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the corporation.

Section 4.10 Notice of Meetings. Regular meetings may be held without notice. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail, or forty-eight (48) hours' notice delivered personally or by telephone or "fax." If the notice is sent by mail or "fax", the notice shall be deemed to be delivered on its deposit on the mails or on its delivery through the sending "fax" machine. Such notices shall be addressed to each Director at his or her address, as shown on the books of the corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Directors, if the time and place of the adjourned meeting are fixed at the meeting adjourned, and if such adjourned meeting is held not more than twenty-four (24) hours from the time of the original meeting. Notice shall be given of any adjourned regular or special meeting to Directors absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

Section 4.11 Contents of Notice. Notice of meetings not herein dispensed with shall specify the place, day, and hour of the meeting. The purpose of any Board meeting need not be specified in the notice.

Section 4.12 Waiver of Notice and Consent to Hold Meetings. The transactions of any meetings of the Board, however called and noticed, or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present, and provided that either before or after the meeting, each Director not present signs a Waiver of Notice, a consent to hold such meeting, or an Approval of the minutes thereof. All such Waivers, Consents, or Approvals, shall be filed with the corporate records and made a part of the minutes of the meeting.

Section 4.13 Quorum for Meetings. A majority of the Board of Directors shall constitute a quorum for the transaction of the business at any meeting of the Board; but if less than a majority of the Directors are present at such meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 4.14 Majority Action as Board Action. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the Articles of Incorporation or Bylaws of this corporation, or provisions of the California Nonprofit Public Benefit Corporation Law, particularly those provisions relating to appointment of committees (Section 5212), approval of contracts or transactions in which a Director has a material financial interest (Section 5233), and indemnification of Directors (Section 5238e), require a greater percentage or different voting rules for approval of a matter by the Board.

Section 4.15 Conduct of Meetings. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or, if no such person has been so designated, or, in his or her absence, or in the absence of each of these persons, by a Chairman chosen by a majority of the Directors present at the meeting. The Secretary of the corporation shall act as Secretary of all meetings of the Board, provided that in his or

her absence, the presiding Officer shall appoint another person to act as Secretary of the meeting.

Section 4.16 Action by Unanimous Written Consent Without Meeting.

An action required or permitted to be taken by the Board of Directors under any provisions of law may be taken or collectively consent in writing to such action. For the purposes of this section only, "all members of the Board" shall not include any "interested Director" as defined in Section 5233 of the California Nonprofit Public Benefit Corporation Law. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as the unanimous vote of the Directors. Any certificate or other document filed under any provisions of law which related to action taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting, and that the Bylaws of this corporation authorize the Directors to so act. Such statement shall be prima facie evidence of such authority.

Section 4.17 Vacancies.

Vacancies on the Board of Directors shall exist (1) on the death, resignation, or removal of any Director, and (2) whenever the number of authorized Directors is increased.

Any vacancy occurring in the Board of Directors may be filled by majority vote of the remaining Directors. A Director elected to fill a vacancy shall be elected for the remainder of the predecessor's term in office.

Directors may be removed without cause by a majority of the Directors then in Office.

Any Director may resign effective upon giving writing notice to the Chairman of the Board, the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation.

Section 4.18 Non-Liability of Directors. The Directors shall not be personally liable for the debts, liabilities, or other obligation of the corporation.

Section 4.19 Indemnification by Corporation of Directors, Officers, Employees, and Other Agents.

To the extent that a person, who is, or was, a Director, Officer, employee, or other agent of this corporation, has been successful on the merits on defense of any civil, criminal, administrative, or investigative proceeding brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the corporation, or has been successful in defense of any claim, issue, or matter therein, such

person shall be indemnified against expenses actually reasonable incurred by the person in connection with such proceeding.

If such person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements, and other amounts reasonably incurred in connection with such proceedings shall be provided by this corporation, but only to the extent allowed by, and in accordance with, the requirements of Section 5238 of the California Nonprofit Public Benefits Corporation Law.

Section 4.20 Insurance for Corporate Agents. The Board of Directors may adopt a resolution authorizing the purchase and maintenance of on behalf of any agent of the corporation (including a Director, Officer, employee, or other agent of the corporation) against liability other than for violating provisions of the law relating to self-dealing (Section 5233 of the California Nonprofit Public Benefit Corporation Law) asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the provisions of Section 5238 of the California Nonprofit Public Benefit Corporation Law.

## ARTICLE V

### OFFICERS

Section 5.1 Number of Officers. The Officers of this corporation shall be a Chairman of the Board, a President, a Secretary, a Chief Financial Officer who shall be designated the Treasurer. The corporation may also have as determined by the Board of Directors, one or more Vice-Presidents, Assistant Secretaries, Assistant Treasurers, or other Officers. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve as the President or Chairman of the Board.

Section 5.2 Qualification, Election, And Term of Office. Any person may serve as an Officer of this corporation. Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Section 5.3 Subordinate Officers. The Board of Directors may appoint Subordinate Officers to perform certain specified functions. Such individuals shall serve at the pleasure of the Board of Directors.

Section 5.4 Removal and Resignation. Any Officer may be removed, either with or without cause, by a vote of two thirds of the Board of Directors. Any officer may resign by giving written notice to the Board of Directors or to the President or Secretary of the corporation. Any such resignation shall take effect at the receipt of

such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any Officer of the corporation.

Section 5.5 Vacancies. Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any Officer shall be filled by a majority vote of the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancies occurring in offices of Officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

Section 5.6 Duties of the President. The President shall be the Chief Executive Officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the Officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Unless another person is specifically appointed as Chairman of the Board of Directors, he or she shall preside at all meetings of the Board of Directors. Except as otherwise expressly providing by law, by the Articles of Incorporation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

Section 5.7 Duties of the Vice President. In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President shall perform all of the powers of, and be subject to all the restrictions on, the President. The Vice-President shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

Section 5.8 Duties of the Secretary.

The Secretary shall:

1. Certify and keep at the principal office of the corporation or at such other place as the Board may determine, the original, or a copy of these Bylaws as amended or otherwise altered to date.
2. Maintain, at the principal office of the corporation, or at such other place as the Board may determine, a book of minutes of all meetings of the Board of Directors. The book of minutes shall contain a record of the time and place of the meeting, the names of all attendees, the type of meeting (regular, special, etc.), how called, how notice thereof was given, and the proceedings thereof.
3. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

4. Be the custodian of the records and of the seal of the corporation and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the corporation under its seal is authorized by law or by these Bylaws.
5. Exhibit at all reasonable times to any Director of the corporation, or to his agent or attorney, on request therefor, the Bylaws and the minutes of the proceedings of the Directors of the corporation.
6. In general perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 5.9 Duties of the Treasurer.

Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits, and Funds," the Treasurer shall:

Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be directed by the Board of Directors.

1. Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.
2. Disburse or cause to be disbursed the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
3. Keep and maintain adequate and correct amounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.
4. Exhibits at all reasonable times the books of account and financial records to any Director of the corporation, or to his or her agent or attorney, on request therefor.
5. Render to the President and Directors, whenever requested, an account of any or all of his or her transactions as Treasurer, and of the financial condition of the corporation.
6. Prepare, or cause to be prepared, and certify or cause to be certified, the financial statements, to be included in any required reports.
7. In general, perform all the duties incident to the office of the Treasurer and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

Section 5.10 Compensation. The salaries of the Officers, if any, shall be fixed from time to time by resolution of the Board of Directors, and no Officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director of the Corporation, provided however, that such compensation paid a Director for



serving as an Officer of this corporation shall only be allowed if permitted under the provisions of Article IV, Section 5, of these Bylaws. In all cases, any salaries received by Officers of this corporation shall be reasonable and given in return for services actually rendered the corporation and which relate to the performance of the charitable purposes of this corporation.

## ARTICLE VI

### EXECUTION OF INSTRUMENTS. DEPOSITS. AND FUNDS

Section 6.1 Execution of the Instruments. The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the corporation to enter into any contract, or execute and deliver any instrument, in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its creditor to render it liable monetarily for any purpose or in any amount.

Section 6.2 Checks and Notes. Unless specifically determined by resolution of the Board of Directors, or required by law, checks, drafts, promissory notes, orders for payment of money, and other evidence of indebtedness of the corporation shall be signed by the treasurer or by the President of the corporation with the stipulation that if the amounts exceed Dollars Five Hundred (\$500.00), the document must be signed by both of these individuals.

Section 6.3 Deposits. All funds of the corporation 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.

Section 6.4 Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the charitable purposes of this corporation.

**ARTICLE VII**  
**CORPORATE RECORDS, REPORTS, AND SEAL**

**Section 7.1 Maintenance of Corporate Records.**

This corporation shall keep at its principal office in the State of California:

- (a) Minutes of all meetings of Directors and committees of the Board, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present, and the proceedings thereof.
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, and disbursements, gains and losses.
- (c) A copy of the corporation's Articles of Incorporation and Bylaws, as amended to-date, which shall be open to inspection by the Board of Directors of the corporation at all reasonable times during office.

**Section 7.2 Corporate Seal.** The Board of Directors may adopt, use, and at all will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

**Section 7.3 Directors' Inspection Rights.** Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind, and to inspect the physical properties of the corporation.

**Section 7.4 Right to Copy and Make Extracts.** Any inspection under the provisions of this Article may be made in person or by agent or attorney and right to inspection includes the right to copy and make extracts.

**Section 7.5 Annual Report.**

The Board shall cause an annual report to be furnished not later than one hundred and twenty (120) days after the close of the corporation. The report shall contain the following information in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.

- c) The revenue of receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.
- (d) The expenses or disbursements of the corporation, for both general and restricted to particular purposes, during the fiscal year.

The annual report shall be accompanied by any report thereon of independent accountants, or, if there is no such reports, the certificate of an authorized Officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

Section 7.6 Annual Statement of Specific Transactions.

This corporation shall mail or deliver to all Directors a statement within one hundred twenty (120) days after the close of its fiscal year which briefly describes the amount and circumstances of any indemnification or transaction of the following kind:

- (a) Any transaction in which the corporation, or its parent or its subsidiary was a party, and in which either of the following had a direct or indirect material financial interest:
  - (1) any director or officer of the corporation, or its parent or subsidiary ( a mere common directorship shall not be considered a material financial interest); or
  - (2) any holder of more than ten percent (10%) of the voting power of the corporation, its parents or its subsidiary.

The above statement need only be provided with respect to a transaction during the previous fiscal year involving more than FIFTY THOUSAND DOLLARS (\$50,000), or which was one of a number of transactions with the same person involving, in the aggregate, more than FIFTY THOUSAND DOLLARS (\$50,000).

Similarly, the statement need only be provided with respect to indemnification or advances aggregating more than TEN THOUSAND DOLLARS (\$10,000) paid during the previous fiscal year to any such indemnification approved by the Directors pursuant to Section 5238 (3) (2) of the California Nonprofit Public Benefit Corporation Law.

Any statement required by this Section shall briefly describe the names of interested persons involved in such transactions, stating each person's relationship to the corporation, the nature of such person's relationship to the corporation, the nature of such person's interest in the transaction and, where practical, the amount of such interest: provided, that in the case of a transaction with a partnership of which such person is a partner, only the interest of the partnership need be stated.

## **ARTICLE VIII**

### **FISCAL YEAR**

Section 8.1 Fiscal Year of the Corporation. The fiscal year of the corporation shall end on December 31 of each year.

## **ARTICLE IX**

### **BYLAWS**

Section 9.1 Amendment. Subject to the provisions of law applicable to the amendment of Bylaws of public benefit nonprofit corporations, these Bylaws, or any of them, may be altered, amended, or repealed, and new Bylaw adopted, by a majority vote of the Board of Directors.

## **ARTICLE X**

### **AMENDMENT OF ARTICLES**

Section 10.1 Amendment of Articles. Amendment of the Articles of Incorporation may be adopted by the approval of a majority of the Board of Directors of this corporation.

Section 10.2 Certain Amendments. Notwithstanding the above section of this Article, this corporation shall not amend its Articles of Incorporation to alter any statement which appears in the original Articles of Incorporation and any of the names and addresses of its initial agent, except to correct an error in such statement, or to delete either statement after the corporation has filed a "Statement by a Domestic Non-Profit Corporation" pursuant to Section 6210 of the California Nonprofit Corporation Law.

## **ARTICLE XI**

### **PROHIBITION AGAINST SHARING CORPORATE PROFITS AND ASSETS**

Section 11.1 Prohibition Against Sharing Corporate Profits and Assets. No member, Director, Officer, employee, or other person connected with this corporation, or any private individual, shall receive, at any time, any of the net earnings or pecuniary profit from the operations of the corporation; provided, however, that this provisions shall not prevent payment to any such person for reasonable compensation for services performed for the corporation in effecting any of its charitable purposes; provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Board of Directors; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on the dissolution of the

corporation. Upon dissolution of the corporation, whether voluntary or involuntary, the assets of the corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors, shall be distributed as required by the Articles of Incorporation of this corporation and not otherwise.