

**Application for Recognition of Exemption
 Under Section 501(c)(3) of the Internal Revenue Code**

Use the instructions to complete this application and for a definition of all **bold** items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at www.irs.gov for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
Rahab's Sisters			
3 Mailing address (Number and street) (see instructions)		Room/Suite	4 Employer Identification Number (EIN)
8147 SE Pine Street			26-1675500
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01-12)	
Portland, OR 97215		06	
6 Primary contact (officer, director, trustee, or authorized representative)		b Phone: (503) 294-9526	
a Name:		c Fax: (optional) (503) 220-2480	
Terrence R. Pancoast			
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9 a Organization's website: www.rahabs-sisters.org			
b Organization's email: (optional)			
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		06 / 11 / 2007	
12 Were you formed under the laws of a foreign country ? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Part II Organizational Structure

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

- 1 Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. Yes No
- 2 Are you a **limited liability company (LLC)**? If "Yes," attach a copy of your articles of organization showing **certification of filing** with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. Yes No
- 3 Are you an **unincorporated association**? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. Yes No
- 4 a Are you a **trust**? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. Yes No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. Yes No
- 5 Have you adopted **bylaws**? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. Yes No

Part III Required Provisions in Your Organizing Document

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): page 1, Article III
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. page 2, Article V
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state:

Part IV Narrative Description of Your Activities

Using an attachment, describe your *past, present, and planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors

1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual **compensation**, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
See Attachment			

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

c List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
None			

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

- 2 a** Are any of your officers, directors, or trustees related to each other through family or business relationships? If "Yes," identify the individuals and explain the relationship. Yes No
- b** Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. Yes No
- c** Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. Yes No

- 3 a** For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.
- b** Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through common control? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. Yes No

- 4** In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.
 - a** Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? Yes No
 - b** Do you or will you approve compensation arrangements in advance of paying compensation? Yes No
 - c** Do you or will you document in writing the date and terms of approved compensation arrangements? Yes No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- d Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No
- e Do you or will you approve compensation arrangements based on information about compensation paid by **similarly situated** taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No
- f Do you or will you record in writing both the information on which you relied to base your decision and its source? Yes No
- g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is **reasonable** for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.

- 5a Have you adopted a **conflict of interest policy** consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. Yes No
- b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
- c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?

Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

- 6a Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through **non-fixed payments**, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No
- b Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No

- 7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at **arm's length**, and explain how you determine or will determine that you pay no more than **fair market value**. Attach copies of any written contracts or other agreements relating to such purchases. Yes No
- b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales. Yes No

- 8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f. Yes No
- b Describe any written or oral arrangements that you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine you pay no more than fair market value or you are paid at least fair market value.
- f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.

- 9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f. Yes No

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. Yes No
- b In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. Yes No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No
- 3 Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a **successor** to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. Yes No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. Yes No

Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past, present, and planned* activities. (See instructions.)

- 1 Do you support or oppose candidates in **political campaigns** in any way? If "Yes," explain. Yes No
- 2a Do you attempt to **influence legislation**? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. Yes No
- b Have you made or are you making an **election** to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. Yes No
- 3a Do you or will you operate bingo or **gaming** activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. **Revenue and expenses** should be provided for the time periods specified in Part IX, Financial Data. Yes No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. Yes No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

Part VIII Your Specific Activities (Continued)

4a Do you or will you undertake fundraising? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.)

- mail solicitations, email solicitations, personal solicitations, vehicle, boat, plane, or similar donations, foundation grant solicitations, phone solicitations, accept donations on your website, receive donations from another organization's website, government grant solicitations, Other

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements.

c Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements.

d List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

e Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes," if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors.

5 Are you affiliated with a governmental unit? If "Yes," explain.

6a Do you or will you engage in economic development? If "Yes," describe your program.
b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

7a Do or will persons other than your employees or volunteers develop your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees.

b Do or will persons other than your employees or volunteers manage your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees.

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

8 Do you or will you enter into joint ventures, including partnerships or limited liability companies treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate.

9a Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10.

b Do you provide child care so that parents or caretakers of children you care for can be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).

d Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k).

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other intellectual property? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed.

Part VIII Your Specific Activities (continued)

11 Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution. [] Yes [X] No

12a Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a. [] Yes [X] No

b Name the foreign countries and regions within the countries in which you operate.

c Describe your operations in each country and region in which you operate.

d Describe how your operations in each country and region further your exempt purposes.

13a Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a. [] Yes [X] No

b Describe how your grants, loans, or other distributions to organizations further your exempt purposes.

c Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract. [] Yes [] No

d Identify each recipient organization and any relationship between you and the recipient organization.

e Describe the records you keep with respect to the grants, loans, or other distributions you make.

f Describe your selection process, including whether you do any of the following:

(i) Do you require an application form? If "Yes," attach a copy of the form. [] Yes [] No

(ii) Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused. [] Yes [] No

g Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.

14a Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15. [] Yes [X] No

b Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.

c Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries. [] Yes [] No

d Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors. [] Yes [] No

e Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information. [] Yes [] No

f Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately. [] Yes [] No

Part VIII Your Specific Activities (Continued)

- 15 Do you have a close connection with any organizations? If "Yes," explain. Yes No
- 16 Are you applying for exemption as a cooperative hospital service organization under section 501(e)? If "Yes," explain. Yes No
- 17 Are you applying for exemption as a cooperative service organization of operating educational organizations under section 501(f)? If "Yes," explain. Yes No
- 18 Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes," explain. Yes No
- 19 Do you or will you operate a school? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity. Yes No
- 20 Is your main function to provide hospital or medical care? If "Yes," complete Schedule C. Yes No
- 21 Do you or will you provide low-income housing or housing for the elderly or handicapped? If "Yes," complete Schedule F. Yes No
- 22 Do you or will you provide scholarships, fellowships, education loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. Yes No

Note: Private foundations may use Schedule H to request advance approval of individual grant procedures.

Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

A. Statement of Revenues and Expenses

Type of revenue or expense	3 prior tax years or 2 succeeding tax years				(e) Provide Total for (a) through (d)
	(a) Current tax year From <u>6/11/07</u> To <u>6/30/08</u>	(b) From <u>7/1/08</u> To <u>6/30/09</u>	(c) From <u>7/1/09</u> To <u>6/30/10</u>	(d) From _____ To _____	
1 Gifts, grants, and contributions received (do not include unusual grants)	4,712	6,125	7,350		18,187.00
2 Membership fees received	0	0	0		
3 Gross investment income	0	0	0		
4 Net unrelated business income	0	0	0		
5 Taxes levied for your benefit	0	0	0		
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0	0	0		
7 Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)	0	0	0		
8 Total of lines 1 through 7	4,712.00	6,125.00	7,350.00		18,187.00
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	800	920	1,000		2,720.00
10 Total of lines 8 and 9	5,512.00	7,045.00	8,350.00		20,907.00
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0		
12 Unusual grants	0	0	0		
13 Total Revenue Add lines 10 through 12	5,512.00	7,045.00	8,350.00		20,907.00
14 Fundraising expenses	1,694	1,870	1,952		
15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	0	0	0		
16 Disbursements to or for the benefit of members (attach an itemized list)	0	0	0		
17 Compensation of officers, directors, and trustees	0	0	0		
18 Other salaries and wages	0	0	0		
19 Interest expense	0	0	0		
20 Occupancy (rent, utilities, etc.)	0	0	0		
21 Depreciation and depletion	0	0	0		
22 Professional fees	4,080	4,184	4,393		
23 Any expense not otherwise classified, such as program services (attach itemized list)	3,300	3,465	3,638		
24 Total Expenses Add lines 14 through 23	9,074.00	9,519.00	9,983.00		

Part IX Financial Data (Continued)

B. Balance Sheet (for your most recently completed tax year)

Year End: as of 3/31/08

Assets

Table with 2 columns: Description (lines 1-11) and Amount (Whole dollars). Total Assets: 6,099.

Liabilities

Table with 2 columns: Description (lines 12-16) and Amount (Whole dollars). Total Liabilities: 0.

Fund Balances or Net Assets

Table with 2 columns: Description (lines 17-18) and Amount (Whole dollars). Total Fund Balances or Net Assets: 6,099.

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain: [] Yes [XX] No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status.

1 a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. [] Yes [X] No

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3).

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. [] Yes [] No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. [] Yes [] No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? [] Yes [] No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

- a 509(a)(1) and 170(b)(1)(A)(i) - a church or a convention or association of churches. Complete and attach Schedule A.
b 509(a)(1) and 170(b)(1)(A)(ii) - a school. Complete and attach Schedule B.
c 509(a)(1) and 170(b)(1)(A)(iii) - a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C.
d 509(a)(3) - an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D.

Vertical checkboxes for public charity status options a, b, c, and d.

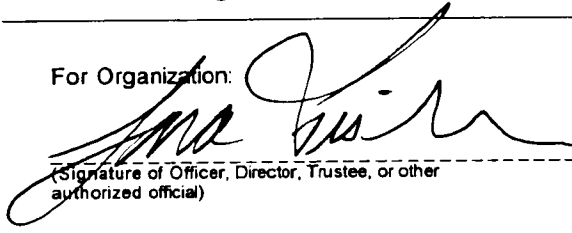
Part X Public Charity Status (Continued)

- e 509(a)(4) - an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv) - an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi) - an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2) - an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

- 6 If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.
- a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization:



(Signature of Officer, Director, Trustee, or other authorized official)

Sara Fischer
 (Type or print name of signer)

5-16-08
 (Date)

President
 (Type or print title or authority of signer)

For IRS Use Only

IRS Director, Exempt Organizations

(Date)

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6(b)(i) and (ii).
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses.
 - (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.
 - (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box.
 - (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

- 7 Did you receive any unusual grants during any of the years shown on Part IX-A, Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. Yes No

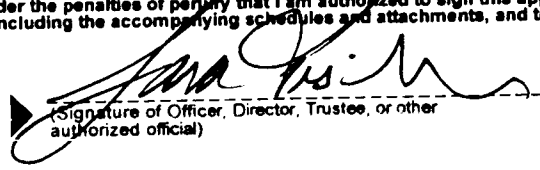
Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of gross receipts over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? Yes No
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change - see above).
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change - see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change).
- 3 Check the box if you have enclosed the user fee payment of \$750 (Subject to change).

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here



Sara Fischer
(Type or print name of signer)

5-16-08
(Date)

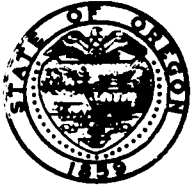
President
(Type or print title or authority of signer)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application. Form 1023 (Rev. 6-2006)

Rahab's Sisters
EIN 26-1675500
Form 1023

Part II
Item 1

The Articles of Incorporation of Rahab's Sisters, showing certification of filing with the Oregon Secretary of State, are attached. There have been no amendments to the Articles.



Secretary of State
Corporation Division
255 Capitol Street NE, Suite 151
Salem, OR 97310-1327

Phone: (503) 986-2200
Fax: (503) 378-4381
www.filinginoregon.com

Registry Number: 442384-91
Type: DOMESTIC NONPROFIT CORPORATION

Next Renewal Date: 06/11/2008

SARA FISCHER
2036 SE JEFFERSON ST
MILWAUKIE OR 97222-7660

Acknowledgment Letter

The document you submitted was recorded as shown below. Please review and verify the information listed for accuracy.

If you have any questions regarding this acknowledgement, contact the Secretary of State, Corporation Division at (503) 986-2200. Please refer to the registration number listed above. A copy of the filed documentation may be ordered for a fee of \$5.00. Submit your request to the address listed above or call (503) 986-2317 with your Visa or MasterCard number.

Document

ARTICLES OF INCORPORATION

Filed On

06/11/2007

Jurisdiction

OREGON

Nonprofit Type

PUBLIC BENEFIT

Name

RAHAB'S SISTERS

Registered Agent

SARA FISCHER
2036 SE JEFFERSON ST
MILWAUKIE OR 97222-7660

RECEIVED
STOEL RIVES LLP
By SR 6/12/07

JODFOR
ACK
06/11/2007

NONPROFIT

442384-91

ARTICLES OF INCORPORATION

OF

RAHAB'S SISTERS

FILED

JUN 11 2007

**OREGON
SECRETARY OF STATE**

The undersigned individual, acting as incorporator under the Oregon Nonprofit Corporation Act, adopts the following Articles of Incorporation.

ARTICLE I

The name of the corporation is Rahab's Sisters.

ARTICLE II

The corporation is a public benefit corporation.

ARTICLE III

The corporation is organized and shall be operated exclusively for charitable, religious, and educational purposes permitted by Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("IRC"). Without limiting the generality of the foregoing, the corporation shall provide a non-judgmental ministry of welcome, hospitality and presence for women in prostitution.

ARTICLE IV

Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income taxation under IRC Section 501(c)(3) and (b) by a corporation contributions to which are deductible under IRC Sections 170(c)(2), 2055(a)(2) and 2522(a)(2). No part of the net earnings of the corporation shall inure to the benefit of any private shareholder or individual. No substantial part of the activities of the corporation shall be carrying on propaganda, or

otherwise attempting to influence legislation, except as may be permitted under IRC Section 501(h), and the corporation shall not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE V

Upon the dissolution or final liquidation, after the payment or provision for payment of all of the liabilities of the corporation, the remaining assets of the corporation shall be distributed to such organization or organizations that are then described in IRC Sections 501(c)(3), 170(c)(2), 2055(a)(2), and 2522(a)(2) as the board of directors shall determine.

ARTICLE VI

The corporation will not have members.

ARTICLE VII

No director or uncompensated officer shall be personally liable to the corporation for monetary damages for conduct as a director or officer, provided that this Article shall not eliminate or limit the liability of a director or officer for any act or omission for which such elimination of liability is not permitted under the Oregon Nonprofit Corporation Act. No amendment to the Oregon Nonprofit Corporation Act that further limits the acts or omissions for which elimination of liability is permitted shall affect the liability of a director or officer for any act or omission which occurs prior to the effective date of the amendment.

ARTICLE VIII

The corporation shall indemnify to the fullest extent not prohibited by law any person who is made, or threatened to be made, a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by

or in the right of the corporation), by reason of the fact that the person is or was a director, officer, or employee of the corporation. The corporation shall pay for or reimburse the reasonable expenses incurred by any such person in any such proceeding in advance of the final disposition of the proceeding if the person sets forth in writing (i) the person's good faith belief that the person is entitled to indemnification under this article and (ii) the person's agreement to repay all advances if it is ultimately determined that the person is not entitled to indemnification under this Article. No amendment to this Article that limits the corporation's obligation to indemnify any person shall have any effect on such obligation for any act or omission that occurs prior to the later of the effective date of the amendment or the date notice of the amendment is given to the person. This Article shall not be deemed exclusive of any other provisions for indemnification or advancement of expenses of directors, officers, employees, agent and fiduciaries that may be included in any statute, bylaw, agreement, general or specific action of the board of directors, vote of the members or other document or arrangement.

ARTICLE IX

All references in these Articles of Incorporation to sections of the Internal Revenue Code of 1986, as amended, or the Oregon Nonprofit Corporation Act shall be deemed to refer also to the corresponding provisions of any future federal tax or Oregon nonprofit corporation laws.

ARTICLE X

The address of the corporation's initial registered office and the name of its initial registered agent at that location are:

Sara Fischer
2036 SE Jefferson Street
Milwaukie, OR 97222-7660

ARTICLE XI

The name and address of the incorporator are:

Terrence R. Pancoast
Stoel Rives LLP
900 SW Fifth Avenue, Suite 2600
Portland, OR 97204

ARTICLE XII

The alternate corporate mailing address to which notices may be mailed until the principal office of the corporation has been designated by the corporation in its annual report is:

Rahab's Sisters
c/o The Rev. Sara Fischer
St. John The Evangelist Episcopal Church
2036 SE Jefferson Street
Milwaukie, OR 97222-7660

DATED: June 11, 2007.



Terrence R. Pancoast, Incorporator

Rahab's Sisters
EIN 26-1675500
Form 1023

Part II
Item V

The current Bylaws of Rahab's Sisters, showing date of adoption, are attached. There have been no amendments to these Bylaws.

BYLAWS
OF
RAHAB'S SISTERS

SECTION 1
MEMBERS

The corporation shall have no voting members. However, the board of directors from time to time may establish one or more classes of nonvoting members on such terms and conditions as the board in its discretion deems advisable.

SECTION 2
BOARD OF DIRECTORS

2.01. Powers. All corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed under the direction of, a board of directors.

2.02. Qualifications. All directors must be individuals 18 years of age or older. Directors need not be residents or citizens of the state of Oregon or of the United States of America.

2.03. Number. The board of directors shall consist of not fewer than 5 nor more than 9 members. The number of directors may be fixed or changed periodically, within the minimum and maximum, by the board of directors.

2.04. Election and Tenure of Office. Directors shall serve for a term of three years, except that the initial term of any director may be one year, two years, or three years, as determined by the board of directors, to the end that in no year will the terms of more than one-third plus one of the directors expire. Directors shall be elected at the annual meeting of directors by vote of a majority of directors whose terms do not expire in that year. Directors may serve no more than two consecutive terms; provided, however, that a term of less than three years shall not be counted for the purpose of this limitation. Despite the expiration of a director's term, the director shall continue to serve until the director's successor is elected and qualifies or until there is a decrease in the number of directors.

2.05. Vacancies. A vacancy in the board of directors shall exist upon the death, resignation, or removal of any director. A vacancy in the board of directors may be filled by the board of directors at any meeting. Each director so elected shall hold office for the balance of the unexpired term of his or her predecessor. If the board of directors accepts the resignation of a director tendered to take effect at a future time, a successor may be elected to take office when the resignation becomes effective.

2.06. Resignation. A director may resign at any time by delivering written notice to the president or the secretary, except that no director may resign if that resignation would leave the corporation without any duly elected director. A resignation is effective when notice is effective under ORS 65.034 unless the notice specifies a later effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board of directors.

2.07. Removal. A director may be removed, with or without cause, by a vote of two-thirds of the members of the entire board of directors either at a special meeting called for that purpose or at any regular meeting, provided that notice of the meeting and of the removal question are given as provided in Section 2.10.

2.08. Meetings. An annual meeting of the board of directors shall be held during the month of June at a time and place designated by the board of directors. If the time and place of any other directors' meeting is regularly scheduled by the board of directors, the meeting is a regular meeting. All other meetings are special meetings. The board of directors may hold annual, regular, or special meetings in or out of the State of Oregon. The board of directors may permit any or all of the directors to participate in a regular or special meeting by, or conduct the meeting through, use of any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting by this means is deemed to be present in person at the meeting.

2.09. Action Without Meeting. An action required or permitted to be taken at a board of directors' meeting may be taken without a meeting if the action is taken by all members of the board of directors. The action shall be evidenced by one or more written consent describing the action taken, signed by each director, and included in the minutes or filed with the corporate records reflecting the action taken. Action taken under this section is effective when the last director signs the consent, unless the consent specifies an earlier or later effective date. A consent under this section has the effect of a meeting vote and may be described as such in any document.

2.10. Call and Notice of Meeting. The annual meeting of the board of directors must be preceded by not less than 10 days' nor more than 40 days' notice to each director of the date, time, and place of the meeting. Regular meetings of the board of directors may be held without further notice of the date, time, place, or purpose of the meeting. Special meetings of the board of directors must be preceded by at least seven days' notice, if given by first-class mail, or 48 hours' notice, if delivered personally or given by telephone, email, or fax, to each director of the date, time, and place of the meeting. Except as specifically provided in these bylaws, the notice

need not describe the purpose of any annual or regular meeting. However, the notice of any special meeting shall describe the purpose of the meeting. The president or 20 percent of the directors then in office may call and give notice of a meeting of the board.

2.11. Waiver of Notice. A director may at any time waive any notice required by these bylaws. A director's attendance at or participation in a meeting waives any required notice to the director of the meeting unless the director, at the beginning of the meeting or promptly upon the director's arrival, objects to holding the meeting or transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting. Except as provided in the preceding sentence, any waiver must be in writing, must be signed by the director entitled to the notice, must specify the meeting for which the notice is waived, and must be filed with the minutes or the corporate records.

2.12. Quorum and Voting. A quorum of the board of directors shall consist of a majority of the number of directors in office immediately before the meeting begins. If a quorum is present when a vote is taken, the affirmative vote of a majority of the directors present when the action is taken is the act of the board of directors except to the extent that these bylaws require the vote of a greater number of directors. Directors may not vote by proxy. A majority of directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of an adjourned meeting need not be given unless the meeting is adjourned for more than 24 hours, in which case notice of the time and place shall be given before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

2.13. Board Committees. The board of directors may create one or more committees of the board of directors, including an executive committee, and appoint members of the board to serve on them or designate the method of selecting committee members. Each such committee shall consist of two or more directors who serve at the pleasure of the board of directors. The creation of a committee and the appointment of directors to the committee or designation of a method of selecting committee members must be approved by a majority of all directors in office when the action is taken.

2.14. Board Committee Powers and Procedures. The provisions of these bylaws governing meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the board of directors shall apply to committees of the board of directors and their members as well. Committees of the board of directors may, to the extent specified by the board of directors, exercise the authority of the board of directors; provided, however, that no committee of the board of directors may:

- (a) Authorize distributions;
- (b) Approve dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the corporation's assets;

(c) Elect, appoint, or remove directors or fill vacancies on the board or on any of its committees; or

(d) Adopt, amend, or repeal the articles of incorporation or bylaws.

2.15. Other Committees. The board of directors may create one or more other committees. Members of these committees need not be members of the board of directors, but at least one director shall serve on each such committee. These committees shall have no power to act on behalf of, or to exercise the authority of, the board of directors, but may make recommendations to the board of directors.

2.16. Compensation. Directors and members of committees may receive reimbursements of expenses in accordance with policies or resolutions adopted by the board of directors. Directors shall not otherwise be compensated for service in their capacity as directors.

SECTION 3 OFFICERS

3.01. Designation; Election; Qualification. The officers of the corporation shall be a president, a vice-president, a secretary, a treasurer, and such other officers as the board of directors from time to time shall appoint. The president and the vice-president must be members of the board of directors; other officers need not be members of the board of directors. The officers shall be elected by, and hold office at the pleasure of, the board of directors. The same individual may simultaneously hold more than one office, except that the offices of president and secretary may not be held simultaneously by the same individual.

3.02. Term of Office.

(a) The terms of office of all of the officers of the corporation shall be fixed by the board of directors.

(b) Any officer may be removed, either with or without cause, at any time by action of the board of directors.

(c) An officer may resign at any time by delivering notice to the president or the secretary. A resignation is effective when the notice is effective under ORS 65.034 unless the notice specifies a later effective date. If a resignation is made effective at a later date and the corporation accepts the later effective date, the board of directors may fill the pending vacancy before the effective date if the board of directors provides that the successor does not take office until the effective date. Once delivered, a notice of resignation is irrevocable unless revocation is permitted by the board of directors.

3.03. President. The president shall preside at meetings of the board of directors, shall assure that the board of directors is advised on all significant matters of the corporation's

business, shall have all powers and duties ordinarily exercised by the president or the chair of the board of a nonprofit corporation, and shall have such other powers and duties as may be prescribed by the board of directors or the bylaws.

3.04. Vice-President. The vice-president shall perform such duties as the board of directors may prescribe. In the absence or disability of the president, the duties and powers of the president shall be performed and exercised by the vice-president.

3.05. Secretary. The secretary shall have responsibility for preparing minutes of meetings of the board of directors and for authenticating records of the corporation. The secretary shall keep or cause to be kept, at the principal office or such other place as the board of directors may order, a book of minutes of all meetings of the board of directors and of committees of the board of directors. If the corporation has a seal, the secretary shall keep the seal in safe custody. The secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or these bylaws.

3.06. Treasurer. The treasurer shall be the chief financial officer of the corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation. The treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board of directors; shall disburse, or cause to be disbursed, funds of the corporation as may be ordered by the board of directors; and shall have such other powers and perform such other duties as may be prescribed by the board of directors or these bylaws.

3.07. Assistants. The board of directors may appoint or authorize the appointment of assistants to the secretary or treasurer or both. Such assistants may exercise the powers of the secretary or treasurer, as the case may be, and shall perform such duties as are prescribed by the board of directors.

SECTION 4 CONFLICTS OF INTEREST

4.01. Conflict-of-Interest Transactions. A conflict-of-interest transaction is a transaction with the corporation in which a director or officer of the corporation has a direct or indirect interest. A conflict-of-interest transaction is not voidable or the basis for imposing liability on the director or officer if:

- (a) the transaction is fair to the corporation at the time it was entered into,
- (b) the material facts of the transaction and the director's or officer's interests are disclosed or known to the board of directors or committee of the board of directors,

(c) the board of directors considers and in good faith determines after reasonable investigation in the circumstances that the corporation could not obtain a more advantageous arrangement with reasonable effort in the circumstances,

(d) the corporation enters into the transaction for its own benefit, and

(e) the transaction is approved either (i) by the vote of the board of directors or a committee of the board of directors, or (ii) by obtaining the approval of the Oregon Attorney General or a circuit court of the State of Oregon in an action in which the Oregon Attorney General is joined as a party.

For the purposes of this section, a director or officer of the corporation has an indirect interest in a transaction if:

(a) another entity in which the director or officer has a material interest or in which the director or officer is a general partner is a party to the transaction, or

(b) another entity of which the director or officer is a director, officer, or director is a party to the transaction, and the transaction is or should be considered by the board of directors of the corporation.

For purposes of this section, a conflict-of-interest transaction is authorized, approved, or ratified if it receives the affirmative vote of a majority of the directors of the board of directors or of the committee who have no direct or indirect interest in the transaction. A transaction may not be authorized, approved, or ratified by a single director. If a majority of the directors who have no direct or indirect interest in the transaction votes to authorize, approve, or ratify the transaction, a quorum is present for the purpose of taking action under this section. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under this section if the transaction is otherwise approved as provided in this section. The provisions of this section do not apply to a transaction that is part of an educational or charitable program of the corporation if it (i) is approved or authorized by the corporation in good faith and without unjustified favoritism and (ii) results in a benefit to one or more directors or officers or their families solely because they are in the class of persons intended to be benefited by the educational or charitable program of the corporation.

4.02. Loans to or Guaranties for Directors and Officers. The corporation may not lend money to or guarantee the obligation of a director or officer of the corporation; provided, however, that the corporation may advance money to a director or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer if, in the absence of such advance, such director or officer would be entitled to be reimbursed for such expenses by the corporation.

SECTION 5 NONDISCRIMINATION

The corporation shall not discriminate in providing services, hiring employees, or otherwise upon the basis of gender, race, creed, marital status, sexual orientation, religion, color, age, or national origin.

SECTION 6 GENERAL PROVISIONS

6.01. Amendment of Bylaws. Except as otherwise provided by law, the board of directors may amend or repeal these bylaws or adopt new bylaws by vote of a majority of the entire board of directors either at a special meeting called for that purpose or at any regular meeting, provided that notice of the meeting and of the proposal to amend or repeal the bylaws or adopt new bylaws is given as provided in Section 2.10. Whenever an amendment or new bylaw is adopted, it shall be copied in the minute book with the original bylaws in the appropriate place. If any bylaw is repealed, the fact of repeal and the date on which the repeal occurred shall be stated in such book and place.

6.02. Inspection of Books and Records. All books, records, and accounts of the corporation shall be open to inspection by the directors in the manner and to the extent required by law.

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

6.04. Deposits. All funds of the corporation not otherwise employed shall be deposited to the credit of the corporation and those banks, trust companies or other depositories as the board of directors or officers of the corporation designated by the board of directors select, or be invested as authorized by the board of directors.

6.05. Loans and Guarantees. The corporation shall not borrow money and no evidence of indebtedness shall be issued in this name unless authorized by the board of directors. This authority may be general or confined to specific instances.

6.06. Execution of Documents. The board of directors may, except as otherwise provided in these bylaws, authorize any officer or agent to enter into any contract or execute any instrument in the name of and on behalf of the corporation. Such authority may be general or confined to specific instances. Unless so authorized by the board of directors, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement, or to pledge its credit, or to render it liable for any purpose or for any amount.


6.07. Fiscal Year. The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

6.08. Insurance. The corporation may purchase and maintain insurance on behalf of an individual against liability asserted against or incurred by the individual who is or was a director, officer, employee, or agent of the corporation, or who, while a director, officer, employee, or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, director, employee, or agent of another foreign or domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise; provided, however, that the corporation may not purchase or maintain such insurance to indemnify any director, officer, or agent of the corporation in connection with any proceeding charging improper personal benefit to the director, officer, or agent in which the director, officer, or agent was adjudged liable on the basis that personal benefit was improperly received by the director, officer, or agent.

6.09. Corporate Seal. The corporation may adopt a corporate seal, but the affixing of such seal on any agreement, instrument, or other document shall not be required in order to make such agreement, instrument, or other document binding and effective.

6.10. Severability. A determination that any provision of these bylaws is for any reason inapplicable, invalid, illegible or otherwise ineffective shall not affect or invalidate any other provision of these bylaws.

Adopted: September 26, 2007


Secretary

Rahab's Sisters
EIN 26-1675500
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s
Part I
Item 10

Rahab's Sisters does not anticipate contributions of cash/goods of \$25,000 or more, per year.

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Part IV

Rahab's Sisters is a ministry of presence to women working in the sex industry in Southeast Portland, Oregon.

Volunteers gather each Friday from 7 p.m. to 10 p.m. at Saints Peter and Paul Episcopal Church, which is located on SE 82nd Avenue in Southeast Portland, Oregon, which is a major conduit for transients, the poor, and women in prostitution. The volunteers give hospitality to women of all faiths and women of no faith, offering nutritious food; coffee, tea and hot cocoa; health items; clothing; and where appropriate, prayer.

The purpose of the program is to reach out to women who are among the poorest and most marginalized in our city, providing both a sanctuary from the dangers of the streets and basic necessities of life. As stated in the organization's website, "Our hope is that the light in our window will bring light into the lives of the women we serve."

In the future, Rahab's Sisters hopes to develop opportunities, or to support women in finding opportunities, for educational and residential options leading toward a health lifestyle and economic independence.

Part V
 Item 1a

Officers and Directors

Name	Title	Mailing Address	Compensation Amount
The Rev. Sara Fischer	President	St. John The Evangelist Episcopal Church 2036 SE Jefferson Street Milwaukie, OR 97222	None
The Rev. Kurt Neilson	Vice President and Director	Saints Peter and Paul Episcopal Church 8147 SE Pine Street Portland, OR 97215	None
Jessica Guernsey Carmago, MPH	Secretary and Director	7506 SE Holgate Blvd. Portland, OR 97206	None
Mary Dettman	Treasurer	7293 SE Thiessen Road Milwaukie, OR 97267	None
Erin M. Ellis	Director	3414 NE 51 st Avenue Portland, Or 97213	None
Linda Kidd	Director	21760 S. Larkspur Avenue Oregon City, OR 97045	None
Diedre Cooke	Director	4950 NE Halsey Portland, OR 97213	None
Chris Thurston	Director	39 Greenridge Court Lake Oswego, OR 97035	None

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Part V
Item 3a

Officers and Directors

All of the directors and officers perform the corporate duties normally associated with their respective offices. In addition, all of the officers and directors participate in the ministry of presence to women working in the sex industry.

Rahab's Sisters has no highly compensated employees or highly compensated independent contractors.

All of the directors and officers are volunteers who work an average of three to six hours per week on the affairs and programs of Rahab's Sisters. Two of them are Episcopal priests; the others are concerned parishioners with various backgrounds.

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Part V
Item 5a

Attached is a copy of the Rahab's Sisters Conflict of Interest Policy, which was adopted by resolution of the board of directors.

RAHAB'S SISTERS

CONFLICT OF INTEREST POLICY

Article I Purpose

The purpose of this conflict of interest policy is to protect the interests of RAHAB'S SISTERS ("Rahab's Sisters") when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director or officer of Rahab's Sisters 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.

Article II Definitions

1. **Interested Persons.** Any director, officer, or member of a committee with director-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 Rahab's Sisters has a transaction or arrangement,
 - b. A compensation arrangement with Rahab's Sisters or with any entity or individual with which Rahab's Sisters has a transaction or arrangement, or
 - c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which Rahab's Sisters 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 Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the directors or appropriate committee decides that a conflict of interest exists.

Article III Procedures

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 director delegated powers considering the proposed transaction or arrangement.

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 director or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining directors or committee members shall decide if a conflict of interest exists.
3. **Procedures for Addressing the Conflict of Interest.**
 - a. An interested person may make a presentation at the directors 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 directors 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 directors or committee shall determine whether Rahab's Sisters 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.
 - d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the directors or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in Rahab's Sisters'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.

Article IV **Records of Proceedings**

The minutes of the directors and all committees with director 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 director'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.

Article V
Compensation

- a. A director who receives compensation, directly or indirectly, from Rahab's Sisters, for services is precluded from voting on matters pertaining to that director's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Rahab's Sisters for services is precluded from voting on matters pertaining to that member's compensation.
- c. No director or voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Rahab's Sisters, either individually or collectively, is prohibited from providing information to the directors or any committee regarding compensation.

Article VI
Annual Statements

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

- a. Has received a copy of the conflict of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands Rahab's Sisters 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.

Article VII
Periodic Reviews

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

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to Rahab's Sisters'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.

Article VIII
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, Rahab's Sisters may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the directors of their responsibility for ensuring periodic reviews are conducted.

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Part VI
Item 1a

See description of services in Part IV.

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Part VIII
Item 4a

Rahab's Sisters Fundraising Program

Fundraising for Rahab's Sisters is currently conducted through mail solicitations. Mail solicitation is not direct mail, but to mailing lists compiled from previous donors, volunteers and area clergy. Fundraising is also done through personal solicitation, such as appeals by board members and volunteers to family, friends, and neighbors.

Future planned fundraising activities include email solicitations (again, to a limited list), solicitation to foundation grants dedicated to improving the lives of women and families, and solicitation to government grants in the areas of women's health, education, and housing. We hope that other organizations (such as participating churches) may reference Rahab's Sisters on their website, and as our website is further developed, we expect to make a donation option available.

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Part VIII
Item 4d

Rahab's Sisters will conduct fundraising in the State of Oregon, with its focus on the Portland Metropolitan area. Rahab's Sisters will fundraise exclusively for its own organization. No other organization will fundraise for Rahab's Sisters, although information about how to donate will be available to parishioners at Saints Peter and Paul Episcopal Church, St. John the Evangelist Episcopal Church and Grace Memorial Episcopal Church, and other churches in the Episcopal Diocese of Oregon.

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Part VIII
Item 15

Rahab's Sisters arose out of cooperative activities among Saints Peter and Paul Episcopal Church, St. John The Evangelist Episcopal Church and Grace Memorial Episcopal Church to provide ministry and assistance to women working in the sex industry in the vicinity of their congregations. Most volunteers in the Rahab's Sisters program will be members of one of those three congregations.

Rahab's Sisters

EIN: 26-1675500

Itemized lists for lines 9, 14 & 23 of Page 9, Part IX, Form 1023

Line 9 Gross receipts from admissions, et al.

Event	Donations	6/11/07 to 6/30/08	7/1/08 to 6/30/09	7/1/09 to 6/30/10	Total
Mother's Tea	Admission & Contributions	\$ 600	\$ 680	\$ 720	\$2000
Mother's Tea	Underwear	\$ 50	\$ 70	\$ 90	\$ 210
In Kind	Underwear / Socks / Hats / Gloves	\$150	\$ 170	\$ 190	\$ 510
Total		\$ 800	\$ 920	\$1000	\$2720

Line 14 Fundraising expenses

Purpose	Items	6/11/07 to 6/30/08	7/1/08 to 6/30/09	7/1/09 to 6/30/10	Total
for soliciting gifts, grants and contributions included on line 1	Newsletter:	\$ 450	\$ 475	\$ 500	\$1425
	Postage:	\$ 447	\$ 504	\$ 516	\$1467
	Stationery, envelopes cards, brochures:	\$ 300	\$325	\$ 350	\$ 975
Mother's Tea	Card stock, envelopes:	\$ 50	\$ 62	\$ 70	\$ 182
	Postage:	\$ 447	\$ 504	\$ 516	\$1467
Total		\$1694	\$1870	\$1952	\$5516

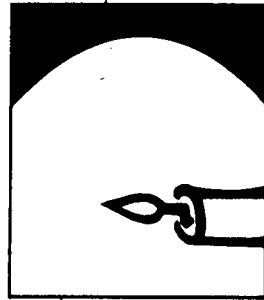
Line 23 Expenses not otherwise classified

Purpose	6/11/07 to 6/30/08	7/1/08 to 6/30/09	7/1/09 to 6/30/10	Total
Purchase of personal products such as soap, shampoo, laundry soap, hand sanitizer, etc.	\$3300	\$3465	\$3638	\$10403
Total	\$3300	\$3465	\$3638	\$10403

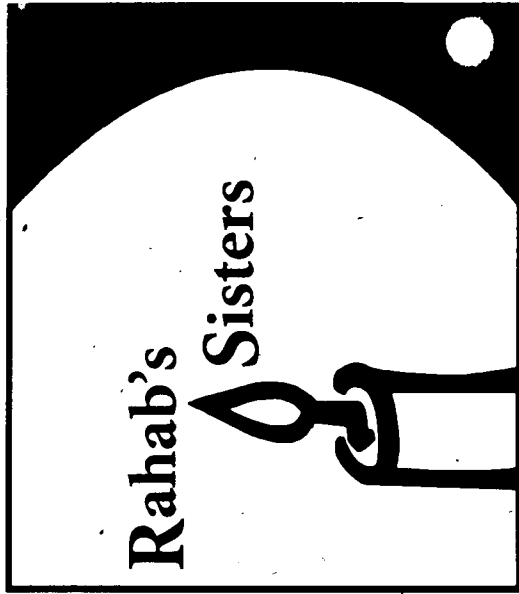
Help Rahab's Sisters Light the Darkness

If you are interested in volunteering for Rahab's Sisters, you can read more about Rahab's Sisters and download a volunteer application from www.rahabs-sisters.org.

You can also request a volunteer application by calling St. John the Evangelist Episcopal Church, 503-653-5880.

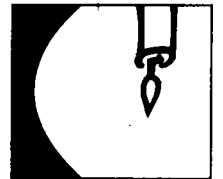


We'll leave a light on for you.



Light in the Darkness

Rahab's Sisters
Saints Peter & Paul Episcopal Church
8147 SE Pine
Portland, OR 97215



A collaborative ministry of
the Columba Center of
Saints Peter & Paul Episcopal Church
and the Metro-East Convocation of
the Episcopal Diocese of Oregon

They've been glamorized in such movies as *Pretty Woman*, and co-star weekly on cop shows. Driving down a darkened street we've noticed them, their attire a dead giveaway. They've been on the 11 o'clock news, hands cuffed, heads down.

Everyone has an opinion about prostitutes. "They sell their bodies." "They break up marriages." "They spread disease." "They're addicts." "They do this because they like it."

Many people don't want to address prostitution by focusing on the women themselves, what leads them into this life, and what pressures and addictions keep them there. This type of thinking requires us to humanize them, see them as individuals, and challenge stereotypes. It forces us to open our hearts.

One of the oldest professions in history is one of the greatest opportunities we have for Christian outreach. Rahab's Sisters is your opportunity to help your sisters back into the light.

The Church with its Light On

Rahab's Sisters is a nonjudgmental ministry of welcome, hospitality and presence. We gather on Friday nights at **Saints Peter and Paul Episcopal Church** on **82nd Avenue**, a major roadway and conduit for transients, the poor, and women in prostitution.

Rahab's Sisters is part of the Columba Center, a parish-based resource for spiritual formation, Christian reflection, and direct service and action. Ours is a collaborative ministry, and our leadership and volunteers represent many Episcopal parishes. We share this ministry with representatives from other faith communities throughout the Portland area.

When sex workers come to the church, we offer them the kind of hospitality we hope we (or our sisters or daughters) would be offered if we were on the street: a clean, safe place for a hot meal, a change of clothes, and respectful, no-strings-attached conversation. We believe that these women, the most outcast of the outcast, are in great need of Christ's healing love expressed in the form of hospitality and respect.

The women we see on the streets are of all ages and walks of life. Teenagers who have lost their way. Middle-aged women living on the margins of society. Immigrants with no place to turn. This ministry spreads the Good News of God in Christ to the poorest of the poor. Our hope is that the light in our window will bring light into the lives of the women we serve.

We offer:

- A welcoming environment for women of all faiths and no faith
- Nutritious food, coffee, tea and hot cocoa
- Health products, clothing
- Prayer, if desired

One of the Oldest Professions is one of the Greatest Opportunities we have for Christian Outreach.

There is no other ministry like Rahab's Sisters in our diocese. In 2005-2006, we have been blessed to receive a grant from the United Thank Offering, to allow us to grow our ministry from two Fridays a month to every Friday. We continue to need help from our own communities here in Oregon. Your donation will support and expand our efforts, funding staple food items, health products, Tri-Met tickets and a security guard.

Please open your heart to our sisters in need, and help us ensure a light is always on for them.

- YES, I will make a donation to support the ministry of Rahab's Sisters
- Please contact me about volunteer opportunities.

Name _____

Address _____

City/State/Zip _____

Daytime Phone _____

Email _____

Please accept my donation of:

- \$20
- \$50
- \$100
- Other _____

Make checks payable to **Rahab's Sisters** and mail to:

Rahab's Sisters
8147 SE Pine
Portland, OR 97215