

**BYLAWS OF THE
GREATER AUSTIN MALAYALEE ASSOCIATION (GAMA)**

ARTICLE I

NAME

The official name of the organization shall be "GREATER AUSTIN MALAYALEE ASSOCIATION," here in after called the "Association," a corporation not for profit.

ARTICLE II

MAILING ADDRESS

1. The Registered Office and Registration Agent – The registered office of the Association shall be located in the State of Texas at such place as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law, and the Registered Agent shall have a business office identical with such Registered Office. The current mailing address of "GAMA" is

701 Point Run Cove

Pflugerville, TX 78660

2. Other Offices – The Association may have other offices within or outside the State of Texas at such place or places as the Board of Directors may from time to time determine.

ARTICLE III

PURPOSES AND OBJECTIVES

1. Purpose: Greater Austin Malayalee Association is an organization of people from Kerala residing in Greater Austin to preserve cultural heritage of Kerala and to provide a forum for cultural, social and charitable activities of its members. The Association will have other purposes or powers as may be

stated in its Articles of Incorporation and such powers as are now or may be here in after granted by law.

2. Objectives: The Association shall have the following objectives

- To take an active interest in cultural, social and welfare of the members.
- To promote friendship and fellowship.
- To organize periodic community activities.
- To encourage service-minded people to serve the community without any rewards.
- To educate future generation about Kerala heritage and culture and to be proud of it.
- To aid others (weak and needy in Kerala) whenever possible.

3. The Association shall have perpetual existence.

ARTICLE IV

MEMBERSHIP

1. Qualification of the Members – Members of the Association shall be those who are interested in preserving and nurturing the language, culture and arts of Kerala.

2. Membership dues – Membership dues are payable each year. Membership dues will be determined by the Board of Directors.

3. Term of Membership – The term of membership shall be one year.

ARTICLE V

MEMBERS' MEETINGS

1. Annual Meetings – The annual meeting of the Members for the election of the Board of Directors and for the transaction of such other business may properly come before the meeting, shall be held each

year in December on day and time as the Board of Directors shall direct; provided, however, that the annual meeting for any year shall be held no later than 13 months after the last preceding annual meeting of the Members.

2. Special Meetings – Special meetings of the members for any purpose may be called at any time by the President of the Association or by the majority of the Board of Directors.

3. Place of Meetings – All meetings of the Members shall be at the registered office of the Association or at such places in Greater Austin as shall be determined from time to time by the Board of Directors.

4. Notice - Written notice stating the place, day and hour of the meetings shall be delivered not less than 10 days nor more than 40 days before meeting either personally, through email or by first class mail by or at the direction of the President or Secretary to each member. In case of special meetings, the purpose of the meeting shall be stated. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail addressed to the Member at his or her address as it appears in the records of the Association with postage thereon prepaid

5. Waiver of Notice – A written waiver signed by any member, whether before or after the meeting, shall be equivalent to the giving of notice to said member. Attendance of a Member at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened. However, when a member attends a meeting, or objects to the transactions of any business because the meeting is not lawfully called or convened, the member's attendance shall not constitute a waiver of notice. Neither the business to be transacted, nor the purpose of, any regular or special meeting of the Members need be specified in any written waiver of notice.

6. Adjourned Meetings – A majority of the Members present, whether or not a quorum exists, may adjourn any meeting of the Members to another time and place. Notice of such adjourned meeting shall be given to the Members who were not present at the time of the adjournment and unless the time and place of the adjourned meeting are announced at the time of adjournment, to the other Members.

7. Voting Rights of the Members – Whenever a vote is to be taken among the Members of the Association, each Member, who is 18 years or older, shall be entitled for one vote.

8. Members Proxy Voting – A Member may vote either in person or by proxy, executed in writing by the Member or by his or her duly authorized attorney-in-fact. A proxy will be valid only to one meeting where the proxy is provided to the Secretary of the Association.

9. Quorum of Members – Thirty (30) percent of the Members entitled to vote represented in person or by proxy, shall constitute a quorum at a meeting of the Members. Majority of the Members present or represented by proxy at which the quorum is present is necessary for the adoption of any matter voted on by the Members.

ARTICLE VI

BOARD OF DIRECTORS

1. Function – All corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors.

2. Founding Directors – The Board of Directors of the Association at the founding of the Association are the following individuals.

1. Verghese Chandy
2. Sabu Cherian
3. Thomas Cherian
4. Prabha John
5. Thomas John
6. Mariamma Joseph
7. Asha Menon
8. Ravi Menon
9. Sarala Nelliparambil
10. C. J. Paul
11. Hem Ramachandran
12. Latha Ramachandran
13. George Solomon

14. John Thomas
15. Johnson Varughese
16. Joseph Varghese
17. Sarita Warriar
18. James Xavier

3. The Founding Directors shall have a term of one or two years. Half of the Founding Board of Directors shall be replaced by election of new Directors at the first annual meeting of the Association.

4. Qualification of the Elected Directors – The qualification for becoming and remaining a Director of this Association are as follows:

(a) Elected Directors must be residing and have a Texas mailing address in the Greater Austin area.

(b) Directors must be members of the Association and must have maintained a valid membership for no less than ninety (90) days preceding election.

5. Number of Directors – The number of Directors of the Association shall not be less than ten (10) at any time. The number may be increased or decreased from time to time by amendments to these bylaws, but no decrease shall have the effect of shortening the term of any incumbent Director. The Board of Directors shall be elected at large by Members.

6. Term – The Director's elected term is two years and shall be eligible for re-election. Approximately one half of the founding Board of Directors shall serve for a term of two years. Thereon, each elected Director shall serve a term of two years consequent to his or her election as a Director.

7. Resignation of Directors – Any Director may resign his or her position with the consent of a majority of the remaining Board of Directors present at any meeting of the Board of Directors. If such a resignation is deemed necessary, the Board, as well as the outgoing Director, shall appoint a Member of the Association meeting the qualifications of elected Directors, to replace the departing Director. The new Director should be confirmed by a majority of the Board of Directors present. The term of such a Director will be the term of the departing Director.

8. Removal of Directors – Any Director may be removed at any time, by a vote of two thirds of the members of the Board of Directors at any meeting, and provided that notice thereof has been given in the call of the meeting and that sufficient reasons and rationale have been produced for such removal. The incumbent should be given, at the incumbent's expense, all facilities to prove his/her case against removal. Upon removal of any Director, the Board of Directors will have the right to select another member to replace the departing Director.

ARTICLE VII

DIRECTORS' MEETINGS

1. Annual Meeting – Annual meeting of the Board of Directors shall be held without notice immediately after the adjournment of the annual meeting of the Members.

2. Special Meeting – Special meetings of the Board of Directors may be called at any time by the President of the Association, or a majority of the Directors.

3. Monthly Meeting – Monthly meetings of the Board of Directors shall be held, if necessary, on the third Sunday of each month. The Board of Directors will be informed by the Secretary through email or phone calls of the time and place for the meeting.

4. Place of Meeting – All meetings of the Board of Directors shall be held at the registered office of the Association or at such places, within the state of Texas, as the Directors may from time to time designate.

5. Notice – Notice either by mail, email, fax or any form of communication shall be delivered not less than 24 hours and no more than 30 days before the meeting by or at the direction of the President, Secretary or Director calling the meeting, to each Director. If mailed, such notice shall be deemed to be delivered in US mail addressed to the Director at his or her address as it appears in the records of the Association with postage thereon prepaid. If emailed, the notice is deemed to be delivered when addressed to the email address then in the records of the Secretary.

6. Quorum – A majority of directors in office at the time of the meeting shall constitute a quorum and provided that it meets the minimum attendance requirement. Any director may inform the President, Secretary or any director of their inability to attend a meeting prior to a scheduled or announced meeting of the directors. At that time the absent director may designate another director as proxy with a written consent for any votes taken during the meeting and provided that a meeting agenda was published at least one week prior to the meeting. If no other director is designated as a proxy, then the President will act as proxy for the absent director with a written consent from the absent director. Any director who has thus informed the President or Secretary as not being able to attend a meeting is counted as being present for the meeting, except for the purposes of minimum attendance set forth below. Any director who has not informed the Secretary or President of their inability to attend shall be counted as absent. Any director who has informed the President or Secretary as not attending the meeting, but who does not designate a proxy, is not counted in determining whether a quorum exists for a meeting or a two-thirds majority or simple majority exists for a vote at a meeting of the Board of Directors.

7. Minimum directors in attendance – Any director's meeting should have at least one third of the members of the Board of Directors physically present at the meeting, regardless of the number of directors who may have informed the Secretary or President of their inability to attend the meeting.

8. Voluntary resignation of directors – In the event that a director is not able to attend a significant number of meetings, as determined by the board of directors, the President shall enquire with the director as to whether they are interested in continuing on the board of directors. After discussion with the President, the director may resign from the board of directors on his own will even if his or her term is not complete.

ARTICLE VIII

EXECUTIVE AND OTHER COMMITTEES

1. Designation – The Board of Directors, by resolution passed by a majority of the whole Board of Directors, may designate an executive committee and one or more other committees.

2. Executive Committee – The Executive Committee, if there is one, shall consult with and advise the Officers of the Association in the management of affairs and shall have and may exercise, to the extent

provided in the resolution of the Board of Directors creating such Executive Committee, such powers of the Board of Directors as can be lawfully delegated by the Board.

3. Powers – Any committee designed as provided above shall have and may exercise all the authority granted to it by the Board of Directors, except that no committee shall have authority to:

a) Approve or recommend to Members actions on proposals required by law to be approved by Members;

b) Fill vacancies on the Board of Directors or any committee thereof;

c) Adopt, amend or repeal Bylaws;

d) Amend or repeal any resolution of the Board.

4. Vacancies – Vacancies on Executive Committee or any other committee shall be filled by the Board of Directors then in office at any regular or special meeting of the Board of Directors.

5. Quorum – At all meetings of the Executive Committee or any other committees, a majority of the committee's members then in office shall constitute a quorum for the transaction of business.

ARTICLE IX

OFFICERS

1. Designation – the governing body of the Association shall be managed by the Board of Directors and shall consist of a President, a Vice President, a Secretary and a Treasurer. The first officers shall be elected by the Founding Board of Directors. Starting with year 2006, each of the officers shall be elected by the annual meeting of Members of this Association, and shall serve until their successor are chosen and qualify. Such other officers and assistant officers and agents as may be deemed necessary may be elected or appointed by the Board of Directors from time to time. The same person may hold no more than two offices. The failure to elect a President and Secretary shall not affect the existence of this Association.

2. Duties – The officers of this Association have the following duties:

a) President – The President shall be the chief executive of the Association, shall have general and active management of the business and affairs of the Association subject to the direction of the Board of Directors and shall preside at all meetings of the Members and Board of Directors.

b) Vice President – The Vice President shall assist the President and Secretary in his or her duties and shall preside at meetings of the Members and Board of Directors if the President is not present.

c) Secretary – The Secretary shall have custody of, and maintain, all records of the Association except the documents maintained by the Treasurer, and shall record the minutes of all meetings of the Members and Board of Directors, send all notices of meetings out, and preside over meetings when the President and Vice President are not present. Additional duties of the Secretary may be prescribed by the Board of Directors or the President. The Secretary may delegate some of his or her functions to other Members of the Board of Directors or other Members of the Association after informing the Board of Directors at a meeting of the Board of Directors.

d) Treasurer – The Treasurer shall have custody of and maintain full and accurate accounts or receipts and disbursements and render accounts thereof to the annual meetings of the members. Additional duties of the Treasurer may be prescribed by the Board of Directors or the President.

e) Signatories – The Treasurer and the President shall be the signatories of all the Bank accounts of the Association.

f) Title, Name and Addresses of the current Board of Directors and Officers are as follows:

- | | |
|-------------------|----------------------|
| 1. President | Thomas Cherian |
| 2. Vice President | Sarala Nelliparambil |

3. Secretary Latha Ramachandran

4. Treasurer George Solomon

5. Directors (not including officers)

5. Verghese Chandy

6. Sabu Cherian

7. Prabha John

8. Thomas John

9. Mariamma Joseph

10. Asha Menon

11. Ravi Menon

12. C. J. Paul

13. Hem Ramachandran

14. John Thomas

15. Johnson Varughese

16. Joseph Varghese

17. Sarita Warriier

18. James Xavier

3. Removal of Officers

a) Any officer or agent elected or appointed by the Board of Directors may be removed by the Board whenever, in its judgment, the best interest of the Association will be served thereby. Any action for such removal should be approved by two thirds of the members of the Board of Directors at a lawfully called meeting of the directors.

b) Any officer or agent elected by the Members may be removed only by the vote of the Members unless the Members have authorized the Directors with a two third majority to remove such officer or agent.

c) Any vacancy, however occurring, in any office, may be filled by the Board of Directors based on a simple majority.

d) Removal of any officer shall be without prejudice to the contract rights, if any, of the person so removed. However, election or appointment of an officer or agent shall not of itself create contract rights.

ARTICLE X

BOOKS AND RECORDS

1. Books are Records

a) This Association shall keep correct and complete books and records of account and shall keep minutes of the proceedings of meetings of its Members, Board of Directors or Committee's of Directors.

b) This Association shall keep at its registered office or principal place of business or at the office of its transfer agent or registrar, a record of its Members, giving the names and addresses of all Members.

c) Any books, records and minutes may be in written form or in any other form capable of being converted into written form within reasonable time.

2. Audit – The Association shall conduct an independent audit of the books and financial records each year.

3. Member's Inspection Rights – Any member upon written demand stating the purpose thereof, shall have the right to examine, in person or by agent or attorney, at any reasonable time or times, for any purpose or purposes, its relevant books and records of accounts, minutes and records of Members and to make extract there from.

ARTICLE XI

CORPORATE SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the Association, the state of incorporation and the year of incorporation.

ARTICLE XII

AMENDMENTS

1. By Members: The Members, by affirmative vote of two third majority of the Members, shall have the power to alter, amend, and repeal the Bylaws of this Association or to adopt additional Bylaws, and any Bylaw so adopted may specifically provide that such Bylaws can only be altered, amended or be repealed by the Members.

2. By Directors – The Board of Directors, by affirmative vote of two third majority of the Board of Directors, shall have the power to adopt additional Bylaws or to alter, amend and repeal the Bylaws of this Association, except when the Bylaws adopted by the Members specifically provide that such Bylaws can only be altered, amended or repealed by the Members. Article VII provisions do not apply to Article XII item 2, any amendment requires a two thirds majority of all directors; absent directors who do not designate a proxy to vote on an amendment are counted as voting to not approve that amendment.

ARTICLE XIII

MISCELLANEOUS

1. No part of the assets or net earnings of the Association shall ensure to the benefit of, or be distributable to, any member, director, or officer, of the Association, or any private individual (except that reasonable compensation may be paid of the services rendered to or for the Association affecting one or more of its purposes), and no member, director, or officer of the Association, or any private individual shall be entitled to share in the distribution of any of the Association assets on dissolution of the Association. No substantial part of the activities of the Association shall be to attempt to influence legislation, and corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

2. In the event of dissolution of the Association, the Board of Directors shall, after paying or making provision for the payment of all the liabilities of the corporation, dispose of all the assets of the Association for purposes such as stated in Section 1 above. Alternatively, the Board of Directors shall transfer such assets to such organizations organized and operated exclusively for charitable, educational, cultural or literary purposes. Such an organization shall at the time qualify as in an exempt organization or organizations under Section 501(c) (3) of the Internal Revenue Code (for the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by any court of competent jurisdiction in the city or county where the registered office of the Association is located, exclusively for such purposes or to such organization or organizations as such court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XIV

REGISTERED AGENT AND STREET ADDRESS

The name and Texas street address of the initial registered agent are:

Thomas Cherian

701 Point Run Cove

Pflugerville, Texas 78660

ARTICLE XV

INCORPORATORS

The name, title and address of the Incorporators to these Articles of Incorporation are

Give names of incorporators and Signatures

1. Thomas Cherian (President)

(Signature)

2. Latha Ramachandran (Secretary)

(Signature)

Having been named as registered agent and to accept service of process for the above stated corporation at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of any duties and I am familiar with and accept the obligations of my position as registered agent.

Signature of Registered Agent

Date

**GREATER AUSTIN MALAYALEE ASSOCIATION
AMENDMENT TO BYLAWS
(July 2016)**

1. RESOLVED FURTHER, that ARTICLE III of the Bylaws of this organization is hereby amended to add Section 4 to state as follows:

4. IRC section 501(c)(3) purposes: This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.
2. RESOLVED FURTHER, that ARTICLE VI of the bylaws of this organization is hereby amended to add Section 9 to state as follows:

9. Compensation - The salaries of the officers, if any, shall be fixed from time to time by resolution of the board of directors. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation. All officer salaries shall be approved in advance in accordance with this corporation's conflict of interest policy.
3. RESOLVED FURTHER, that ARTICLE IX of the bylaws of this organization is hereby amended to add Section 4 to state as follows:

4. Compensation - The salaries of the officers, if any, shall be fixed from time to time by resolution of the board of directors. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation. All officer salaries shall be approved in advance in accordance with this corporation's conflict of interest policy.
4. RESOLVED FURTHER, that Article XVI is added to the Bylaws of this organization to state as follows:

ARTICLE XVI

IRC 501(C)(3) TAX EXEMPTION PROVISIONS

1. Prohibition against private inurement - No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

2. Private foundation requirements and restrictions - In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

5. RESOLVED FURTHER, that Article XVII is added to the Bylaws of this organization to state as follows:

**ARTICLE XVII
CONFLICT OF INTEREST AND COMPENSATION APPROVAL POLICIES**

1. Purpose of Conflict of Interest Policy: The purpose of this conflict of interest policy is to protect this tax-exempt trust's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or trustee of the trust 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.

2. Definitions:

- A. Interested Person. Any trustee, 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 trust has a transaction or arrangement;
 2. A compensation arrangement with the trust or with any entity or individual with which the trust 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 trust is negotiating a transaction or arrangement.

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.

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 trustees 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 trust 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 trustees

whether the transaction or arrangement is in the trust'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.

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.

5. Compensation Approval Policies: A voting member of the governing board who receives compensation, directly or indirectly, from the trust 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 trust 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 trust, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for trustees, 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 trust 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 trust;
 - 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 trust 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 trust or for providing services under any other compensation arrangement with this trust 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.

6. Annual Statements: Each trustee, 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 trust 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.

7. Periodic Reviews: To ensure the trust 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 trust'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.

8. Use of Outside Experts: When conducting the periodic reviews, the trust 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.