

**BYLAWS
Of
BAY ISLANDS COMMUNITY HEALTHCARE ASSOCIATION**

A Pennsylvania Nonprofit Corporation

ARTICLE 1 – DEFINITIONS

Section 1.1. Definitions.

The following terms used in these Bylaws shall have the meanings set forth below:

- A. “Act” means the Pennsylvania Nonprofit Corporation Law of 1988, as amended.
- B. “Board” means the Board of Directors of the Corporation.
- C. “Corporation” means Bay Islands Community Healthcare Association.
- D. “Director” means an individual serving on the Board.

ARTICLE 2 – PURPOSES

Section 2.1. Purposes.

Section 1. 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.

Section 2. Specific Objectives and Purposes

The corporation is incorporated exclusively for: charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States Internal Revenue Law (the “Code”); particularly, to raise funds and provide charitable grants, subject to the discretion and control of the Board of Directors, to support quality healthcare programs offered by the Clinica Esperanza a medical clinic operated by the Honduran NGO “Asociacion de Salud Comunitaria de la Isla de la Bahia” in Roatan, Honduras.

ARTICLE 3 – OFFICES

Section 3.1. Offices.

The registered office of the Corporation shall be located in Pennsylvania. The Corporation may have any number of other offices at such places as the Board may determine.

ARTICLE 4 – SEAL

Section 4.1. Seal.

The Corporation may use a Corporate Seal. The Corporate Seal shall bear the name of the Corporation, the year of its incorporation, and the words “Corporate Seal, Pennsylvania.”

ARTICLE 5 – MEMBERS

Section 5.1. No Members.

The Corporation shall have no members entitled to vote on any matter or for any other reason.

ARTICLE 6 – BOARD OF DIRECTORS

Section 6.1. Board of Directors.

The business and affairs of the Corporation shall be managed under the direction of the Board. The powers of the Corporation shall be exercised by, or under the authority of, the Board except as otherwise provided by the Act, the Articles of Incorporation, these Bylaws, or a resolution adopted by the Board.

Section 6.2. Qualifications of Directors.

Each Director shall be a natural person at least 18 years of age who need not be a resident of Pennsylvania.

Section 6.3. Number and Election of Directors.

The Board shall consist of a minimum of three (3) Directors. The Directors shall be elected by the Board at the annual meeting of the Board.

Section 6.4. Term of Office.

Each Director shall be elected for a term of one year and shall hold office until (a) the later of the expiration of the term for which he or she was elected or until his or her successor has been elected and qualified, or (b) his or her earlier death, resignation, or removal.

Section 6.5. Procedure for Nomination of Candidates for Director.

The chair of the meeting shall announce at the meeting of the Board the number of Directors to be elected at the meeting, shall declare that the nominations of candidates for election as Director are open, and shall call for nominations from the floor. Any

Director who is entitled to vote at the meeting may make nominations. Nominations need not be seconded. After nominations have been made, the chair of the meeting shall, on motion, declare the nominations closed, and thereafter no further nominations may be made. After the nominations have been closed, the Directors shall cast their votes.

Section 6.6. Vacancies.

Vacancies in the Board, including vacancies resulting from (a) an increase in the number of Directors, or (b) the death, resignation, or removal of a Director, shall be filled by a majority vote of the remaining Directors, even if less than a quorum. Each person so elected shall be a Director to serve for the balance of the term of the vacant position.

Section 6.7. Removal of Directors.

Any Director may be removed from office, without assigning any cause, by a majority vote of the remaining Directors, even if less than a quorum, at any meeting of the Board. If any Director is removed, the resulting vacancy may be filled by the Board at the same meeting.

Section 6.8. Resignations.

Any Director may resign at any time by giving written notice to the Secretary. The resignation shall be effective upon receipt by the Secretary or at such subsequent time as may be specified in the notice of resignation.

Section 6.9. Compensation of Directors.

Directors shall serve without compensation. There shall be no fees for attending any meetings. They shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to directors shall be approved in advance in accordance with this corporation's conflict of interest policy.. A Director may also be a salaried Officer, employee, or agent of the Corporation.

Section 6.10. Voting Rights.

Each Director shall be entitled to one vote.

ARTICLE 7 – COMMITTEES

Section 7.1 Establishment and Powers.

The Board may, by resolution adopted by a majority of the Directors, establish one or more committees to consist of one or more Directors of the Corporation. Any such committee, to the extent provided in the resolution of the Board, shall have and may

exercise all of the powers and authority of the Board, except that no committee, including the Executive Committee, shall have any power or authority as to the following:

- (a) the filling of vacancies in the Board;
- (b) the adoption, amendment, or repeal of the Bylaws;
- (c) the amendment or repeal of any resolution of the Board; or
- (d) action on matters committed by the Bylaws or by resolution of the Board to another committee of the Board.

Section 7.2. Term.

Each committee of the Board shall serve at the pleasure of the Board.

Section 7.3. Committee Organization.

Except as otherwise provided by the Board, each committee shall be chaired by a Director and each committee shall establish its own operating procedures. Each committee shall keep regular minutes of its proceedings and report the same to the Board at each regular meeting. Each committee shall determine its times and places of meetings.

Section 7.4. Executive Committee.

The Executive Committee shall be composed of Officers of the Corporation. The Executive Committee shall be authorized to act for the Board between its regular meetings. Except as otherwise provided by these Bylaws or by resolution of the Board, the Executive Committee shall have and may exercise all of the powers and authority of the Board in the management of the Corporation.

ARTICLE 8 – MEETINGS OF DIRECTORS

Section 8.1. Place of Meetings.

The Board may hold its meetings at such places as the Board may appoint or as may be designated in the notice of the meeting.

Section 8.2. Annual Meeting.

Unless the Board provides by resolution for a different time, the annual meeting of the Board, for the election of Directors and the transaction of any other business which may be brought before the meeting, shall be held at three o'clock, p.m., on the 15th of December of each year. If such day is a legal holiday under the laws of Pennsylvania, the annual meeting shall be held on the next succeeding business day, which is not a legal holiday under the laws of Pennsylvania.

Immediately after each annual election of Directors, the newly constituted Board shall meet without prior notice at the place where the election of Directors was held, or at any other place and time designated in a notice given as provided in Section 10.1. for the purposes of organization, election of Officers, and the transaction of other business.

Section 8.3. Regular Meetings.

The Board may hold its regular meetings at such place and time as shall be designated by resolution of the Board. If the date fixed for any regular meeting is a legal holiday under the laws of Pennsylvania, the meeting shall be held on the next succeeding business day or at such other time as may be determined by resolution of the Board. The Board shall transact such business as may properly be brought before its meetings. Notice of regular meetings need not be given.

Section 8.4. Special Meetings of the Board.

The President or any two Directors may call special meetings of the Board which shall be held at such time and place as shall be designated in the call for the meeting. Five days' notice of any special meeting shall be given to each Director pursuant to Section 10.1 or by telephone. Such notice shall state the time and place of such special meeting but need not state the purpose of the special meeting.

Section 8.5. Quorum.

A majority of Directors shall constitute a quorum for the transaction of business. The acts of a majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board.

Section 8.6. Participation in Meetings.

One or more Directors may participate in a meeting of the Board or a committee thereof by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Section 8.7. Organization.

Every meeting of the Board shall be presided over by the President, or in the absence of the President, the Vice President, or in the absence of the President and the Vice President, a chair chosen by a majority of the Directors present. The Secretary, or in his or her absence, a person appointed by the chair, shall act as secretary.

Section 8.8. Consent of Directors in Lieu of Meeting.

Any action which may be taken at a meeting of the Directors may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by all Directors and filed with the Secretary.

ARTICLE 9 – OFFICERS

Section 9.1. Number.

The Officers of the Corporation shall include a President, a Secretary, and a Treasurer. The Officers may include one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other Officers as the Board may determine by resolution. The same person may hold any number of offices.

Section 9.2. Qualifications of Officers.

The Officers shall be natural persons at least 18 years of age. Officers need not be Directors.

Section 9.3. Election and Term of Office.

The Officers of the Corporation shall be elected by the Board at any meeting of the Board for a term of one year. Each Officer shall hold office until (a) the later of the term for which he or she was elected or until his or her successor has been elected and qualified, or (b) until his or her earlier death, resignation, or removal.

Section 9.4. Removal of Officers.

The Board may remove any Officer, without assigning any cause, whenever in its judgment the best interests of the Corporation will be served.

Section 9.5. Vacancies.

Vacancies in Officer positions, resulting from (a) the creation of additional Officer positions, or (b) the death, resignation, or removal of an Officer, shall be filled by a majority vote of the Directors, though less than a quorum. Each person so elected shall be an Officer to serve for the balance of the term.

Section 9.6. Resignations.

Any Officer may resign at any time by giving written notice to the Secretary. The resignation shall be effective upon receipt by the Secretary or at such subsequent time as may be specified in the notice of resignation.

Section 9.7. The President.

The President shall be the Chief Executive Officer of the Corporation and shall have general supervision over the business and operations of the Corporation, subject to the control of the Board. The President shall chair all meetings of the Board and the

Executive Committee. The President shall execute in the name of the Corporation, deeds, mortgages, bonds, contracts, and other instruments authorized by the Board, except in cases where the execution thereof shall be expressly delegated by the Board to some other Officer or agent of the Corporation. In general, the President shall perform all duties incident to the office of President, as specified by the Act, and such other duties as may be assigned by the Board.

Section 9.8. Vice Presidents.

In the absence or disability of the President or when so directed by the President, any Vice President may perform all the duties of the President, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. Each Vice President shall perform such other duties as may be assigned by the Board or the President.

Section 9.9. The Secretary.

The Secretary shall attend all meetings of the Board. The Secretary shall record all votes of the Board and the minutes of the meetings of the Board in a book or books to be kept for that purpose. The Secretary shall see that required notices of meetings of the Board are given and that all records and reports are properly kept and filed by the Corporation. The Secretary shall be the custodian of the seal of the Corporation. In general, the Secretary shall perform all duties incident to the office of Secretary, as specified by the Act, and such other duties as may be assigned by the Board or by the President.

Section 9.10. Assistant Secretaries.

In the absence or disability of the Secretary or when so directed by the Secretary, any Assistant Secretary may perform all the duties of the Secretary, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Secretary. Each Assistant Secretary shall perform such other duties as may be assigned by the Board, the President, or the Secretary.

Section 9.11. The Treasurer.

The Treasurer shall be responsible for corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. The Treasurer shall have full authority to receive and give receipts for all money due and payable to the Corporation, and to endorse checks, drafts, and warrants in its name and on its behalf, and to give full discharge for the same. The Treasurer shall deposit all funds of the Corporation, except such as may be required for current use, in such banks or other places of deposit as the Board may designate. In general, the Treasurer shall perform all duties incident to the office of Treasurer, as specified by the Act, and such other duties as may be assigned by the Board or the President.

Section 9.12. Assistant Treasurers.

In the absence or disability of the Treasurer or when so directed by the Treasurer, any Assistant Treasurer may perform all the duties of the Treasurer, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Treasurer. Each Assistant Treasurer shall perform such other duties as may be assigned by the Board, the President, or the Treasurer.

Section 9.13. Compensation of Officers.

The compensation of all Officers may be fixed by the Board or any committee or Officer authorized by the Board. No Officer shall be precluded from receiving such compensation by reason of the fact that he or she is also a Director of the Corporation.

ARTICLE 10 - NOTICE

Section 10.1. Written Notice.

Whenever written notice is required to be given to any person, it may be given to the person, either personally or by sending a copy by first class or express mail, postage prepaid, by courier service, charges prepaid, by facsimile transmission, or by email with a request for an acknowledgement of receipt, to his or her address (or to his or her facsimile number or email address) appearing on the books of the Corporation or, in the case of Directors, supplied by him or her to the Corporation for the purposes of notice. If the notice is sent by mail or courier service, it shall be deemed to have been given when deposited in the United States mail or with a courier service for delivery to that person or, in the case of facsimile or email, when receipt has been confirmed. A notice of meeting shall specify the place, day, and hour of the meeting and any other information required by the Act. Except as otherwise provided by the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business to be transacted at an adjourned meeting other than by announcement at the meeting at which such adjournment is taken.

Section 10.2. Waiver by Writing.

Whenever any written notice is required to be given, a waiver in writing, signed by the person or persons entitled to the notice, whether before or after the time stated, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting.

Section 10.3. Waiver by Attendance.

Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE 11 – CONFLICTS OF INTEREST

Section 11.1. Interested Directors and Officers.

No contract or transaction between the Corporation and one or more of its Directors or Officers or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Directors or Officers are directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the Director or Officer is present at or participates in the meeting of the Board which authorizes the contract or transaction, or solely because his, her, or their votes are counted for that purpose, if:

- (a) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors even though the disinterested Directors are less than a quorum; or
- (b) The contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board.

Common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes the contract or transaction.

ARTICLE 12 – LIMITATION OF LIABILITY; INSURANCE

Section 12.1. Limitation of Liability of Directors.

A Director shall not be personally liable, as such, for monetary damages for any action taken or any failure to take any action as a Director unless:

- (a) The Director has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 57 of the Act; and
- (b) The breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

This Section shall not apply to (1) the responsibility or liability of a Director pursuant to any criminal statute; or (2) the liability of a Director for the payment of taxes pursuant to Federal, state, or local law. Any repeal or amendment of this Section shall be prospective only and shall not increase, but may decrease, a Director's liability with respect to actions or failures to act occurring prior to such change.

Section 12.2. Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against that liability under the Act. The Corporation's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Corporation. To the extent that such insurance coverage provides a benefit to the insured person, the Corporation's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under Section 4958 of the Internal Revenue Code of 1986, as amended.

ARTICLE 13 – INDEMNIFICATION

Section 13.1. Representative Defined.

For purposes of this Article, “representative” means any Director or Officer of the Corporation or a person serving at the request of the Corporation as a director, officer, partner, fiduciary, or trustee of another domestic or foreign corporation for profit or not-for-profit partnership, joint venture, trust, or other enterprise.

Section 13.2. Third-Party and Derivative Actions.

The Corporation shall indemnify any Director, Officer, employee, or agent of the Corporation who was or is a representative of the Corporation and who was or is a party (which includes giving testimony or similar involvement) or is threatened to be made a party to any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative or investigative, formal or informal (including an action or proceeding by or in the right of the Corporation), by reason of the fact that he or she was or is a representative of the Corporation, against expenses (including reasonable attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or proceeding. If a representative is not entitled to indemnification for a portion of any liabilities to which he or she may be subject, the Corporation shall indemnify him or her to the maximum extent for the remaining portion of the liabilities.

Section 13.3. Advancing Expenses.

The Corporation shall pay expenses (including reasonable attorneys' fees) actually and reasonably incurred in defending any action or proceeding referred to in Section 13.2 in advance of the final disposition of the action or proceeding upon receipt

of any undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article or otherwise.

Section 13.4. Supplementary Coverage.

The indemnification and advancement of expenses provided by or granted pursuant to this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the Act, or any bylaw, agreement, vote of disinterested Directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding that office. The provisions of these Bylaws relating to Conflicts of Interests shall be applicable to any bylaw, contract, or transaction authorized by the Directors under this Article. However, no indemnification may be made by the Corporation under this Article or otherwise to or on behalf of any person to the extent that:

- (a) The act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct, or recklessness; or
- (b) The Board determines that under the circumstances indemnification would constitute an excess benefit transaction under Section 4958 of the Internal Revenue Code of 1986, as amended.

Section 13.5 Duration and Extent of Coverage.

The indemnification and advancement of expenses provided by or granted pursuant to this Article shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of that person.

Section 13.6. Reliance and Modification.

Each person who shall act as a representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided by this Article. The duties of the Corporation to indemnify and to advance expenses to a representative provided in this Article shall be in the nature of a contract between the Corporation and the representative. No amendment or repeal of any provision of this Article shall alter, to the detriment of the representative, his or her right to the advance of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment or repeal.

ARTICLE 14 – ANNUAL REPORT

Section 14.1. Annual Report.

The President and Treasurer shall present the Board at its annual meeting a report, verified by the President and Treasurer or by a majority of the Board, showing in appropriate detail the following:

- (a) the assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report;
- (b) the principal changes in assets and liabilities, including the trust funds, during the year immediately preceding the date of the report;
- (c) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation;
- (d) the expenses or disbursement of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

The annual report for the Board shall be filed with the minutes of the annual meetings of the Board.

ARTICLE 15 – TRANSACTION OF BUSINESS

Section 15.1. Real Property.

The Corporation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by the vote of two-thirds (2/3) of the Board, except that if there are twenty-one (21) or more Directors, the vote of a majority of the Board shall be sufficient.

Section 15.2. Negotiable Instruments.

All checks or demands for money and notes of the Corporation shall be signed by such Officer or Officers as the Board may designate.

ARTICLE 16 – PROCEDURES GOVERNING CHARITABLE GRANTS

Section 16.1. Review and Approval of Grant Requests.

The Board shall meet as needed, but in no event less than once yearly, to review requests for grants of charitable funds. No grant shall be made without approval by the vote of the majority of the Directors then in office.

Section 16.2. Confirmation of Charitable Status.

No grant shall be approved unless the grantee organization has provided satisfactory evidence of current charitable status. Each American organization shall provide evidence including, but not limited to, its qualification under Section 501(c)(3) of the Internal

Revenue Code. Each foreign organization shall provide evidence including, but not limited to, evidence that it is a duly qualified and registered charitable organization under the tax laws and regulations of its Country of origin.

Section 16.3. Written Agreement Required.

Execution of a written agreement by each grantee organization shall be a condition of approval of each grant. Such written agreement shall include provisions requiring periodic and detailed reporting regarding the use of charitable funds, and shall require the return of any and all funds not used for the intended, charitable purposes.

Section 16.4. Required Field Visit.

A Director or his or her designee shall visit each grantee organization no less than once yearly to confirm that the funds are being used for the charitable purposes intended.

Section 16.5. Maintenance of Books and Records.

The Board shall maintain books and records to document the use of all charitable funds granted.

ARTICLE 17 – CORPORATE RECORDS

Section 17.1. Bookkeeping; Recordkeeping.

The Corporation shall keep correct and complete books and records of accounts and shall also keep minutes of the proceedings of the meetings of the Board and committees having any of the authority of the Board, a copy of the bylaws and any amendments thereto, a list of the names and business addresses of its current Board and officers, and a copy of the most recent annual reports delivered to state and Federal officials.

Section 17.2. Transparency.

The Corporation shall ensure that its IRS Form 990, annual reports and financial statements are complete and accurate and are posted to the Corporation's website or otherwise made available to the public.

ARTICLE 18 – AMENDMENTS

Section 18.1. Amendments.

The Bylaws of the Corporation may be amended by a majority vote of the Board at any meeting after notice of such purpose has been given.

Adopted: