

**ACTION BY UNANIMOUS WRITTEN CONSENT
OF BOARD OF DIRECTORS
IN LIEU OF ORGANIZATIONAL MEETING
THE CHARIS PROJECT
(a California corporation)**

Date: March 10, 2010

THE UNDERSIGNED, having been appointed as the first directors of **THE CHARIS PROJECT** (the "Corporation") by the incorporator and acting by unanimous written consent without a meeting pursuant to Section 307(b) of the California Corporations Code and Article III, Section 15 of the bylaws of the Corporation, hereby consent to their appointment as the directors of the Corporation, accept the resignation of the incorporator and adopt the following resolutions:

1. Articles of Incorporation

RESOLVED, a certified copy of the Articles of Incorporation filed in the office of the California Secretary of State as File No. 3254450 on February 22, 2010 shall be kept in the minute book of the Corporation.

2. Agent for Service of Process

RESOLVED, Ron Stormoen, Esq., whose business address is 1011 Camino Del Rio South, Suite 531, San Diego, CA 92108 is approved as the Corporation's agent for service of process in California as required by Section 1502 of the California Corporations Code.

3. Approval of Bylaws

RESOLVED, the bylaws adopted by the incorporator of the Corporation are approved; and

RESOLVED FURTHER, the secretary of the Corporation is authorized and directed to execute a certificate of the adoption of the bylaws, to insert the bylaws as so certified in the minute book of the Corporation, and to cause a copy of the bylaws, as they may be amended from time to time, to be kept and maintained at the principal executive office of the Corporation, in accordance with Section 213 of the California Corporations Code.

4. Officers

RESOLVED, the following named person is hereby appointed to hold the offices set forth opposite his/her name and to serve in such offices at the pleasure of the board of directors until the next annual meeting and until his/her successor is elected and qualified:

Name

Office

Aaron Blue

President/CEO

Carrien Blue

Chief Financial Officer

Carrien

Secretary

RESOLVED FURTHER, for purposes of any reporting or the execution of any documents requiring the signature of the "chief financial officer," the treasurer is deemed to also be the chief financial officer of the Corporation.

5. Corporate Seal

RESOLVED, the corporate seal, an impression of which appears adjacent to this resolution, is hereby adopted as the corporate seal of the Corporation.

6. Principal Executive Office

RESOLVED, 910 Del Dios Highway, Escondido, CA 92029 is designated as the principal executive office of the Corporation.

7. Fiscal Year

RESOLVED, the Corporation's fiscal year will determined by the treasurer of the Corporation.

8. Annual Informational Statement

RESOLVED, a Statement by Domestic Stock Corporation (annual informational statement) shall be filed with the California Secretary of State pursuant to Section 1502 of the California Corporations Code;

RESOLVED FURTHER, the secretary of the Corporation is directed to insert a copy of said statement showing the date it was filed with the office of the Secretary of State in the minute book following these minutes; and

RESOLVED FURTHER, the secretary of the Corporation is authorized and directed to prepare and to file, or cause to be filed, with the California Secretary of State, by the end of the calendar month of the anniversary date of incorporation of the Corporation, any subsequent statements required by California Corporations Code Section 1502.

9. Corporate Bank Accounts; Authorized Signatures

RESOLVED, the treasurer of the Corporation is hereby authorized and directed to establish checking and savings account(s) in the name of the Corporation at such

banking institutions as the treasurer may deem appropriate;

RESOLVED FURTHER, checks, drafts and other instruments drawn on or affecting the account of the Corporation at any banking institution (hereinafter referred to individually or collectively as the "Bank"), including but not limited to checks or drafts drawn to the individual order of any person authorized to sign, shall be signed with the corporate name followed by the signature(s) of the president, the secretary or the treasurer;

RESOLVED FURTHER, the president, the chief financial officer and the secretary, or each acting alone, are authorized to execute checks and other items for and on behalf of this Corporation;

RESOLVED FURTHER, the provisions contained in the form signature card relating to said account supplied by the Bank, executed either before or after the adoption of this resolution, shall be valid and binding upon the Corporation; and

RESOLVED FURTHER, the secretary of the Corporation is hereby authorized and empowered to certify as having been adopted herein any standard form resolutions of similar intent prepared by the Bank, and such resolutions shall have the same force and effect as if the same were set forth in full herein, provided a copy of such resolutions, as so certified, shall be filed and maintained with the records of the Corporation.

10. Authority to Borrow Money on behalf of the Corporation

RESOLVED, the president and the chief financial officer of the Corporation are hereby authorized and empowered for, on behalf and in the name of the Corporation and as the Corporation's act and deed to (i) borrow from such banks, savings and loan associations and other lending institutions as they shall select (hereinafter referred to as the "Lender") such sums of money as, in their judgment, the Corporation may require, on such terms as shall be required by the Lender; (ii) sign and deliver such promissory notes and other evidence of indebtedness for money borrowed or advanced as the Lender shall require; (iii) contract for the issuance by the Lender of letters of credit and execute such guaranties therefor and such agreements for repayment to the Lender as the Lender shall require; (iv) mortgage, pledge, convey, grant, assign, transfer and deliver, by such instruments, in writing or otherwise as may be demanded by the Lender, any of the property of the Corporation to secure the payment of said notes, guaranties, agreements and other evidences of indebtedness; and (v) perform all acts and execute and deliver all instruments in writing which may be necessary to carry out the purposes of this resolution; and

RESOLVED FURTHER, the chief financial officer of the Corporation is hereby authorized and empowered to certify as having been adopted herein any standard form resolutions of similar intent prepared by the Lender and such resolutions shall have the same force and effect as if the same were set forth in full herein, provided a copy of such resolutions, as so certified, shall be filed and maintained with the records of the Corporation.

11. Authority to Execute Documents on Behalf of the Corporation

RESOLVED, the president, chief financial officer, and each of them, and secretary, are hereby appointed to act in the name and on behalf of the Corporation and, by their signatures alone, to execute and deliver, on behalf of the Corporation, all agreements, contracts, notes, bonds, drafts, conveyances, deeds and other documents requiring the signature of an officer of the Corporation.

12. Non-Profit Exemption

The matter of electing to be taxed was next considered, and upon motion duly made and seconded, the following resolutions were unanimously adopted:

RESOLVED, this corporation is a **Religious Corporation** and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law exclusively for religious purposes.

RESOLVED, the specific purpose of this corporation shall be to embody and share the good news of Jesus Christ among refugee communities initially in Northern Thailand, by, among other things, charitable giving of necessary and effective education, practical skills and material support and assistance to indigenous Christian leaders operating in Northern Thailand with a particular focus and emphasis on caring for and nurturing poor, distressed and orphaned refugee children, in dedicated children's homes as well as in support for families, and providing them with the spiritual and physical means to bring hope and change to the children, their communities and the world. This corporation may expand its ministry into other countries and geographic areas around the world at its discretion.

RESOLVED, no substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation and this corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

RESOLVED, the president and treasurer shall take the necessary steps and hire the necessary professionals to assist the corporation, and file the necessary documents, to seek non-profit 501(c)(3) status.

13. Payment and Amortization of Incorporation Expenses

RESOLVED, the president of the Corporation is hereby authorized and directed to pay the expenses of incorporation and organization of the Corporation; and

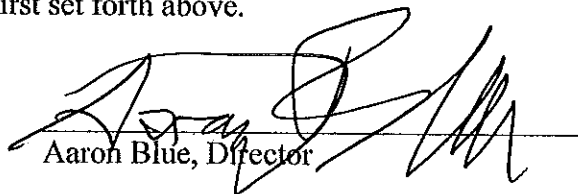
RESOLVED FURTHER, the president and treasurer are hereby authorized and directed, if applicable, to make the elections under Internal Revenue Code Section 248 and California Revenue and Taxation Code Sections 24407-24409 to

amortize and deduct the organization expenses of the Corporation, not otherwise currently deductible, ratably over the 60-month period beginning with the first month in which the Corporation did business.

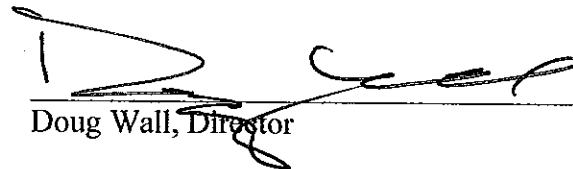
14. Ratification of Acts of Incorporator

RESOLVED, all acts of the Corporation's incorporator performed in connection with the formation of the Corporation prior to the effective date hereof are hereby adopted and ratified by the Corporation.

IN WITNESS WHEREOF, the undersigned has executed this ACTION BY UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS IN LIEU OF ORGANIZATIONAL MEETING to be effective as of the date first set forth above.


Aaron Blue, Director


Carrien Blue, Director


Doug Wall, Director


Therese Wall, Director

BYLAWS OF
THE CHARIS PROJECT
A CALIFORNIA NONPROFIT RELIGIOUS
CORPORATION

ARTICLE I

NAME AND PURPOSE

Section 1. Name

The name of this corporation is THE CHARIS PROJECT (“corporation”).

Section 2. Purposes

A. This corporation shall operate as a religious and charitable nonprofit organization under applicable state and federal laws for the purpose of propagating the Gospel of Jesus Christ among refugee communities initially in Northern Thailand, by, among other things, charitable giving of necessary and effective Christian education, practical skills and material support and assistance to indigenous Christian leaders operating in Northern Thailand with a particular focus and emphasis on caring for and nurturing poor, distressed and orphaned refugee children and providing them with the spiritual and physical means to bring hope and change to the children, their communities and the world. This corporation shall have the ability to expand its ministry to other countries and geographic areas around the world in its discretion.

B. These purposes shall be fulfilled by the corporation through, including, but not limited to, fundraising efforts, theological instruction and ministry training, community development training, physical and spiritual care for at-risk refugee children, child sponsorship packages with donors and sponsors and charitable assistance with communities.

C. This corporation shall operate exclusively for religious, charitable, and Christian educational purposes within the classification of religious organizations and/or legal charities, including, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code; with no part of the net earnings, properties, or assets of the corporation, on dissolution or otherwise, inuring to the benefit of any private person or individual, or to any director or officer of the corporation; with all activities and funds of the

corporation utilized for the purposes authorized to the corporation by its standards and the law; and with no substantial part of its activity, as a corporation, directly attempting to influence particular legislation, or intervening in particular political campaigns.

ARTICLE II

PRINCIPAL OFFICE OF THE CORPORATION

The principal office for the transaction of the business, activities and affairs of this corporation is 910 Del Dios Highway, Escondido, CA 92029. The board of directors at any time may change the location of the principal office according to the procedures set forth in these bylaws.

ARTICLE III

DIRECTORS; MANAGEMENT

Section 1. Powers, Standard of Care.

A. **Powers:** Subject to limitations of the provisions and limitations of the California Nonprofit Religious Corporation Law and any other applicable laws, the articles of incorporation of this corporation, and other sections of these bylaws, all corporate powers of this corporation shall be exercised by or under the authority of, and the business affairs of this corporation shall be controlled by, the board of directors of this corporation.

Without limiting the general powers of the board of directors of this corporation, such board shall have the following specific powers:

1. To appoint and remove, at the pleasure of the board, all corporate officers, agents and employees of the corporation, prescribe such powers and duties for them as are not set by these bylaws, the articles of incorporation of this corporation, the law and good business practices, and to fix their compensation, and as necessary to require from them appropriate security for faithful service; and,
2. To conduct, manage and control the affairs and business of the corporation, and to make rules and regulations consistent with the articles of incorporation of this corporation, these bylaws and the law, as the board deems appropriate; and,
3. From time to time the board of directors shall create, develop, amend, change and/or modify all documents governing the policies, procedures and principles of conduct for the corporation and/or members (as members is defined in Article V), and;

4. To borrow money and incur indebtedness on the corporation's behalf, and cause to be executed and delivered for the corporation's purposes, in the corporation's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities; and

5. To exercise all other powers conferred by the California Nonprofit Religious Corporation Law, or other applicable laws and nonprofit business practices consistent with these bylaws.

B. Standard of Care; Liability.

1. Each director shall exercise such powers and otherwise perform such duties in good faith, in the matters such director believes to be in the best interests of the corporation, and with such care including reasonable inquiry, using ordinary prudence, as a person in a like position would use under similar circumstances.

2. In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by:

(a) One or more officers or employees of the corporation whom the director believes to be reliable and competent in the matters presented,

(b) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence, or

(c) A committee of the board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as in any such case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 2. Number and Qualification of the Board of Directors.

A. Number of Directors. The authorized number of directors of the corporation shall be no less than three and no more than seven, unless changed by amendment to these bylaws. The exact number of directors shall be fixed, within those limits by a resolution adopted by a majority of the board of directors.

B. Qualifications for Directors. The board of directors shall be a self-perpetuating body. The qualifications for directors are:

Each director must affirm before the board his or her concurrence with

the Mission Statement of the corporation, must profess by credible testimony his or her faith in Jesus Christ as well as demonstrate through example and track record a heart to follow and serve Jesus Christ.

Section 3. Election and Term of Office of Directors.

- A. Election of Directors. A director shall be elected by a two-thirds vote of the current directors in good standing.
- B. Term of Office of Directors. Directors shall be elected for a term of three years, and thereafter such three year terms as elected by the board of directors. After election, a director's service shall commence on the date determined by the board and shall expire at the end of the three year term, or any portion remaining thereof, for that director's position and according to the provisions of these bylaws. Terms shall be staggered so that the term of at least one member shall expire every year. The current directors, in office at the time of adopting these bylaws, shall initially designate one member for a term of one year, one member for a term of two years and two members for a term of three years. Thereafter, all terms shall be for three years.

Section 4. Vacancies.

- A. A vacancy or vacancies on the board of directors shall occur in the event of the death, removal or resignation of any director, or the directors fail, at any meeting of the directors at which any directors are elected, to elect the full number of authorized directors. Vacancies in the board of directors may be filled by a two-thirds vote of the remaining directors, though less than a quorum, or by a sole remaining director, except that a vacancy created by the removal of a director, by the vote or written consent of two-thirds of the directors may be filled only by the vote of two-thirds vote of the remaining directors at a duly held meeting at which a quorum is present, or by the written consent of two-thirds of the directors. Each director so elected shall hold office until the end of the term of that director position.
- B. Any director may resign effective upon giving written notice to the chairman of the board, the president, the secretary, or the board of directors, unless the notice specifies a later time for that resignation to become effective. If the resignation of a director is effective at a future time, the board of directors may elect a successor to take office when the resignation becomes effective.
- C. No reduction of the authorized number of directors shall have the effect of removing any director before the director's term of office expires.

Section 5. Removal of Directors.

A. A director of this corporation may be removed from office before the end of his term without cause, by a vote of two-thirds of the entire board of directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given to all directors 30 days prior to any vote for removal. Any vacancy caused by the removal of a director shall be filled as provided in Section 4, above.

B. Any director who does not attend four successive board meetings will automatically be removed from the board without board resolution unless (a) the director requests leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting (if such leave is granted, the number of board members will be reduced by one in determining whether a quorum is or is not present), (b) the director suffers from an illness or disability that prevents him from attending meetings and the board by resolution waives the automatic removal procedure of this subsection; or (c) the board by resolution of the majority of board members must agree before a director who has missed four meetings may be reinstated.

Section 6. Place of Meetings.

Regular meetings of the board of directors shall be held at any place within or without the state that has been designated from time to time by resolution of the board. In the absence of such resolution, regular meetings shall be held at the principal executive office of the corporation. Special meetings of the Board shall be held at any place within or without the state that has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, at the principal executive office of the corporation. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, so long as all directors participating in such meeting can hear one another, and all such directors shall be deemed to have been present in person at such meeting.

Section 7. Annual Meetings.

The Board of Directors shall hold an annual regular meeting for the purpose of organization, the election of directors and officers and the transaction of other business. Notice of this meeting shall not be required. Minutes of any meeting of the board, or any committee thereof, shall be maintained as required by the California Corporations Code by the Secretary or other officer designated for that purpose. A regular meeting may satisfy the requirement of an annual meeting.

Section 8. Regular Meetings.

Regular meetings of the board of directors shall be held without call at such time as shall from time to time be fixed by the board of directors. Such regular meetings may

be held without notice, provided the time and place of such meetings has been fixed by the board of directors, and further provided the notice of any change in the time of such meeting shall be given to all the directors. Notice of a change in the determination of the time shall be given to each director in the same manner as notice for special meetings of the board of directors.

If said day falls upon a holiday, such meetings shall be held on the next succeeding day thereafter.

Section 9. Special Meetings/Notices.

Special meetings of the board of directors for any purpose or purposes may be called at any time by the chairman of the board or the president or the secretary or any two directors. Special meetings shall only be attended by the board of directors, unless the board, by majority vote, determines non-board members may be in attendance.

Notice of the time and place for special meetings shall be delivered personally or by telephone to each director or sent by email, or first class mail, charges prepaid, addressed to each director at his address as it is shown in the records of the corporation. In case such notice is mailed, it shall be deposited in the United States mail at least four (4) days prior to the time of holding of the meeting. In case such notice is delivered personally, or by telephone or email, it shall be delivered personally or by telephone or via email least forty-eight (48) hours prior to the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated to either the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly be communicated to the director. The notice need not specify the purpose of the meeting, nor the place, if the meeting is to be held at the principal executive office of the corporation, unless the notice relates to a special meeting to remove a director, and then the notice must specify the purpose of the meeting and the reasons for removal.

Section 10. Waiver of Notice.

The transactions of any meeting of the board of directors, however called, noticed, or wherever held, shall be as valid as though had at a meeting duly held after the regular call and notice if a quorum be present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, gives consent, in a prior meeting, to holding the meeting or an approval of the minutes thereof. Waiver of notices or consents need not specify the purpose of the meeting. All such waivers, consents and approvals shall be filed with the corporate records or made part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such director.

Section 11. Quorum.

A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 12 of this Article I. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum was present shall be regarded as the act of the board of directors. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 12. Vote.

Unless expressly stated otherwise in these bylaws, or provided by law, all decisions of the board of directors, for which a vote is needed, shall pass by majority vote and shall be by voice or vote, except that any election of directors must be by ballot if demanded before the voting begins by any member at the meeting.

Section 13. Adjournment.

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 14. Notice of Adjournment.

Notice of the time and place of the holding of an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of such time and place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

Section 15. Directors Acting by Unanimous Written Consent.

Any action required or permitted to be taken by the board of directors may be taken without a meeting with the same force and effect as if taken by unanimous vote of directors, if authorized by a writing signed individually or collectively by all members of the board. Such consent shall be filed with the regular minutes of the board.

Section 16. Non-Compensation of Directors.

Directors and members of a directors' committee will not receive compensation for their services; however, reimbursement of expenses shall be given, as may be fixed or determined by resolution of the board of directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, employee, or otherwise, and receiving compensation for such services.

Section 17. Committees.

Committees of the board may be appointed by resolution passed by a majority of the whole board. Committees shall be composed of two (2) or more members of the board and shall have such powers of the board as may be expressly delegated to them by resolution of the board of directors. The board may designate one (1) or more directors as alternate members of any committee, who may replace any absent member at any meeting of the committee. Committees shall have such powers of the board of directors as may be expressly delegated to it by resolution of the board of directors except those powers expressly made nondelegable by the California Corporations Code.

Section 18. Meetings and Action of Committees.

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of this Article I, with such changes in the context of those Sections as are necessary to substitute the committee and its members for the board of directors and its members, except that the time of the regular meetings of committees may be determined by resolution of the board of directors as well as the committee, and special meetings of committees may also be called by resolutions of the board of directors and notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The board of directors may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

Section 19. Advisory Directors.

The board of directors from time to time may elect one (1) or more persons to be advisory directors, who shall not by such appointment be members of the board of directors. Advisory directors shall be available from time to time to perform special assignments specified by the president, to attend meetings of the board of directors upon invitation and to furnish consultation to the board. The period during which the title shall be held may be prescribed by the board of directors. If no period is prescribed, title shall be held at the pleasure of the board.

ARTICLE IV

OFFICERS

Section 1. Officers.

The principal officers of the corporation shall be a chairman of the board or a president or both, a secretary and a chief financial officer who may also be called treasurer. The corporation may also have, at the discretion of the board of directors, one or more assistant secretaries, and such other officers as may be appointed in accordance with the provision of Section 3 of this Article. One person may hold two or more offices.

Section 2. Election of Officers.

The principal officers of the corporation, except such officers as may be appointed in accordance with the provisions of Section 3 of this Article, shall be chosen by the board of directors, and each shall serve at the pleasure of the board of directors, subject to the rights, if any, of an officer under any contract of employment.

Section 3. Subordinate Officers, Etc.

The board of directors may empower the president to appoint and remove such officers (other than the principal officers) as the business of the corporation may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the bylaws or as the board of directors may from time to time determine. The board also may appoint and remove such subordinate officers, and/or staff, as it may determine from time to time are necessary and may delegate such authority to subordinate officers to appoint, hire and/or remove subordinate officers and/or staff.

Section 4. Removal and Resignation of Officers.

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by a majority of the directors at that time in office, at any regular or special meeting of the board, or, excepting the case of an officer chosen by the board of directors, by any officer upon whom such power of removal may be conferred by the board of directors.

Section 5. Vacancies in Office.

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these bylaws for regular appointments to such office.

Section 6. Chairman of the Board.

The chairman of the board, if such an officer be elected, shall, if present, preside at all meetings of the board of directors and exercise and perform such other powers and duties as may from time to time be assigned to him by the board of directors or prescribed by the bylaws. If there is no president, the chairman of the board shall in addition be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 7 of this Article.

Section 7. President.

Subject to such supervisory powers, if any, as may be given by the board of directors to the chairman of the board, if there be such an officer, the president shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, have general supervision, direction and control of the business and the officers of the corporation. He shall preside at all the meetings of the board of directors, in the absence of the chairman of the board. He shall have the general powers and duties of management usually vested in the office of president of a corporation, shall be ex officio a member of all the standing committees, including the executive committee, if any, and shall have such other powers and duties as may be described by the board of directors or the bylaws.

Section 8. Vice Presidents.

In the absence or disability of the president, the vice presidents, if any, in order of their rank as fixed by the board of directors, shall perform all the duties of the president, and so acting shall have all the powers of, and be subject to the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the board of directors or the bylaws, the president, or the chairman of the board.

Section 9. Secretary.

The secretary shall keep or cause to be kept at the principal executive office or such other place as the board of directors may order, a book of minutes of all meetings of directors, and committees of directors with the time and place of holding, whether regular or special, and, if special, how authorized, the notice thereof given, the names of those present at directors' and committee meetings, and the proceedings thereof.

The secretary shall give or cause to be given notice of all meetings of the board of directors required by the bylaws or by law to be given, shall keep the seal of the corporation in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the board of directors or by the bylaws.

Section 10. Chief Financial Officer.

The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and shares. The books of account shall at all reasonable times be open to inspection by any director.

The chief financial officer shall deposit all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by

the board of directors. He shall disburse the funds of the corporation as may be ordered by the board of directors, shall render to the president and directors, whenever they request it, an account of all of his transactions as chief financial officer and of the financial condition of the corporation, and shall have other powers and perform such other duties as may be prescribed by the board of directors or the bylaws.

ARTICLE V

NO STATUTORY MEMBERS

Section 1. Members.

- A. This corporation has no statutory members as defined in the Corporations Codes Sections 5056 and 9310. This corporation is not a membership governed organization but is governed solely by the board of directors as set forth in these bylaws, and as amended from time to time and according to law.
- B. "Members," as that term is used herein, or in other governing documents of the corporation shall refer to the board of directors.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 1. Indemnification.

To the fullest extent permitted by law, this corporation shall indemnify its directors and officers, and may indemnify employees and other persons described in Corporations Code Section 9246(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the board by any person seeking indemnification under Corporations Code Section 9246(b) or (c), the board shall promptly decide under Corporations Code Section 9246(c) whether the applicable standard of conduct set forth in Corporations Code Section 9246(b) or (c) has been met and, if so, the board shall authorize indemnification. If the board cannot authorize indemnification, because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the board shall promptly call a meeting of members. At that

meeting, the members shall determine under Corporations Code Section 9246(e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification in defending any proceeding covered hereunder shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the corporation for those expenses.

ARTICLE VII

CORPORATE RECORDS AND REPORTS; INSPECTION

Section 1. Records.

The corporation shall maintain, in accordance with generally accepted accounting principles, adequate and correct accounts, books and records of its business and properties. All of such books, records and accounts shall be kept at the corporation's principal executive office in the State of California, as fixed by the board of directors, from time to time, or shall be kept at such place or such places as designated by the board of directors. The minutes shall be kept in written form and accounting books and records shall be kept in either written form or in any other form capable of being converted into written form.

Section 2. Maintenance of Donor Roll.

The corporation shall keep at its principal executive office, a record of its donors.

Section 3. Maintenance of Bylaws.

The corporation shall keep at its principal executive office, or if its principal executive office is not in this state, at its principal business office in this state, the original or a copy of the bylaws and any amendments to date.

Section 4. Financial Statements.

A copy of any annual financial statement and any income statement of the corporation for each quarterly period of each fiscal year, and any accompanying balance sheet of the corporation as of the end of each such period, that has been prepared by the corporation shall be kept on file at the principal executive office of the corporation for twelve (12) months from the date of its execution.

Section 5. Annual Statement of General Information.

The corporation shall, in a timely manner, in each year, file with the Secretary of State of California, on the prescribed form, a statement setting forth the authorized number of directors, the names and complete business or residence addresses of all incumbent directors, the names and complete business or residence addresses of the chief executive officer, secretary, and chief financial officer, the street address of its principal executive office or principal business office in this state and the general type of business constituting the principal business activity of the corporation, together with a designation of the agent of the corporation for the purpose of the service of process, all in compliance with California Corporations Code Section 1502.

Section 6. Directors' Inspection Rights.

Every director shall have the 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 for a purpose reasonably related to the director's interests as a director.

ARTICLE VIII

GENERAL CORPORATE MATTERS

Section 1. Checks, Drafts, and Evidences of Indebtedness.

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the corporation, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by resolution of the board of directors.

Section 2. Corporate Contracts and Instruments, How Executed.

The board of directors, except as in the bylaws otherwise provide, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances; and, unless so authorized or ratified by the board of directors or within the agency power of any officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or to any amount.

Section 3. Construction and Definitions.

Unless the context requires otherwise, the general provisions, rules of construction, and the definitions of the California General Corporation Laws shall govern the construction of these bylaws. Without limiting the generality of the foregoing, the singular number includes the plural, the plural number includes the singular, and the term

"person" includes both a corporation and a natural person and the term "he" or "his" shall refer to male and female.

ARTICLE IX

CONFLICT OF INTEREST AND COMPENSATION APPROVAL POLICIES

Section 1. Purpose of Conflict of Interest Policy.

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. Definitions.

- A. Interested Person. Any director, principal officer, member of a committee with governing board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- B. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
 - 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.
- C. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph B, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Conflict of Interest Avoidance Procedures.

- A. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- B. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- C. **Procedures for Addressing the Conflict of Interest.** An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the governing board or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- D. **Violations of the Conflicts of Interest Policy.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Board and Board Committee Proceedings.

The minutes of meetings of the governing board and all committees with board delegated powers shall contain:

- A. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- B. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation Approval Policies.

A voting member of the governing board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation. When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the board or a duly constituted compensation committee of the board shall also comply with the following additional requirements and procedures:

- A. the terms of compensation shall be approved by the board or compensation committee prior to the first payment of compensation;
- B. all members of the board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 - 1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
 - 2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;

3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
 4. has no material financial interest affected by the compensation arrangement; and
 5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- C. the board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
 2. the availability of similar services in the geographic area of this organization;
 3. current compensation surveys compiled by independent firms;
 4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- D. the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the board or compensation committee that approved the compensation. Such documentation shall include:
1. the terms of the compensation arrangement and the date it was approved;
 2. the members of the board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each board or committee member;

3. the comparability data obtained and relied upon and how the data was obtained;
4. If the board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board or committee shall record in the minutes of the meeting the basis for its determination;
5. If the board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the board or committee meeting;
6. any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement);
7. The minutes of board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next board or committee meeting or 60 days after the final actions of the board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next board or committee meeting following final action on the arrangement by the board or committee.

Section 6. Annual Statements.

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- A. has received a copy of the conflicts of interest policy;
- B. has read and understands the policy;
- C. has agreed to comply with the policy; and

- D. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews.

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- A. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- B. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 8. Use of Outside Experts.

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE X

AMENDMENTS TO BYLAWS

Section 1. Amendment by Directors.

Subject to the limitations of the Corporations Code, the bylaws may be adopted, amended, replaced or repealed by a two thirds vote of the board of directors.

ARTICLE XI

MISCELLANEOUS

Section 1. Offices.

This board of directors shall fix the location of the principal executive office of the corporation at any place within or outside the State of California. If the principal executive office is located outside this state, and the corporation has one or more business offices in this state, the board of directors shall likewise fix and designate a principal

business office in the State of California. The board of directors may at any time establish branch or subordinate offices at any place or places where the corporation is qualified to do business.

Section 2. Dissolution.

A resolution for dissolution of the corporation must be approved by two-thirds vote of the board of directors, or as provided by law. Dissolution shall be completed according to the determination of the board, of the bylaws and the Corporations Code.

Section 3. Irrevocable Dedication of Assets.

This corporation's assets are irrevocably dedicated to religious/charitable purposes. On liquidation or dissolution, all properties and assets remaining after payment, or provision for payment, of all debts and liabilities of the corporation shall be distributed as provided in the Articles, to wit, to a nonprofit fund, foundation, church, or corporation that is organized and operated exclusively for religious/charitable purposes and that has established its exempt status under Internal Revenue Code §501(c)(3).

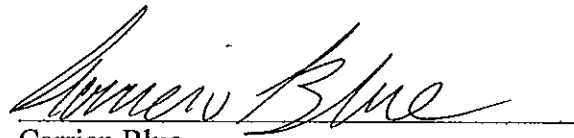
CERTIFICATE

I, Carrien Blue, hereby certify that:

I am the Secretary of The Charis Project, a California Nonprofit Religious Corporation; and

The foregoing amended bylaws, consisting of 20 pages, are a true and correct copy of the bylaws of the corporation as duly adopted by approval of the board of directors of the corporation by Unanimous Written Consent Action in Lieu of Organizational Meeting on March 10, 2010.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the corporation this 29th day of March, 2010.


Carrien Blue