

BYLAWS OF KENYAN URITHI EDUCATION FUND

ARTICLE I OFFICES

- 1.01 *Principal Office.* The principal office of the corporation shall be at such place within the state of Michigan as the board of directors may determine from time to time.
- 1.02 *Other Offices.* The board of directors may establish other offices in or outside the state of Michigan.
- 1.03 *Name.* The name of the corporation is Kenyan Urithi Education Fund.
- 1.04 *Purpose of Corporation.* Kenyan Urithi Education Fund is organized exclusively for, and will be operated exclusively for the purpose of developing, organizing, funding, and implementing supplemental educational programs for the poor and underprivileged people of Kenya. Programs will assist existing educational or cultural institutions in filling gaps in current educational programs or in making sustainable improvements to existing educational programs or institutions rather than establishing new or separate educational institutions. Programs may also include student financial aid, support of capital improvements to facilities, or purchase of related equipment. Potential target recipients are school age children and young adults, as well as post school age adults.

ARTICLE II MEMBERS

- 2.01 There shall be no members.

ARTICLE III BOARD

- 3.01 *General Powers.* The business, property, and affairs of the corporation shall be managed by the board of directors.
- 3.02 *Number.* There shall be not less than three nor more than ten directors on the board as shall be fixed from time to time by the board of directors.
- 3.03 *Tenure.* Each director of the Corporation shall hold office until the director's death, resignation, or removal.
- 3.04 *Resignation.* Any director may resign at any time by providing written notice to the Corporation. The resignation will be effective on receipt of the notice or at a later time designated in the notice. A successor shall be appointed as provided in section 3.06 of the bylaws.
- 3.05 *Removal.* Any director may be removed by the remaining directors on the board by majority vote.
- 3.06 *Board Vacancies.* A vacancy on the board may be filled with a person selected by the remaining directors of the board, even if less than a quorum exists.
- 3.07 *Annual Meeting.* An annual meeting shall be held each year at 9:00 AM, February 1. If the annual meeting is not held at that time, the board shall cause the meeting to be held as soon thereafter as is convenient.
- 3.08 *Regular Meetings.* Regular meetings of the board may be held at the time and place as determined by resolution of the board without notice other than the resolution.
- 3.09 *Special Meetings.* Special meetings of the board may be called by the president or any two directors at a time and place as determined by those persons authorized to call special meetings. Notice of the time and place of special meetings shall be given to each director by mail, email, fax, or orally at least three days before the meeting.
- 3.10 *Statement of Purpose.* Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice for that meeting.
- 3.11 *Waiver of Notice.* The attendance of a director at a board meeting shall constitute a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. In addition, the director may submit a signed waiver of notice that shall constitute a

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- waiver of notice of the meeting.
- 3.12 *Meeting by Telephone or Similar Equipment.* A director may participate in a meeting by conference telephone or any similar communications equipment through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.
- 3.13 *Quorum.* A majority of the directors then in office constitutes a quorum for the transaction of any business at any meeting of the board. Actions voted on by a majority of directors present at a meeting where a quorum is present shall constitute authorized actions of the board, except as otherwise provided by statute. If a quorum is not present, Directors present may adjourn without notice until a quorum is present.
- 3.14 *Consent to Corporate Actions.* Any action required or permitted to be taken pursuant to authorization of the board may be taken without a meeting if, before or after the action, all director's consent to the action in writing. Written consents shall be filed with the minutes of the Board's proceeding.
- 3.15 *Meeting Records.* All actions and decisions by the Board at Board Meetings shall be recorded in writing in the minutes of the meeting. Minutes shall indicate Board members present and the vote of each member. For any decisions relating to compensation, the minutes shall also include information used to determine the amount of compensation.

ARTICLE IV COMMITTEES

- 4.01 *General Powers.* The board, by resolution adopted by a vote of a majority of its directors, may designate one or more committees, each committee consisting of one or more directors. The board may also designate one or more directors as alternate committee members who may replace an absent or disqualified member at a committee meeting. If a committee member is absent or disqualified from voting, then members present at a meeting who are not disqualified from voting may, whether or not they constitute a quorum, unanimously appoint an alternate committee member to act at the committee meeting in place of the absent or disqualified member. All committees designated by the board shall serve at the pleasure of the board.
- A committee designated by the board may exercise any powers of the board in managing the corporation's business and affairs, to the extent provided by resolution of the board. However, no committee shall have the power to
- (a) amend the articles of incorporation;
 - (b) adopt an agreement of merger or consolidation;
 - (c) amend the bylaws of the corporation;
 - (d) fill vacancies on the board; or
 - (e) fix compensation of the directors for serving on the board or on a committee.

ARTICLE V OFFICERS

- 5.01 *Number.* The officers of the corporation shall be appointed by the board. The officers shall be a president, a secretary, and a treasurer. There may also be a chairperson, vice president, and such other officers as the board deems appropriate. The president shall be a voting member of the board. Two or more offices may be held by the same person, but such person shall not execute, acknowledge, or verify an instrument in more than one capacity if the instrument is required by law or by the president or by the board to be executed, acknowledged, or verified by two or more officers.
- 5.02 *Term of Office.* Each officer shall hold office for the term appointed and until a successor is appointed and qualified. An officer may resign at any time by providing written notice to the corporation. Notice of resignation is effective on receipt or at a later time designated in the notice.
- 5.03 *Removal.* An officer appointed by the board may be removed with or without cause by vote of a majority of the board. The removal shall be without prejudice to the person's contract rights, if any. Appointment to an office does not of itself create contract rights.

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- 5.04 *Vacancies.* A vacancy in any office for any reason may be filled by the board.
- 5.05 *President.* The president shall be the chief executive officer of the corporation and shall have authority over the general control and management of the business and affairs of the corporation. The president shall have power to appoint or discharge employees, agents, or independent contractors, to determine their duties, and to fix their compensation. The president shall sign all corporate documents and agreements on behalf of the corporation, unless the president or the board instructs that the signing be done with or by some other officer, agent, or employee. The president shall see that all actions taken by the board are executed and shall perform all other duties incident to the office. This is subject, however, to the president's right and the right of the board to delegate any specific power to any other officer of the corporation.
- 5.06 *Vice President.* The vice president, if any, shall have the power to perform duties that may be assigned by the president or the board. If the president is absent or unable to perform his or her duties, the vice president shall perform the president's duties until the board directs otherwise. The vice president shall perform all duties incident to the office.
- 5.07 *Chairperson.* The chairperson, if elected, shall preside at all board meetings. The chairperson shall have the power to perform duties as may be assigned by the board. If the president is absent or unable to perform his or her duties, the chairperson shall perform the president's duties until the board directs otherwise. The chairperson shall perform all duties incident to the office.
- 5.08 *Secretary.* The secretary shall (a) keep minutes of board meetings; (b) be responsible for providing notice to each director as required by law, the articles of incorporation, or these bylaws; (c) be the custodian of corporate records; (d) keep a register of the names and addresses of each officer and director; and (e) perform all duties incident to the office and other duties assigned by the president or the board.
- 5.09 *Treasurer.* The treasurer shall (a) have charge and custody over corporate funds and securities; (b) keep accurate books and records of corporate receipts and disbursements; (c) deposit all moneys and securities received by the corporation at such depositories in the corporation's name that may be designated by the board; (d) complete all required corporate filings; and (e) perform all duties incident to the office and other duties assigned by the president or the board.

ARTICLE VI CORPORATE DOCUMENT PROCEDURE

- 6.01 All corporate documents (including stocks, bonds, agreements, insurance and annuity contracts, qualified and nonqualified deferred compensation plans, checks, notes, disbursements, loans, and other debt obligations) shall not be signed by any officer, designated agent, or attorney-in-fact unless authorized by the board or by these bylaws.

ARTICLE VII INDEMNIFICATION

- 7.01 *Nonderivative Actions.* Subject to all of the other provisions of this article and only to the extent not prohibited by the Internal Revenue Code or if it would cause the Corporation to lose its tax exempt status, the corporation may indemnify any person who was or is a party, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceeding. This includes any civil, criminal, administrative, or investigative proceeding, whether formal or informal (other than an action by or in the right of the corporation). Such indemnification may apply only to a person who was or is a director or officer of the corporation or who was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not for profit. The person may be indemnified and held harmless against expenses (including attorney fees), judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit, or proceeding, if the person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation. With respect to any criminal action or proceeding, the person must be determined to have had no reasonable cause to believe his or her conduct was unlawful in order to be indemnified. The termination of any action, suit, or proceeding by

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- judgment, order, settlement, or conviction or on a plea of nolo contendere or its equivalent, shall not by itself create a presumption that (a) the person did not act in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, or (b) with respect to any criminal action or proceeding, the person had reasonable cause to believe that his or her conduct was unlawful.
- 7.02 *Derivative Actions.* Subject to all of the provisions of this article, the corporation may indemnify any person who was or is a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor because (a) the person was or is a director or officer of the corporation, or (b) the person was or is serving at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, whether or not for profit. The person may be indemnified and held harmless against expenses (including actual and reasonable attorney fees) and amounts paid in settlement incurred by the person in connection with such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation. However, indemnification shall not be made for any claim, issue, or matter in which the person has been found liable to the corporation unless and only to the extent that the court in which such action or suit was brought has determined on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnification for the expenses that the court considers proper.
- 7.03 *Expenses of Successful Defense.* To the extent that a person has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in sections 7.01 or 7.02 of this article, or in defense of any claim, issue, or matter in the action, suit, or proceeding, the person shall be indemnified against expenses (including actual and reasonable attorney fees) incurred in connection with the action and in any proceeding brought to enforce the mandatory indemnification provided by this article.
- 7.04 *Contract Right; Limitation on Indemnity.* The right to indemnification conferred in this article shall be a contract right and shall apply to services of a director or officer as an employee or agent of the corporation as well as in such person's capacity as a director or officer. Except as provided in section 7.03 of this article, the corporation shall have no obligations under this article to indemnify any person in connection with any proceeding, or part thereof, initiated by such person without authorization by the board.
- 7.05 *Determination That Indemnification Is Proper.* Any indemnification under sections 7.01 or 7.02 of this article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case. The corporation must determine that indemnification of the person is proper in the circumstances because the person has met the applicable standard of conduct set forth in sections 7.01 or 7.02, whichever is applicable. Such determination shall be made in any of the following ways:
- (a) By a majority vote of a quorum of the board consisting of directors who were not parties to such action, suit, or proceeding.
 - (b) If the quorum described in clause (a) above is not obtainable, then by a committee of directors who are not parties to the action. The committee shall consist of not less than two disinterested directors.
 - (c) By independent legal counsel in a written opinion.
- 7.06 *Proportionate Indemnity.* If a person is entitled to indemnification under sections 7.01 or 7.02 of this article for a portion of expenses, including attorney fees, judgments, penalties, fines, and amounts paid in settlement, but not for the total amount, the corporation shall indemnify the person for the portion of the expenses, judgments, penalties, fines, or amounts paid in settlement for which the person is entitled to be indemnified.
- 7.07 *Expense Advance.* Expenses incurred in defending a civil or criminal action, suit, or proceeding described in sections 7.01 or 7.02 of this article may be paid by the corporation in advance of the final disposition of the action, suit, or proceeding, on receipt of an undertaking by or on behalf of the person involved to repay the expenses, if it is ultimately determined that the person is not entitled to be indemnified by the corporation. The undertaking shall be an unlimited general obligation of the person on whose behalf advances are made, but need not be secured.
- 7.08 *Nonexclusivity of Rights.* The indemnification or advancement of expenses provided under this

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article is not exclusive of other rights to which a person seeking indemnification or advancement of expenses may be entitled under a contractual arrangement with the corporation. However, the total amount of expenses advanced or indemnified from all sources combined shall not exceed the amount of actual expenses incurred by the person seeking indemnification or advancement of expenses.

- 7.09 *Indemnification of Employees and Agents of the Corporation.* The corporation may, to the extent authorized from time to time by the board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the corporation to the fullest extent of the provisions of this article with respect to the indemnification and advancement of expenses of directors and officers of the corporation.
- 7.10 *Former Directors and Officers.* The indemnification provided in this article continues for a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of that person.
- 7.11 *Insurance.* The corporation may purchase and maintain insurance on behalf of any person who (a) was or is a director, officer, employee, or agent of the corporation, or (b) was or is serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise. Such insurance may protect against any liability asserted against the person 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 power to indemnify against such liability under this article or the laws of the state of Michigan.
- 7.12 *Changes in Michigan Law.* If there are any changes in the Michigan statutory provisions applicable to the corporation and relating to the subject matter of this article, then the indemnification to which any person shall be entitled shall be determined by such changed provisions, but only to the extent that any such change permits the corporation to provide broader indemnification rights than such provisions permitted the corporation to provide before any such change.

ARTICLE VIII COMPENSATION

- 8.01 *Director and Officer Compensation.* Directors and Officers will serve on a volunteer basis, receiving no direct or indirect compensation. Directors and Officers may be reimbursed for any out of pocket expenses directly incurred in the execution of the duties of their office.
- 8.02 When authorized by the board, a person may be reasonably compensated for services rendered to the corporation as an employee, agent, or independent contractor, except as prohibited by these bylaws.
- 8.03 Compensation arrangements shall be approved in advance of paying compensation or incurring any liability to pay compensation.
- 8.04 Any individuals involved in recommending or approving compensation agreements shall follow the conflict of interest policy, Article X.
- 8.05 Compensation shall be based on individual qualifications, job responsibilities, and compensation rates of nonprofits corporations of comparable size and scope.
- 8.06 All compensation arrangements shall be documented in the minutes of the respective Board Meeting and shall reference the basis for the determination of the amount of compensation and the terms of the compensation agreement.

ARTICLE IX FISCAL YEAR

- 9.01 The fiscal year of the corporation shall end on December 31.

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ARTICLE X CONFLICT OF INTEREST

10.1 *Purpose.*

The purpose of the conflict of interest policy is to protect this tax-exempt corporation's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. 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.

10.2 *Definitions*

1. Interested Person - Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest - A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
 - b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization 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 10.3.2, 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.

10.3 *Procedures*

10.3.1 *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.

10.3.2 *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.

10.3.3 *Procedures for Addressing the Conflict of Interest*

- a. 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.
- b. 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.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.

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d. 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 Organization'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.

10.3.4 Violations of the Conflicts of Interest Policy

a. 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.

b. 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.

10.4 Records of Proceedings

The minutes 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.

10.5 Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

10.6 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 Organization 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.

10.7 Periodic Reviews

To ensure the Organization 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.

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b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization'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.

10.8 Use of Outside Experts

When conducting the periodic reviews as provided for in Article X, the Organization 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 XI

GRANT SELECTION PROCESS

- 11.01 The Board of Directors shall approve all donations, grants, or other disbursements of funds, supplies, or equipment to outside organizations.
- 11.02 Prior to granting funds, the Board of Directors shall confirm the recipients financial status and its ability to reasonably accomplish the purpose for which the fund, supplies, or equipment are provided.
- 11.03 The Board of Directors shall establish a process for tracking and documenting the use of funds, supplies, or equipment by recipients. This process shall include, but not be limited to, a Final Report by the recipient with sufficient evidence to verify the use of funds, supplies, or equipment consistent with the Organization's tax exempt purpose.

ARTICLE XII

FOUNDATION PROVISION

- 12.01 If at any time the Corporation is or shall become a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, then the Corporation will be subject to the following as of such time and thereafter: (1) the Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code, (2) the Corporation shall not engage in any act of self dealing as defined in Section 4941(d) of the Internal Revenue Code, (3) the Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code, (4) the Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code, and (5) the Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

ARTICLE XIII

AMENDMENTS

- 13.01 The board of directors at any regular or special meeting may amend or repeal these bylaws, or adopt new bylaws by vote of a majority of the directors, if notice setting forth the terms of the proposal has been given in accordance with any notice requirement for such meeting of the board, provided at least 10 days notice is given.

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- 13.02 The by-laws may not be amended in any manner to allow any activity inconsistent with non-profit status under the Michigan Non-Profit Corporation Act or not permitted by any organization exempt under the Internal Revenue Service 501(c)(3) designation.