

# **MASONIC HOME FOR CHILDREN AT OXFORD**

Amended and Restated By-Laws

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# **AMDENDED AND RESTATED BYLAWS OF THE MASONIC HOME FOR CHILDREN AT OXFORD, INC**

## **Article I. MISSION**

Providing a safe, nurturing home for children in need with opportunities to maximize their potential

## **Article II. OFFICES**

The principal office of Masonic Home for Children at Oxford, Inc., hereafter referred to as The Home, shall be in the City of Oxford, Granville County, North Carolina.

## **Article III. BOARD OF DIRECTORS**

### *Section 3.01 Number and Term*

The Board of Directors of the Masonic Home for Children at Oxford, Inc, shall consist of a minimum number of fifteen (15) members with the right to vote, qualified as provided, and including the following ex officio Grand Officers of the Grand Lodge of North Carolina Masons:

- a) The Grand Master
- b) The Deputy Grand Master
- c) The Senior Grand Warden

Six (6) non-ex officio members shall be nominated by the Grand Lodge Board of General Purposes, elected by the Grand Lodge, and approved by the Board of Directors by 2/3 vote of the membership for terms of three (3) years.

Six (6) non-ex officio members-at-large shall be nominated by the members of the Board and approved by the Board of Directors for terms of three (3) years.

### *Section 3.02 Vacancies*

In the event of vacancies for any reason, the Grand Master shall fill the same subject to the approval of the Board of Directors.

The Board of Directors may declare a vacancy of a position if the Board member:

- filling the position dies,
- resigns by delivering a written resignation to the Chairman of the Board,
- term of membership expires, or
- is expelled or terminated in accordance with the articles or by-laws.

The unexcused absence of any Board member from two (2) regular Board meetings within a calendar year shall be cause for a formal review of such attendance failure at

the next succeeding regular Board meeting. The offending member shall be notified of such review and requested to attend and show cause why they should not be removed from the Board. Upon a two-thirds (2/3) affirmative vote by the remaining Board members, the member may be removed and a vacancy shall be declared to exist.

Each Board member so appointed to fill a vacancy shall remain a member until their successor shall be elected by the membership or until the existing term shall expire, whichever shall occur first.

*Section 3.03 Qualifications*

The six (6) non-ex officio members nominated by the Grand Lodge Board of General Purposes and elected by the Grand Lodge shall be and remain members in good standing in a subordinate lodge of the Grand Lodge of North Carolina, and shall continue to be a resident of the State of North Carolina during his term; and shall not, except for ex officio members, be a member of WhiteStone, a Masonic and Eastern Star Community Board of Directors. All non-ex officio members nominated by the Grand Lodge Board of General Purposes and elected by the Grand Lodge shall be elected to serve for three (3) year terms and shall be eligible to succeed himself or herself for a second three (3) year term on this Board at which time they shall be ineligible to serve again until after the expiration of twelve (12) months.

*Section 3.04 Observer*

The Junior Grand Warden of the Grand Lodge of North Carolina shall be an observer at meetings of this Board of Directors and shall be notified of meetings as are other members.

*Section 3.05 Suspension*

The Grand Master or the Board of Directors may suspend any member of this Board for any reason.

*Section 3.06 General Powers*

This Board shall manage the business affairs of The Home in accordance with its Charter and Bylaws and shall take such other and further action as is necessary, required or deemed desirable by the Board of Directors to achieve the purposes of The Home in accordance with the Incorporation or these bylaws. It shall exercise full authority over The Home and all its projects and activities and shall establish general policy designed to accomplish the purpose of The Home as set forth in the Articles of Incorporation as amended. It shall generally direct the affairs of The Home and shall designate all officers of The Home. It shall not, by its own actions or any manner, attempt to obligate the Grand Lodge of North Carolina.

*Section 3.07 Compensation*

No voting member or committee member of the Board of Directors shall receive any compensation except accounted for and necessary expenses incurred in the performance of his or her duties when approved by the Chairman of the Board and as provided by policies and procedures of The Home.

*Section 3.08 Regular Meetings*

The regular meetings of this Board shall be on the second Fridays of February, May, August and November, unless otherwise ordered by the Chairman of the Board.

*Section 3.09 Special Meetings*

Special meetings of this Board shall be as called by the Chairman of the Board or the Grand Master in emergency situations, and shall be at such time and place as the same shall specify, all upon at least three (3) days' notice to each director or written notice by first class mail or e-mail or by other communication directly with each director. Attendance at any meeting shall constitute waiver of notice to such attending director, except where such attendance is for the purpose of objecting to the lawfulness of the meeting.

*Section 3.10 Quorum*

Eight (8) members present at any meeting of this Board shall constitute a quorum for the transaction of business.

At any meeting of the Board of Directors at which a quorum is present, a 2/3 majority of the votes shall carry any motion except as may be specified elsewhere in these By-Laws. A tie vote shall not carry any motion, when there are an even number of voters. Votes can be cast in person or by teleconference as verified by a Board member.

**Article IV.  
OFFICERS**

*Section 4.01 Number*

The officers of The Home shall consist of a Chairman of the Board, Vice Chairman, Secretary, and Treasurer. The Chairman of the Board shall be a member of the Board of Directors and shall be and remain a member in good standing in a subordinate lodge of the Grand Lodge of North Carolina. The remaining officers and any other officers the Board of Directors deem necessary shall be elected.

*Section 4.02 Election and Term*

The officers of The Home shall be elected by the Board of Directors at its regular meeting in November of each year. Their terms shall begin on January 1 following their election. Each officer shall hold office until his or her death, removal, or his or her successor is elected and qualified.

*Section 4.03 Duties*

The duties of the several officers shall be as follows:

a) *Chairman of the Board*

The Grand Master or acting Grand Master of Masons in North Carolina shall appoint a Chairman of the Board of Directors from the Board of Directors who shall have general charge of the activities of The Home. The Chairman may vote on all matters that come before the Board, but cannot vote twice, first to make a tie and then to give the casting vote.

b) *Vice Chairman*

The Grand Master or acting Grand Master of Masons in North Carolina shall appoint a Vice Chairman of the Board of Directors from the Board of Directors who shall, in the absence of the Chairman, perform such duties as may be

required by the Chairman and shall perform such other duties as the Board of Directors may prescribe from time to time.

c) *Secretary*

The Secretary shall be the Chair of the Personnel and Policy Committee and shall attend all meetings of the Board and shall record all transactions of the Board and shall preserve the record until the destruction thereof shall have been authorized by the Board of Directors. The Secretary shall prepare minutes of all proceedings of the Board of Directors and perform such other duties as may be prescribed from time to time by the Chairman. He or she shall have charge of all of the books and records of The Home and the corporate seal and shall affix or cause to be affixed the corporate seal to any lawfully executed instrument requiring the same. The Board of Directors shall appoint, by resolution, the Chief Executive Officer/President or designee, in the absence of the Secretary, to have charge of the corporate seal and to affix the corporate seal to any lawfully executed instrument requiring the same, with approval of the Secretary.

d) *Treasurer*

The Treasurer shall be the Chairman of the Finance Committee of the Board of Directors and shall have custody of The Home's funds and keep, or cause to be kept, a full and accurate account of receipts and disbursements and shall immediately deposit, or cause to be deposited, all monies and other valuable effects in the name of and to the credit of The Home in such a depository as may be designated by the Board of Directors. He or she shall cause to be performed an annual audit of the corporate books and present a copy of the results of that audit to the Board of Directors for their approval. The Treasurer, acting on behalf of the Board, shall exercise full power, except as prohibited by the terms of any instrument of any gift, devise, bequest, or other transfer, at its sole discretion, to change the form of any investment and for that or any other purposes of The Home to dispose of any securities or other property held by The Home. He or she shall disburse, or cause to be disbursed, the funds of The Home as may be ordered by the Board, by checks or drafts drawn on the account of The Home upon proper vouchers therefor and shall render to the Chairman and the Board of Directors at each regular meeting, or whenever they may require, a complete account of all transactions as Treasurer and of the financial condition of The Home. The Treasurer and such other individuals as may be designated by the Board are required to furnish a security bond in an amount determined by the Board, the premium of which shall be paid by The Home. The Board of Directors shall appoint, by resolution, the Chief Financial Officer or designee to execute the financial transactions of The Home, with approval of the Treasurer.

**Article V.  
MANAGEMENT**

*Section 5.01 Management*

The Home shall consist of an Chief Executive Officer/President and any such employees he or she may deem necessary to carry out the mission of The Home.

*Section 5.02 Chief Executive Officer/President*

The Chief Executive Officer/President shall be the executive head of The Home and shall be solely responsible for the management, control, and direction of its affairs under the policies established by the Board of Directors and subject to the approval, confirmation and ratification by the Board and such other duties as may be assigned by the Board from time to time.

- a) The Chief Executive Officer/President shall be directly responsible to the Board of Directors in all matters relating to the operation of The Home and the direction of its affairs.
- b) The Chief Executive Officer/President shall make a report to the Board of Directors at each regular meeting of the Board regarding the state of The Home and actions regarding the administration and the affairs of The Home and such other reports as may be required by the Chairman of the Board of Directors.
- c) The Chief Executive Officer/President shall make recommendations to the Board for uses of the Home consistent with its Mission.

*Section 5.03 Chief Operating Officer/Vice President*

A Chief Operating Officer/Vice President may be employed at the discretion of the Chief Executive Officer/President. The Chief Operating Officer/Vice President, when employed, shall assume the duties and responsibilities of the Chief Executive Officer/President in his or her absence.

*Section 5.04 Other Employees*

The Chief Executive Officer/President shall employ such additional employees, including but not limited to: a Chief Financial Officer (CFO), social workers, child care workers, teachers, maintenance personnel, department heads, professional consultants, and assistants as he or she may deem necessary to adequately execute the policies of the Board and to prescribe their duties and their compensation in accordance with *Section 5.05* below.

*Section 5.05 Compensation*

The salary and wages of all employees of The Home are included in the annual budget presented by the Finance Committee for consideration by the Board.

**Article VI.  
COMMITTEES**

*Section 6.01 Term*

The following committees shall be elected and/or appointed at the regular meeting of the Board of Directors in November of each year. Their terms shall begin on January 1 following their election or appointment and they shall serve until the next regular meeting of the Board of Directors in November, or until their successors are elected or appointed.

- a) Audit Committee
- b) Executive Committee
- c) Finance Committee
- d) Financial Development Committee
- e) Marketing Committee
- f) Nominations Committee
- g) Policy & Personnel Committee
- h) Program Planning Committee
- i) Vision Committee

Committees shall consist of a minimum number of five (5) voting members:

- at least three (3) appointed by the Chairman of the Board,
- the Chief Executive Officer,
- any Board member attending the committee meeting, and
- staff lead appointed by the Chief Executive Officer.

Committee members officially listed on the Committee list not labeled as Observers may vote on committee motions. A quorum shall consist of not less than three (3) committee members present at any meeting of the committee for the transaction of business. For committees with more than five (5) committee members, a quorum shall consist of greater than fifty (50) percent present at any meeting of the committee for the transaction of business. Members may adjourn the meeting from time to time until a quorum can be obtained.

Two (2) unexcused absences from regular committee meetings in one year shall be reported to the Chairman of the Board for review and possible replacement on the committee.

Observers may not vote on motions of the Board of Directors or in committee meetings. Committee members who are not on the Board of Directors may vote on committee motions but not vote on Board of Directors motions.

*Section 6.02                      Audit Committee*

- a. At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of three (3) members of the Audit Committee, of which none may be a current member of the Finance Committee. The Chairman/Treasurer and the Chief Executive Officer/President shall not be members of the committee.
- b. The Audit Committee shall oversee the financial reporting, internal controls, and audit processes of The Home.
- c. The Committee shall recommend to the Board of Directors the selection of an independent auditor not later than the November Board meeting of each year and shall meet with the auditor prior to and during the audit, as appropriate.

The Audit Committee shall review the annual audit, the Form 990 and Form 990-T, as well as the auditor's evaluation of the internal control system, and make recommendations to the Board of Directors.

*Section 6.03 Executive Committee*

- a. The Executive Committee shall be composed of the officers of the Board, the Grand Master, and the Chief Executive Officer/President. The Chairman of the Board shall chair the Executive Committee and schedule meetings as needed.
- b. It shall be the duty of the Executive Committee to meet each month in which the full Board of Directors does not meet, or more frequently if deemed necessary by the Chairman, to act on behalf of, and with the authority of, the Board of Directors in matters relating to the Home.
- c. The Chairman shall, as necessary, designate other Board members as ad hoc committee members and the Chief Executive Officer/President shall, as necessary, designate staff as ad hoc committee members to assist the Executive Committee on specific matters of business.
- d. The Executive Committee shall have the authority to act on behalf of the Home and to take action without Board approval and report back to the Board at the next regularly scheduled quarterly meeting or sooner at an emergent Board Meeting, if deemed necessary by the Chairman.
- e. The Executive Committee shall meet from time to time with the Chief Executive Officer/President to review Board By-Laws and make recommendations to the Board of Directors concerning same.

*Section 6.04 Finance Committee*

- a) At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of five (5) members of the Finance Committee at least three (3) of whom shall be and remain members in good standing in a subordinate lodge of the Grand Lodge of North Carolina and members of the Board of Directors.
- b) The Finance Committee shall meet with the Chief Financial Officer from time to time to analyze the financial assets and property of The Home and make recommendations to the Board of Directors for the investment or disposition thereof. The Finance Committee may, with the authorization and approval of the Board of Directors, select the Investment Committee of the North Carolina Masonic Foundation or another investment firm to manage the investments of The Home. Any such investment firm shall provide quarterly reports of investments to the Board of Directors and perform such other duties as may be assigned to it by the Board of Directors. The Finance Committee shall approve and assist in the development of the annual budget for presentation to the Board of Directors for their approval or rejection prior to the commencing of the next fiscal year at the regular meeting of the Board of Directors held in November of each year.

- c) The Finance Committee shall annually review The Home's Investment Policy.

*Section 6.05 Financial Development Committee*

- a. At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of three (3) members of the Financial Development Committee, one of whom he or she shall designate as Chairman of that committee.
- b. It shall be the duty of the Financial Development Committee to meet from time to time with the Chief Executive Officer/President, the Chief Finance Officer, and representatives of the North Carolina Masonic Foundation Financial Development Team to review strategies and ethics of the financial development efforts of the organization and to forward any changes or recommendations to the Board of Directors.
- c. It shall be the duty of the Financial Development Committee to review revenues and the means by which they are generated to include review of solicitation plans, general marketing plans, planned giving, and gifts-in-kind received by The Home.

It shall be the duty of the Financial Development Committee to assist The Home in representing itself to the community and to lodges and other Masonic bodies, to assist in public relations matters, and to assist in the solicitation of funds necessary for the operation of The Home and for capital projects.

- d. The Financial Development Committee shall annually review all the fundraising policies and procedures and written agreements to ensure adherence to the prevailing nationally accepted ethical and legal practices in fundraising.
- e. The Financial Development Committee shall handle such other duties as may be assigned from time to time by the Board of Directors.

*Section 6.06 Marketing Committee*

- a. At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of three (3) members of the Marketing Committee one of whom he shall designate as Chairman of that committee. The Chairman shall, as necessary, designate ad hoc committee members and the Chief Executive Officer/President shall, as necessary, designate staff as ad hoc committee members to assist the Committee on specific matters of business.
- b. It shall be the duty of the Marketing Committee to meet from time to time with the Annual Giving Officer, Marketing and Events Coordinator, Administrator/President to review strategies and ethics of the marketing efforts of the organization and to forward any changes or recommendations to the Board of Directors.

- c. It shall be the duty of the Marketing Committee to promote the agency to the public at large, with particular focus on the Masonic Community and other stakeholder groups. The Marketing Committee will increase brand recognition for MHCO as the premier choice for families in need of low-level residential care or community-based services. The Marketing Committee will develop marketing efforts to help the solicitation of funding necessary to support the programs and services of MHCO.
- d. It shall be the duty of the Marketing Committee to assist The Home in developing the message of The Home and delivering pertinent messages to various community and Masonic groups. The Marketing Committee will monitor and contribute to agency related websites and utilize various mediums, including social media, to inform the public about agency events, needs, stories of success and ways to help with the mission.
- e. The Marketing Committee shall annually review all the marketing messages, tools and mediums with respect to all ethical and legal practices and present a report for the Board of Directors related to this review.

*Section 6.07 Nominations Committee*

- a. At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of three (3) members of the Nominations Committee, one of whom he or she shall designate as Chairman of that committee.
- b. It shall be the duty of the Nominations Committee to meet from time to time with the Chief Executive Officer/President and to recommend potential Board member replacements to the Grand Master of Masons in North Carolina and the Chairman of the Board for their consideration.
- c. It shall be the duty of the Nominations Committee to meet from time to time with the Chief Executive Officer/President to recommend potential Board Committee assignments to the Grand Master and the Chairman of the Board for their consideration.

*Section 6.08 Policy and Personnel Committee*

- a) At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum three (3) members of the Policy and Personnel Committee.
- b) The Policy and Personnel Committee shall meet from time to time with the Chief Executive Officer/President to review personnel policies of The Home, and all other matters related thereto and to make recommendations to the Board of Directors concerning same.

- c) The committee shall meet with the Chief Executive Officer/President, the Chief Financial Officer and the Treasurer in preparation for the annual budget as it relates to wages, salaries, and other employee benefits as may be needed.
- d) As The Home is an equal opportunity employment organization, the Policy and Personnel Committee shall meet to discuss all areas of policies and procedures related to personnel and make recommendations to the Board of Directors.

*Section 6.09 Program Planning Committee*

- a) At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of three (3) members of the Program Planning Committee one of whom he or she shall designate as Chairman of that committee.
- b) It shall be the duty of the Program Planning Committee to meet from time to time with the Chief Executive Officer/President to review the policies and procedures concerning the current programs of The Home, recommend any plans for further programs that may be appropriate to the organization, and other matters related thereto, and make recommendations to the Board of Directors concerning same.
- c) It shall be the duty of the Program Planning Committee to review the results of the Performance Quality Improvement (PQI) efforts of the organization, including reviewing and revising the PQI Plan, and to forward to the Board of Directors any recommendations for change.

*Section 6.10 Vision Committee*

- a) At a regular meeting of the Board of Directors held in November of each year, the Chairman of the Board shall appoint a minimum of three (3) members of the Vision Committee one of whom he shall designate as Chairman of that committee.
- b) It shall be the duty of the Vision Committee to meet from time to time with the Chief Executive Officer/President to recommend utilization of current resources, development of additional facilities, development of programs and services, or other initiatives to be vetted by additional Board Committees or the full Board as assigned.
- c) It shall be the duty of the Vision Committee to conduct strategic planning and to review the efforts of the organization regarding progress on the Strategic Plan and to develop recommendations to the Board of Directors for changes, additions, or modifications to the Strategic and Annual Plans.

*Section 6.11                      Applicable to all Committees*

- a. The Board of Directors, upon recommendation of the Chairman, may form any ad hoc committee or may increase the membership on any of the standing committees as may be needed from time to time and provide for the qualifications of the members.

The Chairman of the Board, Grand Master, Deputy Grand Master, and Chief Executive Officer/President are ad hoc members of all committees.

## **Article VII.**

### **CONTRACTS AND LOANS**

*Section 7.01                      Authority*

The Board of Directors, by vote, may authorize the Chief Executive Officer/President of The Home or the Chairman, Secretary, or Treasurer of the Board of Directors to enter into any contract and to execute and deliver an instrument on behalf of The Home.

*Section 7.02                      Loans*

No loan shall be contracted on behalf of The Home, and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the Board of Directors.

*Section 7.03                      Checks and Drafts*

All checks, drafts, or other orders for the payment of money issued in the name of The Home shall be signed by such officer or officers, agent or agents of The Home in such manner as shall from time to time be determined by a resolution of the Board of Directors.

*Section 7.04                      Depository*

All funds of The Home not otherwise employed shall be deposited from time to time to the credit of The Home in such depository as the Board of Directors shall direct.

## **Article VIII.**

### **ADMISSION OF CHILDREN**

*Section 8.01                      Rules*

The Board of Directors shall review from time to time such rules and regulations for the admission of children or young adults to The Home as presented by the Chief Executive Officer/President and reviewed by the Program Planning Committee.

*Section 8.02                      Applications for Admissions*

All applications for admission of children or young adults to The Home shall be upon blanks approved by the Chief Executive Officer/President or designee and reviewed by the designated staff. The format of these blanks may be presented to the Policy and Personnel Committee for review as related to Performance Quality Improvement, but not to the content of individual admission applications for children applying to The Home.

*Section 8.03 Dismissal of Children*

All children or young adults admitted to The Home must strictly adhere to and obey all rules and regulations reviewed and revised by the Chief Executive Officer/President, the Performance Quality Improvement Plan, and presented to the Board of Directors. Any child or young adult may be summarily discharged or dismissed from care when the Chief Executive Officer/President, in his sole discretion, deems such action to be in the best interest of The Home.

*Section 8.04 Release of Records*

Requests for the release of records will be handled pursuant to current policy.

## **Article IX.**

### **TAX EXEMPT ORGANIZATION**

*Section 9.01 Use of Income*

The Home is a non-profit corporation and is organized exclusively for charitable, religious, educational, and scientific purposes in accordance with section 501(c) 3 of the Internal Revenue Code. All gifts to The Home or other income not otherwise designated by the donor shall go into the general fund of The Home to be used in accordance with the current and recognized mission of The Home. The Home may receive, manage, invest or disperse conditional gifts only if such gifts are for the exclusive use and benefit of The Home which shall include gifts for the benefit of any separate or independent organization which is supportive of or which best promotes the mission of The Home or the programs and functions of The Home.

*Section 9.02 Compensation*

No part of the net earnings of The Home shall inure to the benefit of or be distributable to any trustee, officer, director, or other individual except The Home shall be authorized and empowered to pay the actual expenses of the directors as provided in ARTICLE III of these bylaws and to make payments and distribution in the promotion and consummation of The Home and its primary function which best promotes the mission of The Home or the programs and functions of the Home.

*Section 9.03 Non-Political*

The Home shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. The Home shall not carry on any activities not permitted to be carried on:

- a) By The Home exempt under Federal Income Tax under Section 501c(3) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law), or
- b) By The Home, contributions to which are deductible under Section 170c(2) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law).

*Section 9.04 Dissolution*

No part of the net earnings of The Home shall incur to the benefit of any officer, director, or employee of The Home. Upon dissolution of the organization, assets shall be distributed to The North Carolina Masonic Foundation, Inc., a 501c (3), its successors or assigns if exempt within the meaning of 501c (3) of the Internal Revenue Code of 1986, or corresponding section of any future Federal tax code, or shall be distributed to the state or local government for a similar public purpose. Any such assets so disposed shall be disposed of by a court of competent jurisdiction in the county in which the principal office of the organization is then located, exclusively for such purposes.

## **ARTICLE X.**

### **MISCELLANEOUS PROVISIONS**

#### *Section 10.01 Seal*

The corporate seal of The Home shall consist of two (2) concentric circles between which are the following words, "The Masonic Home for Children at Oxford, N.C.", and in the center of which is a figure of a man and boy holding hands, the letter "G" surrounded by a square and compasses, and the words, "Established 1872" as impressed on the margin thereof and which is hereby adopted as the corporate seal of The Home.

#### *Section 10.02 Fiscal Year*

The fiscal year of The Home shall be from the 1<sup>st</sup> day of January in each year through the 31<sup>st</sup> day of December of each year.

#### *Section 10.03 No Personal Dealings*

Each director and committee member of the Board of Directors shall annually review and agree by signed acknowledgment the accepted and approved Conflict of Interest Policy of The Home at the first stated meeting of each fiscal year or as a member or committee member is oriented prior to his or her first attendance to their first stated meeting.

#### *Section 10.04 Amendments to Bylaws*

These bylaws may be altered, amended, or repealed and new bylaws may be adopted by a two-thirds (2/3) vote of the total membership of the Board at any regular meeting of the Board of Directors or at any special meeting called for such purpose.

#### *Section 10.05 Actions and Meetings by Electronic Transmission*

The Board of Directors recognizes participation in meetings by conference telephone or remote communication, subject to guidelines and procedures adopted by the board. A director or committee member not physically present at a meeting may participate by means of remote communication and is considered present, in-person, and can vote if verified by the Chairman or Committee Chairman. The Home should provide reasonable means to allow directors and committee members to participate and vote, including the electronic transmission of proceedings and any related subject matter. A record of the vote or action of a meeting held by electronic transmission must be maintained by The Home. All policies of confidentiality and meeting rules accepted by the Board of Directors must be recognized and adhered to in instances of electronic transmission. The Home defines "electronic transmission" or "electronically

transmitted" as any form of communication that does not involve the physical transmission of paper, creates a record that may be retained and retrieved by the recipient, and can directly reproduced in paper form by the recipient through an automated process.

*Section 10.06            Actions by Written Consent of Board of Directors*

When not possible or practical, when meeting electronically, or in lieu of a stated meeting, action can be taken by the Board of Directors upon written consent and unanimous approval of the Directors. The action must be evidenced by written consents describing the action taken, signed by each director and included in the minutes filed with the corporate records reflecting the action taken. In such cases a consent resolution will be sent to each individual director by mail, email or fax for his or her signature. Any action taken as a result of the written consent should also be entered into the minutes of the next Board Meeting and made part of the official record of The Home.

In the event of a written vote, the Chairman of the Board or Secretary shall send all Board members a written resolution stating the matter under consideration via postal or certified mail. Board members cast written votes and return their ballots to the Secretary by mail. After the Secretary records the vote, the hard copies of ballots are filed as documentation.

*Section 10.07            Exclusion of Proxies*

The use of a proxy by directors of the MHCO Board of Directors for attendance at meetings, motions, voting, or in the execution of written consent is prohibited.