(Rev. 7/01)

(717) 783-1720
1-800-732-0999 (WITHIN PA)
FAX (717) 783-6014

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF STATE
BUREAU OF CHARITABLE ORGANIZATIONS
207 NORTH OFFICE BUILDING
HARRISBURG, PA 17120

Approved VMS
Reg. Fee 250.00
P/F
Fee Recv'd 250.00

98863939 - -

Charitable Organization Registration Statement – Form BCO – 10
For the Fiscal Year Which Ended : 12 /31 /2002

Employer Identification # 02-0534702 Certificate # 28690

☐ Check if registering voluntarily. (*See note under "Important Information".*)

1. Legal name of organization: KindHearts for Charitable Humanitarian Development, Inc.
   ☐ Check if name change. Previous name: _____

2. c/o _____
   Street address 3450 West Central Ave., #366
   City Toledo State Ohio Zip Code 43606
   County Lucas
   Phone # 419-329-2929 800 # _____ Fax # 419-329-2928

3. All other names used to solicit contributions: N/A

4. Organizations described in Section 162.7(a) of the Act, check section which describes organization (*See footnote #2 of Instructions. Volunteer registrants do not respond.*):
   162.7(a)(1) ☐ 162.7(a)(2) ☐ 162.7(a)(3) ☐ 162.7(a)(4) ☐ Not Applicable ☒

5. List type of organization (e.g. corporation, association, etc.), where established, and date established. Co., Toledo, Ohio 01/22/2002

(Initial registrants must submit copies of organizational documents such as charter, articles of incorporation, constitution, or other organizational instrument, and by-laws.)

Items 6, 7 and 8 need only be completed by initial registrants

6. Date organization first solicited contributions from Pennsylvania residents: __/__/__

7. If organization solicited and received gross *national* contributions totaling more than $25,000 during the fiscal year covered by this registration statement or during its current fiscal year, give date contributions first totaled more than $25,000. ___/___/___

8. Is any person compensated or do you intend to compensate any person for soliciting contributions from Pennsylvania? Yes ☐ No ☒ If "yes", give date person started or will start soliciting contributions from Pennsylvania residents. ___/___/___ *(Do not check "yes" if you only use or intend to only use a professional fund raising counsel.)*

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9. Has organization been granted IRS tax-exempt status? Yes ☑ No ☐ *(If "yes", please submit copy of IRS exemption letter if not previously submitted.)* If "yes", were you required to file an IRS 990 Return and Schedule A for your immediate preceding fiscal year? Yes ☒ No ☐ . *(If "no", attach explanation of why organization is exempt from filing an IRS 990 Return.)*

10. Has organization's tax-exempt status ever been denied, revoked, or modified?
Yes ☐ No ☑ *(If "yes", attach copy of denial, revocation, or modification.)*

11. Purposes and programs for which contributions are, or will be, used:
Charitable

12. Manner in which contributions are solicited (eg. direct mail, telephone, etc.):
Dinners, Lectures, Advertising.

13. Is organization registered to solicit contributions in any other state or municipality?
Yes ☒ No ☐ *(If "yes", list all states and municipalities. Attach separate sheet if necessary.)*
See Attachment.

14. Names, addresses, and telephone numbers of all professional solicitors you use or intend to use to solicit contributions from Pennsylvania residents. For each entry, include the beginning and ending dates of all contracts and dates Pennsylvania residents were first solicited, or will be solicited. (*Attach separate sheet if necessary.*)

North American Professional Service, Inc. 9245 Dowdy Dr. #202, San Diego, California 92126
Contract is from 05/01/2003 to 05/01/2004
Do not have yet date of solicitation

15. Names, addresses, and telephone numbers of all professional fund raising counsels you use or intend to use to provide services with respect to the solicitation of contributions from Pennsylvania residents. For each entry, include beginning and ending dates of all contracts and dates services began, or will begin, with respect to soliciting contributions from Pennsylvania residents. (*Attach separate sheet if necessary.*)
None

16. Attach names, addresses, and telephone numbers of any commercial coventurers under contract with your organization.

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17. If you are a parent organization located in Pennsylvania, do you elect to file a combined registration covering all of your Pennsylvania affiliates? Yes ☐ No ☐ Not Applicable ☒ *(See note under "Important Information".)*

18. Are you a Pennsylvania affiliate of a parent organization which has elected to file a combined registration on your behalf? Yes ☐ No ☒ *(If "yes", give the name and, if available, certificate # of your parent organization. See note under "Important Information".)*

(Legal name of parent organization) (Certificate #)

19. Does your organization share revenue or formal governance with any other nonprofit corporation or unincorporated association? Yes ☐ No ☒ *(If "yes", attach explanation listing name, address, type of organization, and relationship to your organization.)*

20. Does any other domestic or foreign organization own a 10% or greater interest in your organization or does your organization own a 10% or greater interest in any other domestic or foreign organization? Yes ☐ No ☒ *(If "yes", attach the following information for each other domestic or foreign organization: name and type of organization, whether organization is for-profit or nonprofit, and relationship of organization to your organization.)*

21. Names, addresses, and telephone numbers of all offices, chapters, branches, auxiliaries, affiliates, or other subordinate units located in Pennsylvania: *(Attach separate sheet if necessary.)*

N/A

22. Names and addresses for: *(Attach separate sheet if necessary.)*

Individual(s) responsible for the custody and/or distribution of contributions:

Khaled Smaili

3450 West Central Ave. #366 Toledo, Ohio 43606

Individual(s) responsible for solicitation activities:

Khaled Smaili

Individual(s) responsible for custody of financial records:

Khaled Smaili

23. Attach names, addresses, and telephone numbers of all officers, directors, trustees, and executive staff officers.

THE INVESTIGATIVE PROJECT ON TERRORISM

24. If you answer "Yes" to any of the following, attach a list of related individuals with names, business, and residence addresses of related parties. Are any officers, directors, trustees, or employees related by blood, marriage, or adoption to:

Any other officer, director, trustee, or employee? Yes ☒ No ☐

Any officer, agent, or employee of any professional fundraising counsel or solicitor under contract with organization? Yes ☐ No ☒

Any supplier or vendor providing goods or services? Yes ☐ No ☒

25. If you answer "Yes" to any of the following, please attach full written explanations and copies of all relevant documents. Has organization or any of its officers, directors, employees, or fundraisers:

A. Been found to have engaged in unlawful practices in the solicitation of contributions or administration of charitable assets or been enjoined from soliciting contributions or are such proceedings pending in this or any other jurisdiction? Yes ☐ No ☒

B. Had its registration or license to solicit contributions denied, suspended, or revoked by any governmental agency? Yes ☐ No ☒

C. Entered into any legally enforceable agreement such as an assurance of voluntary compliance or discontinuance with any District Attorney, Office of Attorney General, or local or state governmental agency? Yes ☐ No ☒

I certify that the information provided in this registration, including all statements and documentation, is true and correct. I understand that the falsification of any statement or documentation is subject to criminal penalties for unsworn falsifications pursuant to 18 Pa. C.S. § 4904.

Hatem Elhady
Signature of Chief Fiscal Officer

Hatem Elhady
Type or Print Name and Title of Chief Fiscal Officer

Khaled Smaili
Signature of Another Authorized Officer

Khaled Smaili, President & CEO
Type or Print Name and Title of Another Authorized Officer

PA

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Attachment
24.- Jihad Smaili is the brother of CEO Khaled Smaili

THE INVESTIGATIVE PROJECT ON TERRORISM

THE INVESTIGATIVE PROJECT ON TERRORISM

Board of trustees

Mr. Khaled Smaili
3203 Woodley Road
Toledo, Ohio 44113
khaled@kind-hearts.org
419.270.0464

Mr. Hatem Elhady, MD
3857 Mill Run Court
Toledo, Ohio 43623
elhady@hotmail.com
419.841.1131

Mr. Jihad Smaili, Esq.
1133 West 9th Street
Suite 503
Cleveland, Ohio 44113
jihad@smaililaw.com
216.685.9500

Mr. David Bartos, Esq.
1360 West 9th Street
Suite 310
Cleveland, Ohio 44113
Legaladvicehere@aol.com
216.687.0038

Mr. Abdel R. Qatishat
3850 Mill Run Ct.
Toledo, Ohio 43623
419.841.3852
arqat@moxietransport.com
arqat@aol.com

State Registered
Alabama
Alaska
Arkansas
California
Colorado
Connecticut
Florida
Illinois
Kansas
Kentucky
Maine
Maryland
Massachusetts
Michigan
Minnesota
Mississippi
Missouri
Nebraska
New Jersey
New Mexico
New York
Ohio
Oregon
Pennsylvania
South Carolina
Tennessee
Texas
Utah
Washington
West Virginia

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KINDHEARTS FOR CHARITABLE HUMANITARIAN DEVELOPMENT, INC. AND BRANCH

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORT

DECEMBER 31, 2002

THE INVESTIGATIVE PROJECT ON TERRORISM

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GILMORE, JASION & MAHLER, LTD

INDEPENDENT AUDITORS' REPORT

Board of Trustees
KindHearts for Charitable Humanitarian Development, Inc.
Toledo, Ohio

We have audited the accompanying consolidated statement of financial position of KindHearts for Charitable Humanitarian Development, Inc. (KindHearts), an Ohio nonprofit corporation, and its branch, KindHearts for Charitable Humanitarian Development Gaza-Palestine (KindHearts Gaza-Palestine) as of December 31, 2002, and the related consolidated statements of activities, functional expenses, and cash flows for the period from inception (January 22, 2002) to December 31, 2002. These consolidated financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of KindHearts Gaza-Palestine, a branch organization. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for KindHearts Gaza-Palestine, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, based on our audit and the report of other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of KindHearts for Charitable Humanitarian Development, Inc. and branch as of December 31, 2002, and the consolidated changes in their net assets and their cash flows for the period from inception to December 31, 2002 in conformity with accounting principles generally accepted in the United States of America.

Gilmore, Jasion & Mahler, LTD

June 6, 2003

THE INVESTIGATIVE PROJECT ON TERRORISM

KINDHEARTS FOR CHARITABLE HUMANITARIAN DEVELOPMENT, INC. AND BRANCH
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
December 31, 2002

ASSETS

Cash and cash equivalents		$ 843,689
Cash on hold		225,999
Pledges receivable (Note 2)		177,303
Property and equipment		
Computers		38,949
Automobiles		14,235
Website		11,200
Office equipment		8,055
	Total cost	72,439
Less accumulated depreciation and amortization		8,994
	Net property and equipment	63,445
Deposits and other		3,381
	Total assets	$ 1,313,817

LIABILITIES AND NET ASSETS

Accounts payable		$ 82,772
Accrued expenses and other payables		33,205
Payroll taxes payable		2,890
	Total liabilities	118,867
Net assets		
Unrestricted		(78,171)
Temporarily restricted		1,273,121
	Total net assets	1,194,950
	Total liabilities and net assets	$ 1,313,817

The accompanying notes are an integral part of these financial statements.

THE INVESTIGATIVE PROJECT ON TERRORISM

KINDHEARTS FOR CHARITABLE HUMANITARIAN DEVELOPMENT, INC. AND BRANCH
CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES
For the Period From Inception (January 22, 2002) to December 31, 2002

	Program					
	Sponsorship	Emergency and Health	Eid and Seasonal	Education and Development	General Sadaqah	Total Program
Aid activities	$ 131,765	$ 165,783	$ 147,752	$ 47,800	$ 23,312	$ 516,412
Community development				448,635		448,635
Professional fundraising						0
Advertising	2,395	3,014	2,686	9,024	425	17,544
Salaries and wages	10,461	13,166	11,733	39,421	1,855	76,636
Mail campaign						0
Office expense	5,763	7,253	6,463	21,717	1,022	42,218
Subcontractors	3,797	4,778	4,258	14,307	673	27,813
Conferences	2,562	3,225	2,874	9,656	455	18,772
Legal and professional	3,582	4,509	4,018	13,500	635	26,244
Printing	1,539	1,937	1,727	5,801	273	11,277
Travel	1,120	1,409	1,256	4,220	199	8,204
Rent	1,151	1,449	1,291	4,339	205	8,435
Employee benefits	827	1,042	928	3,118	147	6,062
Postage and shipping	773	972	867	2,912	137	5,661
Payroll taxes	781	983	876	2,943	138	5,721
Telephone	884	1,113	992	3,332	157	6,478
Bank charges	608	766	682	2,293	108	4,457
Depreciation and amortization	613	772	689	2,313	109	4,496
Donations	85	107	96	322	15	625
Permits and licenses						0
Miscellaneous	870	1,095	975	3,280	154	6,374
Total functional expenses	$ 169,576	$ 213,373	$ 190,163	$ 638,933	$ 30,019	$ 1,242,064

THE INVESTIGATIVE PROJECT ON TERRORISM

Management and General	Fundraising	Total
$ 0	$ 0	$ 516,412
		448,635
0	105,780	105,780
8,772	76,836	103,152
38,318	38,318	153,272
0	83,378	83,378
21,109	31,473	94,800
13,906	13,906	55,625
9,386	9,386	37,544
13,122	13,122	52,488
5,638	12,098	29,013
4,102	4,102	16,408
4,217	4,917	17,569
3,031	3,031	12,124
2,830	5,401	13,892
2,860	2,860	11,441
3,239	3,239	12,956
2,228	2,228	8,913
2,249	2,249	8,994
313	313	1,251
0	2,315	2,315
3,187	45,034	54,595
$ 138,507	$ 459,986	$ 1,840,557

The accompanying notes are an integral part of these financial statements.

THE INVESTIGATIVE PROJECT ON TERRORISM

KINDHEARTS FOR CHARITABLE HUMANITARIAN DEVELOPMENT, INC. AND BRANCH
CONSOLIDATED STATEMENT OF CASH FLOWS
For the Period From Inception (January 22, 2002) to December 31, 2002

Cash flows from operating activities		
Change in net assets	$	1,194,950
Adjustments to reconcile change in net assets		
to net cash provided by operating activities:		
Depreciation		8,994
Donated property and equipment		(55,289)
Changes in operating assets and liabilities:		
(Increase) decrease in:		
Cash on hold		(225,999)
Pledges receivable		(177,303)
Deposits and other		(3,381)
Increase (decrease) in:		
Accounts payable		82,772
Accrued expenses and other payables		33,205
Payroll taxes payable		2,890
Net cash provided by operating activities		860,839
Cash flows from investing activities		
Purchase of property and equipment		(17,150)
Net cash used in investing activities		(17,150)
Net increase in cash and cash equivalents		843,689
Cash and cash equivalents at beginning of period		0
Cash and cash equivalents at end of period	$	843,689
Supplemental data		
Non-cash investing activity:		
Donated property and equipment	$	55,289

The accompanying notes are an integral part of these financial statements.

THE INVESTIGATIVE PROJECT ON TERRORISM

THE INVESTIGATIVE PROJECT ON TERRORISM

Note 1–Summary of significant accounting policies

Basis of presentation

The accompanying financial statements include the accounts of KindHearts for Charitable Humanitarian Development, Inc. (KindHearts) and its branch, KindHearts for Charitable Humanitarian Development Gaza-Palestine (KindHearts Gaza-Palestine) (collectively, the Organizations). The financial statements have been prepared on the accrual basis of accounting. The accrual basis provides for the recognition of revenues when earned and recognition of expenses when incurred. All significant intercompany accounts and transactions have been eliminated.

Organizations

KindHearts for Charitable Humanitarian Development, Inc.

In the wake of increasing human tragedies worldwide, KindHearts for Charitable Humanitarian Development, Inc. was established on January 22, 2002. The purpose of KindHearts shall be strictly for charitable procurement and distribution of funds and/or donations. To that end, development, relief, and creating employment opportunities at home and abroad, shall be the cornerstones of KindHearts' role in its humanitarian efforts.

KindHearts for Charitable Humanitarian Development Gaza-Palestine

On May 23, 2002, the KindHearts for Charitable Humanitarian Development Gaza-Palestine commenced operations in the Palestinian territories to further fulfill the Organization's mission.

Financial statement presentation

The accompanying financial statement presentation follows the recommendation of Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not for Profit Organizations.* Under SFAS No. 117, the Organizations are required to report information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. Management is of the opinion there were no permanently restricted net assets at December 31, 2002.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

THE INVESTIGATIVE PROJECT ON TERRORISM

Note 1–Summary of significant accounting policies – continued

Net asset classifications

For financial reporting purposes, net assets are classified as permanently restricted, temporarily restricted or unrestricted, as follows:

- Permanently restricted net assets contain donor-imposed restrictions that stipulate the resources be maintained permanently, but permit the Organizations to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes. As of December 31, 2002, there were no permanently restricted net assets.
- Temporarily restricted net assets contain donor-imposed restrictions that permit the Organizations to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by actions of the Organizations.
- Unrestricted net assets are not restricted by donors, or the donor-imposed restrictions have expired.

Recognition of donor restrictions

In accordance with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. Donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Revenue recognition

The Organizations' record earned revenues on an accrual basis. In addition, the Organizations' record as revenue the following types of contributions, when they are received unconditionally, at their fair value; cash, promises to give, certain contributed services and other assets. Conditional contributions are recognized as revenue when the conditions on which they depend have been substantially met.

The Organizations' major source of revenue is donations.

Cash and cash equivalents

Cash and cash equivalents are comprised of checking accounts. At December 31, 2002, KindHearts held funds at a financial institution in excess of FDIC insurance levels, however management believes the risk is negligible. Cash held at KindHearts Gaza-Palestine at December 31, 2002 was $633,354.

Cash on hold

Some donations are received by credit cards which are processed through a credit card processing company. The credit card company sets limits for amounts that a start-up organization can receive. Cash on hold consists of the excess of cash received above the limit set by the credit card company.

THE INVESTIGATIVE PROJECT ON TERRORISM

Note 1–Summary of significant accounting policies – continued

Property and equipment

Property and equipment consist of computers, office equipment, and automobiles and are stated at cost. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets.

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose.

Functional allocation of expenses

Certain expenses are incurred which apply to the work performed under more than one program. These expenses are allocated to the applicable program on the basis most reasonable to management.

Income taxes

KindHearts is exempt from federal income tax under Internal Revenue Code Section 501(c)(3) and is not classified as a private foundation.

In-kind donations

Donated materials or services are reflected as revenues in the accompanying consolidated financial statements at their estimated fair market value and expensed according to the description of the materials received and services rendered.

Note 2–Pledges receivable

As of December 31, 2002, KindHearts had outstanding pledges of $177,303. At December 31, 2002, management considers these pledges to be fully collectible.

Note 3–Operating leases

KindHearts leases its office facility under an operating lease arrangement. The lease is personally guaranteed by officers and trustees of the organization. Rental expense under this lease agreement was $16,239 in 2002. Future minimum payments are as follows:

December 31,	
2003	$ 39,208
2004	39,208
2005	39,208
2006	39,208
2007	16,337
	$ 173,169

Note 4–Special events

During the period ended December 31, 2002, fundraising dinners were held in different cities. Revenues and expenses relating to these dinners were $242,723 and $62,879, respectively.

Note 5–Related parties

KindHeart's legal counsel is a member of the board of trustees. Professional fees paid for these services in 2002 were $18,530.

THE INVESTIGATIVE PROJECT ON TERRORISM

Jihad M. Smaili, Esq., L.L.C.

Attorneys & Counselors at Law

216.685.9500
216.685.9685 (facsimile)
www.smaililaw.com

1360 West 9th Street
Suite 310
Cleveland, Ohio 44113-1254

September 24, 2003

Department Of State
Bureau Of Charitable Organizations
P.O. Box 8723
Harrisburg, PA 17150

RE: KindHearts for Charitable Humanitarian Development, Inc.

Dear Sir/Madam:

Enclosed you will find the completed registration statement form BCO-10 for the charity named above. Please process this information at your earliest convenience..

Should you have any questions, please do not hesitate to call.

Sincerely,

Jihad Smaili /ln

Jihad M. Smaili, Esq.

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Jihad M. Smaili, Esq., L.L.C.
Attorney & Counselor At Law
1360 West 9th St., Suite 310
Cleveland, Ohio 44113 U.S.A.
www.smaililaw.com
216.685.9500

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Department of State
Bureau of Charitable Organizations
P.O Box 8723
Harrisburg, PA 17150

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RECEIVED SEP - 9 2002 BUREAU OF CHARITABLE ORGANIZATIONS DEPT OF STATE

Unified Registration Statement (URS) for Charitable Organizations (v. 2.21)

☒ Initial registration ☐ Renewal/Update

This URS covers the reporting year which ended (day/month/year) 12/31/2002

Filer EIN 02-534702 12/31/01

State Pennsylvania State ID 28690

#150.00

1. Organization's legal name KindHearts for Charitable Humanitarian Development, Inc.

   If changed since prior filings, previous name used _____

   All other name(s) used _____

2. (A) Street address P.O. Box 23310

   City Toledo County Lucas

   State Ohio Zip Code 43623

   (B) Mailing address (if different) 3450 W. Central Ave., Suite 366

   City Toledo County Lucas

   State Ohio Zip Code 43606

3. Telephone number(s) 866.546.3478 Fax number(s) 419.329.2928

   E-mail talk2kindhearts@aol.com Web site www.kind-hearts.org

4. Names, addresses (street & P.O.), telephone numbers of other offices/chapters/branches/affiliates (*attach list*).

5. Date incorporated 01/22/2002 State of incorporation Ohio

   Fiscal year end: day/month 12/31

6. If not incorporated, type of organization, state, and date established _____

7. Has organization or any of its officers, directors, employees or fund raisers:

   A. Been enjoined or otherwise prohibited by a government agency/court from soliciting? Yes ☐ No ☒

   B. Had its registration denied or revoked? Yes ☐ No ☒

   C. Been the subject of a proceeding regarding any solicitation or registration? Yes ☐ No ☒

   D. Entered into a voluntary agreement of compliance with any government agency or in a case before a court or administrative agency? Yes ☐ No ☒

   E. Applied for registration or exemption from registration (but not yet completed or obtained)? Yes ☐ No ☒

   F. Registered with or obtained exemption from any state or agency? Yes ☐ No ☒

   G. Solicited funds in any state? Yes ☒ No ☐

   If "yes" to 7A, B, C, D, E, *attach explanation.*

   If "yes" to 7F & G, *attach list* of states where registered, exempted, or where it solicited, including registering agency, dates of registration, registration numbers, any other names under which the organization was/is registered, and the dates and type (mail, telephone, door to door, special events, etc.) of the solicitation conducted.

8. Has the organization applied for or been granted IRS tax exempt status? Yes ☒ No ☐

   If yes, date of application 02/15/2002 OR date of determination letter _____.

   If granted, exempt under 501(c) _____. Are contributions to the organization tax deductible? Yes ☐ No ☐

Rec'd V # 82944 for $150.00, Clm 9/5/02

THE INVESTIGATIVE PROJECT ON TERRORISM

KindHearts for Charitable Humanitarian Development, Inc.
Supplemental Answers

4. None.

7(G). KindHearts conducted a dinner-fundraiser on May 12, 2002, in Toledo, Ohio. The program included dinner, speeches, a slide-show of individuals in need of economic assistance, a band. A short session of fundraising took place, with Mr. Mohamad El Mezain conducting the fundraising. At this time, KindHearts was not aware that it was required to register in Ohio.

13. Board of Trustees: nonsalaried
Abdelrahman Qatishat, 3850 Mill Run Court, Toledo, Ohio 43623
419.392.0693
Khaled Smaili, 3203 Woodley Road, Toledo, Ohio 44113
419.270.0464
Abdurahman Hamdan, 6018 Black Oak Drive, Toledo, Ohio 43615
419.843.3247
Yassine Yassine, 1664 Brownstone, #433, Toledo, Ohio 43614
419.344.0123
Jihad M. Smaili, 1133 West 9th Street, #503, Cleveland, OH 44113
216.685.9500
Nidal Abushaib, 5041 Breezeway, Toledo, Ohio 43613
419.473.1911
Hatem Elhady, MD, 3857 Mill Run Court, Toledo, Ohio 43623
419.841.1311

Officers
Khaled Smaili, President, salaried
Abdurahman Hamdan, Treasurer, salaried
Nidal Abushaib, Secretary, salaried

Hatem Elhady, MD, Chairman of the Board of Trustees, nonsalaried

14(A)(1). Mr. Jihad Smaili and Khaled Smaili are siblings.

15. Individuals responsible for custody of funds:
Khaled Smaili, President
Abdurahman Hamdan, Treasurer
Mohamad El Mezain, fundraiser, 11454 Cypress Canyon Park Dr., San Diego, CA 92131
Individuals responsible for fundraising: Khaled Smaili & Mohamad El Mezain
Individuals Authorized to sign checks: Khaled Smaili
Individuals responsible for distribution of funds: Khaled Smaili the Board
Individuals responsible for custody of financial records: Anas Al Masri, Khaled Smaili and Abdurahman Hamdan, and Nidal Abushaib
Bank where funds are deposited: Sky Bank
Account #: 041204713 6700037832

THE INVESTIGATIVE PROJECT ON TERRORISM

KindHearts for Charitable Humanitarian Development, Inc.
Supplemental Answers (continued)

20. Professional Fundraisers utilized:

Mr. Mohamad El Mezain
11454 Cypress Canyon Park Drive
San Diego, California 92131
Home: 858.693.8988
Work: 619.954.8382

Mr. El Mezain is the sole professional fundraiser that has been utilized by KindHearts. Mr. El Mezain is contacted by KindHearts and is asked to appear at events and conduct fundraising activities. There exists no written contractual relationship between Mr. El Mezain and KindHearts. The understanding is that KindHears compensates Mr. El Mezain for his travel, lodging and meal expenses, as well as compensation of 10% of the amounts raised, with a cap of $8,000 per event, and a minimum payment of $2,000 per event. To date, Mr. El Mezain performed one fundraising activity on May 12, 2002 in Toledo, Ohio. Mr. El Mezain has limited access to the funds, as they are usually collected on pledge cards and he does not have the authority to actually keep possession of cash proceeds.

THE INVESTIGATIVE PROJECT ON TERRORISM

KindHearts
Mission Statement:

Exclusively for charitable humanitarian relief and development of the deprived, indignant, needy, refugee, or underprivileged individuals, institutions, or societies whenever and wherever the need arises at home and abroad.

To extend the smile; to coordinate activities, as much as possible, with the relative UN, Red Cross and Red Crescent Societies, reputable non-governmental organizations (NGO's), similar relief organizations, or other local and international legitimate organizations.

To be a carrier of sustainable mercy that uplifts poverty, diseases, hardships, injuries, ignorance, and disasters away from the most needy to restore independence and self-sufficiency.

To wipe the tears; to establish, promote, or solicit charitable contributions, funds, and in-kind donations through direct or indirect fundraising, mail campaigns, drives, corporate gift matching, setting up retail donation centers, endowment funds, seasonal projects, or other innovative and high-tech fundraising means.

To nurture compassion through directly or indirectly contributing to, distributing of, or carrying out of relief and development activities according to our donors' reasonable and lawful requests.

To be humanity's common ambassadors of loving kindness by helping in the development of the needy towards independence and self sufficiency through priority stages like: 1. Emergency Relief. 2. Water and General Sanitization. 3. Sheltering Refugees. 4. Sponsorship of Orphans, Widows, and Poor Families. 5. Medical and Health Care. 6. Rehabilitation and Renovation. 7. Vocational Training and Education. 8. Independent Income generation and Economic growth.

THE INVESTIGATIVE PROJECT ON TERRORISM

9. Has tax exempt status ever been denied, revoked, or modified? Yes ☐ No ☒

10. Indicate all methods of solicitations:

Mail ☒ Telephone ☒ Personal Contact ☒ Radio/TV Appeals ☐
Special Events ☒ Newspaper/Magazine Ads ☒ Other(s) ☐ (specify) _____

11. List the NTEE code(s) that best describes your organization L , M , O

12. Describe the purposes and programs of the organization and those for which funds are solicited *(attach separate sheet if necessary).*

KindHearts is a charitable humanitarian relief and development entity operating as a nonprofit. It seeks to help the deprived, indignant, need, refugee or underpriviliged individuals, institutions, or societies whenever and wherever the need arises, at home and abroad

*Copy of KindHearts' Mission Statement is attached.

13. List the names, titles, addresses, (street & P.O.), and telephone numbers of officers, directors, trustees, and the principal salaried executives of organization (*attach separate sheet*).

14. (A) (1) Are any of the organization's officers, directors, trustees or employees related by blood, marriage, or adoption to: (i) any other officer, director, trustee or employee OR (ii) any officer, agent, or employee of any fundraising professional firm under contract to the organization OR (iii) any officer, agent, or employee of a supplier or vendor firm providing goods or services to the organization? Yes ☒ No ☐

(2) Does the organization or any of its officers, directors, employees, or anyone holding a financial interest in the organization have a financial interest in a business described in (ii) or (iii) above OR serve as an officer, director, partner or employee of a business described in (ii) or (iii) above? Yes ☐ No ☒
(If yes to any part of 14A, *attach sheet* which specifies the relationship and provides the names, businesses, and addresses of the related parties).

(B) Have any of the organization's officers, directors, or principal executives been convicted of a misdemeanor or felony? (*If yes, attach a complete explanation.*) Yes ☐ No ☒

15. *Attach separate sheet listing names and addresses (street & P.O.) for all below:*

Individual(s) responsible for custody of funds.	Individual(s) responsible for distribution of funds.
Individual(s) responsible for fund raising.	Individual(s) responsible for custody of financial records.
Individual(s) authorized to sign checks.	Bank(s) in which registrant's funds are deposited (*include account number and bank phone number*).

16. Name, address (street & P.O.), and telephone number of accountant/auditor.

Name Anas Masri
Address 3450 West Central Ave., Suite 366
City Toledo State OH Zip Code 43606 Telephone 419-329-2929
Method of accounting Accepted Accounting Principles.

17. Name, address (street & P.O.), and telephone number of person authorized to receive service of process. *This is a state-specific item. See instructions.*

Name Khaled M. Smaili
Address 3203 Woodley Road
City Toledo State OH Zip Code 43606 Telephone 419.270.0464

THE INVESTIGATIVE PROJECT ON TERRORISM

18. (A) Does the organization receive financial support from other nonprofit organizations (foundations, public charities, combined campaigns, etc.)? Yes ☐ No ☒

(B) Does the organization share revenue or governance with any other non-profit organization? Yes ☐ No ☒

(C) Does any other person or organization own a 10% or greater interest in your organization OR does your organization own a 10% or greater interest in any other organization? Yes ☐ No ☒

(If "yes" to A, B or C, *attach an explanation* including name of person or organization, address, relationship to your organization, and type of organization.)

19. Does the organization use volunteers to solicit directly? Yes ☐ No ☒

Does the organization use professionals to solicit directly? Yes ☒ No ☐

20. If your organization contracts with or otherwise engages the services of any outside fundraising professional (such as a "professional fundraiser," "paid solicitor," "fund raising counsel," or "commercial co-venturer"), *attach list* including their names, addresses (street & P.O.), telephone numbers, and location of offices used by them to perform work on behalf of your organization. Each entry *must include* a simple statement of services provided, description of compensation arrangement, dates of contract, date of campaign/event, whether the professional solicits on your behalf, and whether the professional at any time has custody or control of donations.

21. Amount paid to PFR/PS/FRC during previous year: $ N/A

22. (A) Contributions in previous year: $ N/A

(B) Fundraising cost in previous year: $ N/A

(C) Management & general costs in previous year: $ N/A

(D) Fundraising costs as a percentage of funds raised: N/A

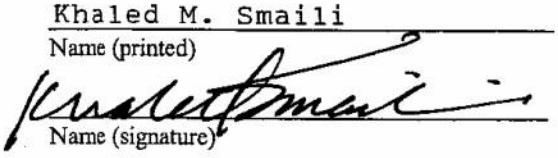
(E) Fundraising costs plus management & general costs as a percentage of funds raised: N/A

Under penalty of perjury, we certify that the above information and the information contained in any attachments or supplement is true, correct, and complete.

Sworn to before me on (or signed on) _____, 2002

_____
Notary public (if required)

Khaled M. Smaili
Name (printed)


Name (signature)

President
Title (printed)

_____
Name (printed)

_____
Name (signature)

_____
Title (printed)

Consult the state-by-state appendix to the URS to determine whether supporting documents, supplementary state forms or fees must accompany this form. Before submitting your registration, *make sure you have attached or included everything required by each state to the respective copy of the URS.*

Attachments may be prepared as one continuous document or as separate pages for each item requiring elaboration. In either case, please number the response to correspond with the URS item number.

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THE NAAG/NASCO PROJECT ON TERRORISM

KindHearts
القلوب الرحيمة
Charitable Humanitarian Development

RECEIVED
SEP
BUREAU OF CHARITABLE ORGANIZATIONS
DEPT OF STATE

INCOME & EXPENSES STATEMENT
JUNE 30, 2002

	JUN 2002	
INCOME		
Donation		(+) 343,690.47
AID ACTIVITIES Exp.		
USA OPERATION		
General Programs	25,250.00	
Education & Development	22,486.50	
Total USA OPERATION	**47,736.50**	
OVERSEAS OPERATION		
Emergency & Health	6,075.00	
Seasonal Programs	14,085.00	
Total OVERSEAS OPERATION	**20,160.00**	
Total AID ACTIVITIES		(-) 67,896.50
ADMINISTRATION & GENERAL Exp.		
Administration		
Salaries & Wages	18,938.64	
Rent & Occupancy	781.84	
Advertising	31,142.62	
Office Supply	1,793.98	
Bank Charges	1,124.86	
Postage & Shipping	1,445.47	
Telephone	1,933.68	
Printing	7,554.75	
Web Design	2,500.00	
Mail Campaign	29,970.00	
Legal & Accounting	2,952.50	
Travel	664.50	
Total Administration Exp.	**100,802.84**	
Fundraising Exp.	**29,726.12**	
Total Fundraising Exp.		
ADMINISTRATION & GENERAL Exp.		(-) 130,528.96
RETAINED DONATION		145,265.01

THE INVESTIGATIVE PROJECT ON TERRORISM

THE INVESTIGATIVE PROJECT ON TERRORISM

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2002

ASSETS	JUNE 2002	
Current Assets:		
Regular Checking Acc.	56,328.22	
Petty Cash	1,772.74	
Fund with Branch	90,000.00	
Total Current Assets	**148,100.96**	
Fixed Assets:		
Furniture & Equipment	1,047.13	
Total Fixed Assets	**1,047.13**	
Other Assets		
Security Deposits	1,116.92	
Total Assets		**150,265.01**

LIABILITIES:		
Current Liabilities		
Loans	5,000.00	
Total Current Liabilities	**5,000.00**	
Net Assets		
Retained Donations	145,265.01	
Total Net Assets	**145.265.01**	
Total Liabilities		**150.265.01**

RECEIVED $150.00 $150.00
BUREAU OF CHARITABLE ORGANIZATIONS
DEPT OF STATE
12/31/01
28690

Unified Registration Statement (URS) for Charitable Organizations (v. 2.21)

☒ Initial registration ☐ Renewal/Update

This URS covers the reporting year which ended (day/month/year) 12/31/2002

Filer EIN 02-534702

State Pennsylvania State ID

1. Organization's legal name KindHearts for Charitable Humanitarian Development, Inc.

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SEP 27 2002
BUREAU OF CHARITABLE ORGANIZATIONS
DEPT OF STATE

If changed since prior filings, previous name used

All other name(s) used

2. (A) Street address P.O. Box 23310

City Toledo County Lucas

State Ohio Zip Code 43623

(B) Mailing address (if different) 3450 W. Central Ave., Suite 366

City Toledo County Lucas

State Ohio Zip Code 43606

3. Telephone number(s) 866.546.3478 Fax number(s) 419.329.2928

E-mail talk2kindhearts@aol.com Web site www.kind-hearts.org

4. Names, addresses (street & P.O.), telephone numbers of other offices/chapters/branches/affiliates (*attach list*).

5. Date incorporated 01/22/2002 State of incorporation Ohio

Fiscal year end: day/month 12/31

6. If not incorporated, type of organization, state, and date established

7. Has organization or any of its officers, directors, employees or fund raisers:

A. Been enjoined or otherwise prohibited by a government agency/court from soliciting? Yes ☐ No ☒

B. Had its registration denied or revoked? Yes ☐ No ☒

C. Been the subject of a proceeding regarding any solicitation or registration? Yes ☐ No ☒

D. Entered into a voluntary agreement of compliance with any government agency or in a case before a court or administrative agency? Yes ☐ No ☒

E. Applied for registration or exemption from registration (but not yet completed or obtained)? Yes ☐ No ☒

F. Registered with or obtained exemption from any state or agency? Yes ☐ No ☒

G. Solicited funds in any state? Yes ☒ No ☐

If "yes" to 7A, B, C, D, E, *attach explanation.*

If "yes" to 7F & G, *attach list* of states where registered, exempted, or where it solicited, including registering agency, dates of registration, registration numbers, any other names under which the organization was/is registered, and the dates and type (mail, telephone, door to door, special events, etc.) of the solicitation conducted.

8. Has the organization applied for or been granted IRS tax exempt status? Yes ☒ No ☐

If yes, date of application 02/15/2002 OR date of determination letter _____.

If granted, exempt under 501(c) _____. Are contributions to the organization tax deductible? Yes ☐ No ☐

Rtd'd ✓ # 82944 for $150.00, Clm
+ Ptnd ✓ # 82944 for @150.00 again Clm

THE INVESTIGATIVE PROJECT ON TERRORISM

9. Has tax exempt status ever been denied, revoked, or modified? Yes ☐ No ☒

10. Indicate all methods of solicitations:

Mail ☒ Telephone ☒ Personal Contact ☒ Radio/TV Appeals ☐
Special Events ☒ Newspaper/Magazine Ads ☒ Other(s) ☐ (specify) _____

11. List the NTEE code(s) that best describes your organization L , M , O

12. Describe the purposes and programs of the organization and those for which funds are solicited *(attach separate sheet if necessary).*

KindHearts is a charitable humanitarian relief and development entity operating as a nonprofit. It seeks to help the deprived, indignant, need, refugee or underpriviliged individuals, institutions, or societies whenever and wherever the need arises, at home and abroad

*Copy of KindHearts' Mission Statement is attached.

13. List the names, titles, addresses, (street & P.O.), and telephone numbers of officers, directors, trustees, and the principal salaried executives of organization (*attach separate sheet*).

14. (A) (1) Are any of the organization's officers, directors, trustees or employees related by blood, marriage, or adoption to: (i) any other officer, director, trustee or employee OR (ii) any officer, agent, or employee of any fundraising professional firm under contract to the organization OR (iii) any officer, agent, or employee of a supplier or vendor firm providing goods or services to the organization? Yes ☒ No ☐

(2) Does the organization or any of its officers, directors, employees, or anyone holding a financial interest in the organization have a financial interest in a business described in (ii) or (iii) above OR serve as an officer, director, partner or employee of a business described in (ii) or (iii) above? Yes ☐ No ☒
(If yes to any part of 14A, *attach sheet* which specifies the relationship and provides the names, businesses, and addresses of the related parties).

(B) Have any of the organization's officers, directors, or principal executives been convicted of a misdemeanor or felony? (*If yes, attach a complete explanation.*) Yes ☐ No ☒

15. *Attach separate sheet listing names and addresses (street & P.O.) for all below:*

Individual(s) responsible for custody of funds.	Individual(s) responsible for distribution of funds.
Individual(s) responsible for fund raising.	Individual(s) responsible for custody of financial records.
Individual(s) authorized to sign checks.	Bank(s) in which registrant's funds are deposited (*include account number and bank phone number*).

16. Name, address (street & P.O.), and telephone number of accountant/auditor.

Name Anas Masri
Address 3450 West Central Ave., Suite 366
City Toledo State OH Zip Code 43606 Telephone 419-329-2929
Method of accounting Accepted Accounting Principles.

17. Name, address (street & P.O.), and telephone number of person authorized to receive service of process. *This is a state-specific item. See instructions.*

Name Khaled M. Smaili
Address 3203 Woodley Road
City Toledo State OH Zip Code 43606 Telephone 419.270.0464

THE NEW PEARL PROJECT ON TERRORISM

18. **(A)** Does the organization receive financial support from other nonprofit organizations (foundations, public charities, combined campaigns, etc.)? Yes ☐ No ☒

(B) Does the organization share revenue or governance with any other non-profit organization? Yes ☐ No ☒

(C) Does any other person or organization own a 10% or greater interest in your organization OR does your organization own a 10% or greater interest in any other organization? Yes ☐ No ☒

(If "yes" to A, B or C, *attach an explanation* including name of person or organization, address, relationship to your organization, and type of organization.)

19. Does the organization use volunteers to solicit directly? Yes ☐ No ☒

Does the organization use professionals to solicit directly? Yes ☒ No ☐

20. If your organization contracts with or otherwise engages the services of any outside fundraising professional (such as a "professional fundraiser," "paid solicitor," "fund raising counsel," or "commercial co-venturer"), *attach list* including their names, addresses (street & P.O.), telephone numbers, and location of offices used by them to perform work on behalf of your organization. Each entry *must include* a simple statement of services provided, description of compensation arrangement, dates of contract, date of campaign/event, whether the professional solicits on your behalf, and whether the professional at any time has custody or control of donations.

21. Amount paid to PFR/PS/FRC during previous year: $ N/A

22. **(A)** Contributions in previous year: $ N/A

(B) Fundraising cost in previous year: $ N/A

(C) Management & general costs in previous year: $ N/A

(D) Fundraising costs as a percentage of funds raised: N/A

(E) Fundraising costs plus management & general costs as a percentage of funds raised: N/A

Under penalty of perjury, we certify that the above information and the information contained in any attachments or supplement is true, correct, and complete.

Sworn to before me on (or signed on) _____, 2002

_____
Notary public (if required)

Khaled M. Smaili
Name (printed)

Khaled Smaili
Name (signature)

President
Title (printed)

Hatem Elhady
Name (printed)

Hatem Elhady
Name (signature)

Hatem Elhady
Title (printed)

Chairman of the Board

Consult the state-by-state appendix to the URS to determine whether supporting documents, supplementary state forms or fees must accompany this form. Before submitting your registration, *make sure you have attached or included everything required by each state to the respective copy of the URS.*

Attachments may be prepared as one continuous document or as separate pages for each item requiring elaboration. In either case, please number the response to correspond with the URS item number.

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THE NEW CHARITY PROJECT TERRORISM

PENNSYLVANIA PUBLIC DISCLOSURE FORM BCO-23

ORGANIZATION NAME: KinAHearts

CERTIFICATE NUMBER: 28690 FOR FISCAL YEAR ENDED: 12/31/2001

RECEIVED
OCT 22 2002
BUREAU OF CHARITABLE ORGANIZATIONS
DEPT OF STATE

Part I: Gross Contributions

1) General Contributions	1	
2) Gross Receipts from Special Events	2	
3) Contributions from Affiliates	3	
4) Contributions Received from Federated Fundraising Organizations	4	
5) Receipts from Membership Dues in Excess of Bona Fide Dues	5	
6) Gross Contributions (add lines 1 through 5) →	6	00

Part II: Other Income

7) Program Service Revenues	7	
8) Bona Fide Membership Dues and Assessments	8	
9) Government Grants and Contracts	9	
10) Miscellaneous Income	10	
11) Total Income (add lines 6 through 10) →	11	00

Part III: Expenses

12) Program Services	12	
13) Administrative Expenses	13	
14) Fundraising Expenses	14	
15) Payments to Affiliated Organizations	15	
16) Other Expenses from Special Events (other than fundraising expenses)	16	
17) Miscellaneous Expenses	17	
18) Total Expenses (add lines 12 through 17) →	18	00

Part IV: Net Assets

19) Excess or (Deficit) for the Year (subtract line 18 from line 11)	19	
20) Net Assets or Fund Balances at Beginning of Year	20	
21) Other Changes in Net Assets or Fund Balances (attach explanation)	21	
22) Net Assets or Fund Balances at End of Year (combine lines 19, 20, and 21) →	22	00

(See Next Page for "Salaries and Expense Allowance Statement")

(Rev. 8-99)

THE INVESTIGATIVE PROJECT ON TERRORISM

23) Salaries and Expense Allowance Statement

Name of Individual	Title and Average Hours Per Week Devoted to Position	Salary	Expense Account and Other Allowances
Five Highest Paid Employees:			
1.			
2.			
3.			
4.			
5.			
Officers:			

THE INVESTIGATIVE PROJECT ON TERRORISM

CONTRACTUAL AGREEMENT FOR SERVICES

RECEIVED
2008 MAY 19 A 10:20
OFFICE OF CHARITABLE ALLOCATIONS
DEPT OF TAX AND ORGANIZATIONS

COMES NOW, KindHearts for Charitable Humanitarian Development, Inc. (hereinafter "KindHearts"), a duly established and registered nonprofit corporation in the State of Ohio, and a recognized tax-exempt entity under the provisions of the Internal Revenue Service pursuant to 501(c)(3) of the Internal Revenue Code, having its principal place of business at 3450 West Central Avenue, Suite 366, Toledo, Ohio 43606, and North American Professional Service, Inc., a California Corporation (hereinafter "NAPS"), having its principal place of business at 11454 Cypress Canyon Park Drive, San Diego, California 92131.

RECITALS

WHEREAS, the parties wish to govern the conduct, duties and responsibilities between and amongst them, and

WHEREAS, KindHearts seeks professional fundraising and consulting services to help it in its campaign to gather donations from contributors and to communicate its charitable and humanitarian purpose to audiences across the United States, and

WHEREAS, NAPS is a professional consulting and fundraising corporation dedicated to servicing charitable, public and other nonprofit organizations, educational, community centers and religious institutions.

NOW, THEREFORE, in consideration of the terms and conditions set forth herein below, the parties agree as follows:

1. Description of Services and Scheduling Events. NAPS hereby agrees to make available its employees for services benefiting KindHearts upon the request of KindHearts as set forth herein. During the term of this Agreement, NAPS agrees to yield to KindHearts the first right of refusal in scheduling events on a first come first serve basis.

NAPS agrees to travel to and conduct fundraising events at the request of KindHearts as fully described herein. In performing services under this Agreement, NAPS agrees to promote and inform potential donors concerning the charitable nature and goodwill of KindHearts for the purpose of encouraging donations. NAPS agrees to work closely with KindHearts and its representatives regarding the content of fundraising activities it conducts on behalf of KindHearts and understands that KindHearts has ultimate decision making regarding such activities and/or programming. NAPS further agrees not to promote, announce or encourage any activity or cause which was not agreed to by KindHearts or which may not be in the best interest of KindHearts as set forth in its bylaws. Moreover, NAPS shall expressly inform the audience and event organizers that NAPS is providing its services on behalf of KindHearts, and that KindHearts is the entity that is financially supporting, funding and benefiting from such event. NAPS will provide its services to encourage attendees to contribute as much as they can afford to KindHearts.

THE INVESTIGATIVE PROJECT ON TERRORISM

In performing its services hereunder, NAPS agrees not to engage in any activity, discussion or lecture inconsistent with the written stated purpose of KindHearts. KindHearts agrees not to request or require NAPS to include any content in its message at events which is inconsistent with the written purposes of KindHearts as stated in its Articles of Incorporation and Bylaws.

2. Cancellation of Events/Attendance. In the event KindHearts cancels a pre scheduled event unilaterally, and such cancellation is not outside of KindHearts' control, and such cancellation take place within 45 days of the event, KindHearts shall pay NAPS a cancellation fee paid to NAPS within 7 days. Events scheduled within 14 days **and** subsequently cancelled are **not** subject to a cancellation fee. This section shall not apply to the change of venue of such events, only to cancellations.

If KindHearts reschedules an event, it must specify the rescheduled date within 7 days of notice of cancellation to avoid a cancellation fee with in the 45 days prior to the original event. In the event that KindHearts changes the nature of the event, i.e. From a fundraising dinner to a lecture, then KindHearts shall pay NAPS the difference, which would be $1,000, unless NAPS reaches its maximum amount of compensation for that event.

In the event that NAPS is unwilling or unable, for any reason whatsoever, excluding reasons beyond its control, to attend and perform a scheduled fundraising event, NAPS shall pay KindHearts a cancellation fee within 7 days of the missed event.

The cancellation fees shall apply to both parties as follows:

i. **NAPS cancels event:**
   a. **Friday Khutba:** NAPS pays KindHearts $2,000
   b. **Fundraising Dinner:** NAPS pays KindHearts $5,000

ii. **KindHearts cancels event:**
   a. **Friday Khutba:** KindHearts pays NAPS $2,000
   b. **Fundraising Dinner:** KindHearts pays NAPS $3,000

4. Description of Events. The events where NAPS shall perform services shall include the following:

A. FUNDRAISING DINNER: A fundraising dinner shall mean any event other than a lecture or *dars,* and must include the service of food. However, in the event that a third party organizes and conducts a fundraiser for KindHearts, it shall be considered a fundraising dinner notwithstanding the provision of food.

B. KHUTBA: A *khutba* is a Friday lecture(s) which shall occur between 11:00 a.m. and 3:00 p.m.

THE INVESTIGATIVE PROJECT ON TERRORISM

C. LECTURE SERVICE OR *DARS:* A lecture service, also known as a *dars,* usually on Friday evenings, but may also be held during any other day or time of the week, excluding Friday Khutba(s).

5. Confidentiality of Trade Secrets and Other Business Information. NAPS and KindHearts hereby agree not to share any information with any entity or individual, including but not limited to member lists and trade secrets, names of members/audience and other individuals and/or entities which are currently within its possession, or which may come into its possession from the other party, during the term of this Agreement, including the names, addresses, electronic mail addresses, and all other information within its possession, or which may come into its possession from the other party.

Except for reporting requirements under governing law, statutes and regulations, both parties shall treat all information provided herein, especially the term and price of this Agreement, as strictly confidential and proprietary, unless such would conflict with KindHearts' duties and/or NAPS' obligations under the Internal Revenue Code Section 501(c)(3) or any other statute, rule or regulation.

6. Possession of Collected Funds. NAPS hereby agrees not to have any constructive control of any fund raised funds, be they cash, checks, pledge-cards or the like. NAPS' sole role is to conduct fundraising activities/events in a manner and in forums as chosen by KindHearts solely. All donated funds and/or pledges shall be collected by KindHearts representatives at the fundraising sites. In the event a KindHearts representative is not present to receive same, NAPS is authorized by KindHearts to transport monies and send all directly to KindHearts.

7. Fees and Costs for Services.

A. KindHearts agrees to the following fee schedule:

i. **KindHearts reserves an event:**
NAPS shall receive 10% of funds raised, with a minimum amount of $2,000 and a maximum amount of $8,000 of KindHeart's share per event.

ii. **NAPS reserves an event:**
NAPS shall receive 10% of funds raised, with a minimum amount of $1,000 and a maximum amount of $5,000 per event.

iii. **Fundraising Dinner:**
NAPS shall receive 10% of funds raised, with a minimum amount of $3,000 and a maximum amount of $8,000 of KindHeart's share per fundraising dinner.

iv. **Multiple events at the same location during the same day, i.e. One lecture *(khutba)* and one lecture *(dars):***
NAPS shall receive 10% of funds raised, with a minimum amount of $3,000, and a maximum amount of $8,000 per day.

THE EXECUTIVE PROJECT ON TERRORISM

v. **Fundraising event facilitated through a third organization:** NAPS shall receive a flat rate $3,000 per event.

vi. **NAPS provides a speaker other than Mr. Mohammad El-Mezain:**

a. NAPS shall receive 10% of funds raised, with a minimum amount of $1,250 and a maximum amount of $5,000 per event.
b. If the event is facilitated through a third organization, NAPS shall receive a flat rate of $1,750 per event for such.

B. Payments to NAPS for its services provided shall be made within 14 days of KindHearts' receipt of a complete and detailed final report by NAPS.

C. To be attributable as fund raised amounts in calculating the fee owed to NAPS,all information on KindHearts' pledge cards should be filled out completely. In case information is not complete on the card, the card is not counted in calculating the fee **only** if the donor could not be reached by any form of contact information.

D. KindHearts agrees to pay reasonable travel expenses of NAPS, which shall only include airfare, meals, and hotel accommodation expenses. Such payments are to be made to NAPS within 14 days of NAPS' submission of a complete written program report, explanation and documentation, including valid receipts, for same.

8. In Performing its Services: NAPS warrants not to engage in any activity, discussion or lecture which would in any way negatively impact KindHearts' reputation as a charitable humanitarian entity, and/or which may affect KindHearts' status as a nonprofit tax-exempt entity, and further holds KindHearts harmless from its conduct, statements or the like which is not expressly approved by KindHearts.

9. Term of Contract. The term of this contract shall be for one year, renewable at the agreement of both parties at least ninety days prior to the end of the current term. This agreement shall commence on May 1, 2003, and shall terminate, unless renewed through a separate written agreement, on May 1, 2004.

10. State Registration. NAPS agrees not to solicit any contributions on behalf of KindHearts in states where NAPS is not duly registered as a professional fundraising entity. KindHearts agrees to provide NAPS with information as is needed by NAPS to comply with each state's governmental reporting requirements.

11. Dispute Resolution. In the event any dispute arises with respect to the interpretation or enforcement of this Agreement, it shall be resolved with the Islamic Arbitration Guidelines. Once the parties have complied with such guidelines, and receive a written decision, either party may seek enforcement of that decision in any court of competent jurisdiction.

12. Miscellaneous Terms.

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A. This Agreement is binding on the parties hereto and their respective successors, heirs, legal representatives and assigns.

B. Each party represents and warrants to the other that (a) it is a duly organized entity, validly existing, and in good standing under the laws within which it is organized; (b) it has all requisite power and authority to enter into this Agreement and to carry out and perform its obligations under the terms of this Agreement; (c) this Agreement has been duly authorized, executed and delivered and constitutes a valid and binding obligation of such party enforceable in accordance with its terms; and (d) the execution, delivery and performance of and compliance with this Agreement does not and will not conflict with , constitute a default under, or result in the creation of any mortgage, pledge, lien, encumbrance or charge upon any of the properties or assets of such party, nor result in any violation of (i) any term of its certificate of incorporation, bylaws, or other governing documents, (ii) any term or provision of any mortgage, indenture, contract, agreement, instrument, judgment of decree, or (iii) any order, statute, rule or regulation, be it federal or state.

C. The parties shall defend, indemnify and hold each other and affiliates harmless from and against any and all liabilities, losses, damages, and costs, including reasonable attorneys' fees, resulting from, arising out of, or in any way connected with (i) any breach by either party of any warranty, representation, covenant or agreement contained herein, or (ii) performance of the parties duties and obligations hereunder. The parties' obligations under this section shall survive the termination of this Agreement.

D. Neither party shall be liable for any nonperformance under this Agreement due to causes beyond its reasonable control, such that could not have been reasonably anticipated by the non performing party as of the execution of the instant Agreement and that cannot be reasonably overcome or avoided; provided that the non performing party gives the other prompt written notice of such cause.

E. None of the provisions of this Agreement shall be deemed to constitute a partnership, joint venture or any other such relationship between the parties hereto, and neither party shall have any authority to bind the other in any manner outside the instant Agreement. Moreover, neither party shall act in such a manner as to give an impression to a third party that either party is the agent of the other.

F. If any action shall be brought on account of any breach of or to enforce or interpret any of the covenants or conditions of this Agreement, the prevailing party shall be entitled to recover from the other, as part of the prevailing party's costs, a reasonable amount for attorneys' fees.

G. No delay or failure by either party in exercising any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right.

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H. This Agreement constitutes the entire Agreement between the parties with respect to the subject matter hereof, and supersedes and replaces all prior or contemporaneous understandings of agreements, written or oral. No attachment, amendment or modification of this Agreement will be binding unless in writing and signed by a duly authorized representative of both parties.

I. This Agreement may be executed in any number of identical counterparts, each of which shall be considered an original, but together shall constitute but one and the same Agreement.

J. Any notice or other communication herein required or permitted to be given shall be in writing and to the addresses of the parties first listed above. Any notices sent to either party shall be properly addressed as follows:

KindHearts:
Khalid Smaili, President
KindHearts for Charitable Humanitiarian
Development. Inc.
3450 West Central Avenue, Suite 366
Toledo, OH 43606
Fax (419) 329-2928

with a copy to KindHearts' attorney:
Jihad M. Smaili. Esq.
Jihad M. Smaili, Esq., L.L.C.
1360 West 9th Street, Suite 310
Cleveland, OH 44113
Fax (216) 685-9685

NAPS:
Mohammad El-Mezain, President
North American Professional Services, Inc.
10755-F Scripps Poway Parkway, #511
San Diego, CA 92131
Fax (858) 578-1161

with a copy to NAPS' attorney:
James R. Spievak
Annis & Spievak
600 B Street, Suite 2120
San Diego, CA 92101
Fax (619) 236-1536

IN WITNESS WHEREOF, the parties hereto have executed this Agreement:

RECEIVED
2003 MAY -9 AM 10: 25
BUREAU OF CHARITABLE ORGANIZATIONS
DEPT OF STATE

KindHearts for Charitable Humanitarian Development, Inc.

By: _____ Date: 5-2-03
Mr. Khaled M. Smaili, President

North American Professional Service, Inc.

By: _____ Date: 5-1-2003
Mr. Mohammad El-Mezain, President

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Constitution

KindHearts for Charitable Humanitarian Development, Inc.

Whereas, it has become increasingly clear that the plight of some individuals and/or entities around the world have suffered, and continue to suffer, the scourge of famine, disease, discrimination, death, torture, degrading treatment, famine, executions, financial collapse, hunger, harassment, denial of God-given rights, and other injustice and hopelessness; and

Whereas, the need for a structured and determined organization is greatly required for the successful alleviation of such scourge; and

Resolved by the undersigned incorporators that the following laws shall form the basis of operation for KindHearts for Charitable Humanitarian Development, Inc. Which will meet said needs:

Article I. General Considerations.

Section 1. KindHearts shall always maintain its status as a nonprofit, charitable and humanitarian entity.

Section 2. The structure of KindHearts shall be comprised of a Board of Trustees and Officers.

Section 3. KindHearts shall maintain at least one bank account, one business office, and one P. O. Box address.

Section 4. KindHearts shall promulgate Bylaws to be executed simultaneously with this Constitution by the Initial Trustees.

Section 5. KindHearts shall be an independent nonprofit association and shall operate as such in compliance with the applicable laws of the State of Ohio.

Section 6. KindHearts is organized exclusively for charitable and development purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Section 7. KindHearts is intended to qualify as a tax-exempt organization within the meaning of Section 501(c)(3) of the Internal Revenue code of 1954, as amended, and the affairs of the Corporation shall be conducted in such a manner as to qualify for tax exemption under that section or corresponding section of any future Internal Revenue Code. No part of the net earnings of KindHearts shall inure to the benefit of, or be distributable to, trustees, officers or other private persons, except that KindHearts shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in

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furtherance of the purposes set forth herein, and as provided for by the Bylaws. No substantial part of the activities of KindHearts shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and KindHearts shall not participate in, or intervene in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document or the Bylaws, KindHearts shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or corresponding section of any future tax code, or (c) any prohibited activities as set forth by the Executive, Legislative or Judicial Branch of the United States Government. All efforts must be made to ensure that recipients of any financial or other assistance by KindHearts do not violate any rule, regulation, policy, or guidelines of the United States Government.

Article II. Mission Statement.

In the wake of increasing human tragedies worldwide, KindHearts was established by a veteran humanitarian Mr. Khaled M. Smaili who incorporated KindHearts as its executive founder and trustee on the 22nd day of January, 2002, along with KindHearts' initial trustees Mr. AbdelRahman Qatishat and Mr. Adurahman Hamdan. The purpose of KCHD shall be strictly for charitable procurement and distribution of funds and/or donations. To that end, development, relief, and creating employment opportunities at home and abroad, shall be the cornerstones of KCHD's role in its humanitarian efforts.

Procurement shall have the meaning of solicitation of funds and/or donations through any and all legal and ethical methods. Distribution shall have the meaning of the giving away of funds without any expectation of financial return, with the exception of approved investments made by KCHD in deprived and/or underpriviledged areas.

KCHD shall not be limited geographically with regards to its mission goals. However, KCHD shall make every effort to investigate and/or determine the eligibility, both legal and ethical, of any recipient entity and/or individual.

Article III. Definitions, Guidelines, Functions and Procedures.

(i) Board of Trustees. The group of individuals who are elected as Trustees to serve and meet in accordance with their duties and responsibilities delegated herein. The authority and responsibilities of the Board of Trustees shall be to assure the financial well-being of KindHearts and shall have the ultimate authority in maintaining the direction of KindHearts as set forth in this Constitution. The Board of Trustees is comprised of all members having voting powers on all issues, which shall include all Officers, and shall exercise control over items which are brought before them in accordance with proper notice by other Trustees or Officers.

(ii) Bylaws. Regulations, ordinances, rules or laws adopted by KindHearts for its internal governance. Bylaws define the rights and obligations of various officers, persons or

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groups within the corporate structure and provide rules for routine matters such as calling meetings and the like.

(iii) Committee. An entity created by the trustees with a specific mandate or charge. There are no limitations for the promulgation or purpose of such committees. A committee may be comprised of any number of Officers and/or trustees. Committee recommendations shall be presented to the trustees for a vote.

(iv) Constitution. The organic and fundamental law of KindHearts as written herein, establishing the character and conception of its governance, laying the basic principles to which its internal life is to be conformed, regulating, distributing, and limiting the functions of its different departments, and prescribing the extent and manner of the exercise of its sovereign powers.

(v) Executive. The Officers of KindHearts, which is charged with the detail of carrying the bylaws and Constitution into effect and securing their due observance.

(vi) Executive Committee. The Officers, which directly manages the operations between the meetings of the trustees.

(vii) Officers. Persons holding office of trust, command or authority in KindHearts. The only Officers serving KindHearts shall be: President, Treasurer and Secretary. Officer positions shall be paid positions as specified in Bylaws. Officers are employees of KindHearts.

(viii) President. An Officer and employee who is placed in authority over all other Officers and employees of KindHearts. This is an elected and paid position. KindHearts' President shall be the Chief Officer and presiding manager or director of the entire day-to-day activities of KindHearts with unlimited discretion, unless specifically restricted by Board of Trustees powers as listed in this Constitution.

(ix) Quorum. A majority of the entire body which must be present in a deliberative body before business may be transacted. If the business to be transacted is in reference to amending the Constitution, then no transaction of business shall take place unless at least one half the voting persons participate. In the event that a quorum cannot be obtained after two (2) additional attempts to convene a meeting of the Board of Trustees, then those present at the third (3rd) such meeting shall constitute a quorum, and the decision taken at such meeting shall be binding on KindHearts. However, each notice of such meetings must be accompanied by an agenda for the meeting being called.

(x) Secretary. An Officer and employee who is charged with the direction and management of that part of the business of KindHearts which is concerned with keeping the records, minutes of Board of Trustees meetings, the official correspondence, and giving and receiving notices. The Secretary shall also be known as, and have powers of, the clerk of the Corporation.

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(xi) **Treasurer.** An Officer and employee who is elected by the Board of Trustees. This is an elected and paid position. The Treasurer is charged with the receipt, custody, and auditing of the finances of KindHearts.

(xii) **Trustee.** The person appointed, as were the Initial Trustees, or elected by the Initial Trustees or Trustees, to act in the best interests of the beneficiary, KindHearts, and as its fiduciary, without compensation or conflict of interest. Trustees also govern the activities of Officers and ensure that the goals of KindHearts are being met. Trustees have voting powers on issues within their consideration as articulated herein.

*Any term not defined herein shall have meaning as in the ordinary use of the English language. All of the above definitions shall be binding upon the activities and management of KindHearts, and specifically on such terms used in the Bylaws.

Article IV. Structure and Governing Bodies.

(A). KindHearts shall be governed by a Board of Trustees which shall have the ultimate responsibility for overseeing and protecting the wellbeing of KindHearts, and may intervene when such wellbeing appears to be threatened by calling for a special meeting.

(B). Executive Committee of KindHearts shall implement and carry out the mandates of the Constitution and Board of Trustees on a daily basis, and shall be responsible to the Board of Trustees unless otherwise set forth herein or in the Bylaws.

Article V. Initial Trustees.

The Initial Trustees shall convene and debate, and ultimately approve this or like constitution and Bylaws. Upon the approval of same, the Initial Trustees shall vote in two to twelve additional trustees. Potential trustees must present themselves in person to the Initial Trustees for a vote. Once voted upon, the Board of Trustees shall take existence. Upon the existence of the Board of Trustees, an immediate vote shall be conducted for the positions of President, Secretary and Treasurer. The first items of business of the Board of Trustees shall be to create a committee to later meet for the procurement of office space for KindHearts, which shall be solely determined by same. All initial trustees shall be entitled to serve as trustees for life, unless removed by the Board of Trustees in accordance with proper procedures for lack of good standing.

Article VI. Voting

Each Trustee and Officer shall have the power to vote during special or yearly Board of Trustees meetings. All Officers have equal voting powers as trustees. The specific procedures of voting shall be articulated in the Bylaws.

Article VII. Vacancies and Removal of Officers and Trustees.

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In all elected functions, the elected individual shall retain his/her position until replaced according to the Bylaws in conjunction with the Constitution. Any Officer or Trustee may be removed with cause at a duly held Trustee meeting. Evidence shall be presented in order to establish "just cause" and such term shall be determined by the Board of Trustees, with the exception of the individual being removed. Vacancies shall be filled by a majority vote of the Board of Trustees.

Article VIII. Amendment.

This Constitution may be amended with a three-fourths (3/4) majority vote. However, any and all potential amendments must be submitted to all trustees and Officers in writing at least one week prior to vote on same.

Article IX. Dissolution.

KindHearts may be dissolved in accordance with the laws of the State of Ohio as they apply to partnerships. Any remaining funds after liquidation of KindHearts' assets shall be distributed to the last recipient of funds by KindHearts in whole.

WHEREFORE, this Constitution is hereby adopted on the 1st day of ~~April~~ May, 2002, by a unanimous vote of the Initial Trustees of KindHearts:

Mr. Khaled M. Smaili | Mr. AbdelRahman Qatishat | Mr. Abdurahman Hamdan

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Bylaws

KindHearts for Charitable Humanitarian Development, Inc.

Article I. General Considerations.

Section 1. Mailing Address; Business Office; Headquarters; Statutory Agent.

(A) The mailing address of KindHearts shall be P.O. Box 23310, Toledo, Ohio 43623-0310.

(B) KindHearts shall also maintain a business office pursuant to guidelines herein.

(C) The headquarters of KindHearts shall be named herein upon its determination.

(D) The statutory agent for KindHearts is Mr. Khaled M. Smaili, 3203 Woodley Road, Toledo, Ohio 43606.

Section 2. Constitution.

On the same date of the promulgation of the instant Bylaws, KindHearts' Constitution was also promulgated. To the extent that there may be inconsistencies herein, the Constitution's interpretation shall prevail. To the extent that there may be inconsistencies between the Constitution and the instant Bylaws, the Constitution's language shall prevail. In other words, the Constitution is the supreme law of KindHearts, as applied to daily activities and functions as set forth herein. The Constitution is hereby incorporated by reference as a permanent and inseparable component of these Bylaws.

Section 3. Definitions.

For definition of terms herein, reference is made to the Constitution.

Article II. Meetings

Section 1. Board of Trustee Meetings.

(A) Annual Meeting.

The annual meeting of the Members shall be held at the hour and on the date determined by the Trustees during the third, fourth or fifth month following the fiscal year end of KCHD in each year, for the election of Trustees and the consideration of reports to be presented before such meeting, pursuant to proper notice, signed by an officer thereof. Upon due notice, there may also be considered and acted upon at an annual meeting any matter which could properly be considered and acted upon at a special meeting, in which case and for which purpose

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the annual meeting shall also be considered as, and shall be, a special meeting. When the annual meeting is not held or Trustees are not elected thereat, they may be elected at a special meeting called for that purpose.

(B) Special Meetings.

Special meetings of the Members may be called by either the President or the Chairman at their sole discretion or by the majority vote of Trustees by affirmative action at a meeting.

(D) Place of Meetings.

Any meeting of the Members may be held either at the principal office of the Corporation or at such other place within or without the State of Ohio as may be designated in the notice of said meeting.

(E) Notice of Meetings.

Notice to all Trustees of any meeting held by the Members shall be required.

(F) Quorum.

To constitute a quorum, at least half the members including the President or the Chairman shall be present.

(G) Eligibility.

All Trustees shall be persons of at least twenty-one (21) years of age, of good moral character and maintain their involvement and participation in good standing. No person previously convicted of a felony or the equivalent shall serve as Trustee.

Section 2. Executive Committee.

The Executive Committee shall be comprised of the Officers only. It shall meet at least once every month, and as needed, and/or as required to present reports of all transactions and undertakings, including expenditures, to the entire Board of Trustees at the annual meeting.

The Executive Committee shall decide the exact time and date of Officer and Trustee elections. Such elections shall be held at least sixty (60) days prior to the expiration of such terms. Notice of election times and dates shall be made available to interested parties which inquire.

Article III. Trustees.

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Section 1. Election, Number, Duties and Term of Office

There shall be two to twelve (2-12) Trustees who shall be elected at the annual meeting of the Members or at a special meeting of the Members called for that purpose, and each Trustee shall hold office until the date fixed by these Bylaws for the next succeeding annual meeting of the Members and until his or her successor is elected, or until his earlier resignation, removal from office, or death. In the event that any circumstances exist so that there are not five (5) Trustees of the Corporation, any vacant Trustee position shall be filled at a meeting of the Members or by written action of the Members.

The total number of Trustees shall consist of a maximum of fifteen (15) individuals, i.e. The Officers plus twelve (12) non-Officers. The Board of Trustees shall elect, by majority vote, a Chairman to govern same. Such Chairman may not be an Officer. The term of the Chairman shall be for three (3) years. The term for Trustees shall be for five (5) years.

The duties of the Chairman of the Board of Trustees shall be to call for meetings of the Board of Trustees, encourage and help the Trustees to perform their duties to KindHearts, Review minutes of the Executive Committee, communicate with Officers, preside over Board of Trustees meetings and set agenda for same, provide notice of upcoming discussions/topics to be undertaken at Board of Trustee meetings at least one week prior to same.

The duties of the Trustees shall be to actively participate in streamlining the overall goals and activities of KindHearts, attend Trustee meetings, approve any loan agreement, sale or acquisition of KindHearts real estate and/or buildings and/or other capital assets, already approved by the Executive Committee, the establishment of other satellite offices for KindHearts and their location and approving budget for the construction and/or acquisition of such sites, receive and review Executive Committee meeting minutes, and initiate and guide efforts to support the development of the organization.

Furthermore, the Board of Trustees may remove Officer(s) from their positions and duties upon the determination and the presentment of evidence that such officer(s) has conducted his/herself in a manner inconsistent to the goals of KindHearts. Such removal shall be by three-fourths (3/4) of the Board. The Officer being considered for removal shall not be allowed to vote in same.

Moreover, the Board of Trustees is charged with the duty of resolving any difficulties in the interpretation of the Constitution and/or Bylaws of KindHearts.

In case of a tie, the President shall cast the deciding vote.

Section 2. Meetings.

Regular meetings of the Trustees shall be held immediately after the annual meeting and at such other times and places as may be fixed by the Trustees.

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Special meetings of the Trustees may be called by the Chairman of Trustees or by the President or by a majority of the Trustees. Notice of the time and place of a special meeting shall be served upon or telephoned to each Trustee at least twenty-four (24) hours, or mailed, telegraphed or cabled to each Trustee at least forty-eight (48) hours, prior to the time of the meeting.

Minutes of Trustee meetings shall be summarized by the Secretary.

Section 3. Quorum.

A majority of the number of Trustees then in office shall be necessary to constitute a quorum for the transaction of business. However, at no time shall such a meeting take place in the absence of the Chairman.

Section 4. Action Without a Meeting.

Any action may be authorized or taken at a meeting of the Trustees may be authorized or taken without a meeting in a writing or writings signed by all of the Trustees, which writing or writings shall be filed with or entered upon the records of the Corporation.

Section 5. Committees.

The Trustees may from time to time create committees to act in the intervals between meetings of the Trustees and may delegate to such committee or committees any of the authority of the Trustees other than that of filing vacancies among the Trustees or in any committee of the Trustees. No committee shall consist of less than two trustees. The Trustees may appoint one or more Trustees as alternate members of any such committee, who may take the place of any absent member or members at any meeting of such committee.

Unless otherwise ordered by the Trustees, a majority of the members of any committee appointed by the Trustees pursuant to this section shall constitute a quorum at any meeting thereof, and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of such committee. Action may be taken by any such committee without a meeting by a writing or writings signed by all of the committee's members. Any such committee shall prescribe its own rules for calling and holding meetings and its method of procedure, subject to any rules prescribed by the Trustees, and shall keep a written record of all action taken by it.

The Officers solely shall be members of the Executive Committee. The Executive Committee shall meet and discuss the business of KindHearts, and has the sole discretion to determine the need and entity which shall benefit from KindHearts donations and/or help. However, a list of such recipients and the monies distributed shall be presented to the Board of Trustees at the annual meeting, or before if a special meeting is called.

Article IV. Officers.

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Section 1. Officers.

The Corporation shall have a President, a Secretary, and a Treasurer as Officers. The President and the Treasures may be one of the same. All of the Officers and assistant officers, if any, shall be elected by the Trustees.

Section 2. Authority and Duties of Officers.

The Officers of the corporation shall have such authority and shall perform such duties as are customarily incident to their respective offices, or as may be specified from time to time by the Trustees, regardless of whether such authority and duties as are customarily incident to such officer.

The President shall be the chief executive officer of KindHearts and shall supervise and control the affairs of KindHearts and the activities of the Officers. The President shall perform all duties incident to the position and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be prescribed from time to time by the Board of Trustees. The President shall preside over all Executive Committee meetings, and may, if he so chooses, appoint a non-Officer Board of Trustees member to sit in his stead if the President is unable to attend an Executive Committee meeting. However, no material decisions shall be taken in the absence of the President. The President shall have the sole power, in the name of KindHearts, to execute such deeds, mortgages, bonds, contracts, checks, or other instruments. The President shall have the sole responsibility and discretion in hiring and termination of non-Officer employees of KindHearts.

The President has the authority to distribute up to $5,000 without the approval of the Executive Committee for any charitable purpose in accordance with the goals and mission statement of KindHearts. Anything above this amount must be approved by the Executive Committee. Subsequent to the transaction which would not require Executive Committee approval, the President shall submit to the Treasurer a brief description and documentation of the transaction.

The Secretary shall certify and keep at the principal office of KindHearts the original, or a copy, of these Bylaws and Constitution as amended or otherwise altered to date, keep at the principal office of KindHearts and at such other place as the Board of Directors may determine, a book of minutes of all meetings of the trustees and Officers, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present at the meeting, and the proceedings thereof. It is the express duty of the Secretary to organize, maintain and take all minutes during meetings of the Executive Committee and the Board of Trustees. The Secretary is responsible for maintaining all corporate records, and shall receive all incoming communications submitted to KindHearts, present material ones to the President for comment and/or approval, and then respond to same pursuant to instructions from the President. Furthermore, the Secretary shall send all notices and/or invitations regarding upcoming meetings and agendas. The Secretary shall also be responsible for maintaining a complete database of all KindHearts donors and update same as required. The Secretary shall

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also act as the custodian of the records and the seal of KindHearts and affix the seal, as authorized by the President, to duly executed documents of KindHearts. The Secretary shall keep at the principal office of KindHearts a membership book containing the name and address of each and any trustee and/or Officer, and shall maintain an up to date record of same.

The Treasurer shall organize, maintain and document all financial transactions and/or expenditures. The treasurer shall have charge and custody of, and be responsible for, all funds and securities of KindHearts, and deposit such funds in the name of KindHearts, receive, and give receipt for, monies due and payable to KindHearts from any source whatsoever, keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The treasurer shall act as bookkeeper of KindHearts. Furthermore, the Treasurer shall receive all funds from fundraising and other activities and deposit same into KindHearts' bank account and shall maintain complete records of same. At the annual Board of Trustees meeting, or if otherwise called for through a special meeting before that time, shall present to the entirety of the Board of Trustees the complete financial records and be prepared to explain and answer any and all questions and/or inquiries regarding same. Moreover, the Secretary shall follow up with banks and other entities regarding collection and deposit of funds donated and/or pledged to KindHearts. The Treasurer shall prepare all monetary transactions according to the direction of the President for the President's execution. The Treasurer shall at any time requested render to the President an account of any and all of the transactions conducted as Treasurer and of the financial condition of the corporation. The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

Section 3. Payment and Benefits To Officers.

Officers are entitled to reasonable compensation as full time employees of the Corporation. Officers shall be compensated according to the current poverty guidelines as set forth in form I-846A of the United States Department of Justice and as they relate to the household size of Officers. In accordance with the position's responsibilities, the President shall receive 1.33 times of the listed poverty line for "all other sponsors." The remaining Officers shall receive 1.17 times the poverty line for "all other sponsors." Officers may also participate in fundraising activities and receive remuneration for same as set forth herein.

Section 4. Term of Officers.

Officers shall serve five (5) year terms if they maintain their positions in good standing. The Board of Trustees shall determine the meaning of "good standing."

Section 5. Meetings and Records.

Meetings of the Officers shall be summarized in written fashion into minutes by the Secretary.

Article V. Indemnification of Officers, Trustees, Employees and Agents; Insurance

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Section 1. Indemnification.

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise, to the fullest extent not expressly prohibited under the laws of the State of Ohio.

Section 2. Authorization Required.

Any indemnification under Section 1 herein (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the trustee, officer, employee or agent is proper under the circumstances under applicable law. Such determination shall be made: (a) by the trustees by a majority vote of a quorum consisting of trustees who were/are not parties to such action, suit of proceeding; (b) if such a quorum is not attainable, or, even if obtainable, a quorum of disinterested trustees so directs, by independent legal counsel in a written opinion; or (c) by the members.

Section 3. Expenses.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the trustees in the specific case upon receipt of an undertaking by or on behalf of the trustee, officer, employee or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Corporation as authorized in this section.

Section 4. Indemnification Not Exclusive of Other Rights.

The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under the Articles, any agreement, vote of members or disinterested trustees or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a trustee, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 5. Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a trustee, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him/her and incurred by

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him/her in any such capacity, or arising out of his status as such, whether or not the Corporation would have power to indemnify him/her against such liability under the provisions of this Article.

Article VI. Miscellaneous.

Section 1. Articles Govern.

In the event that any provision of these Bylaws shall be deemed inconsistent with the Articles of Incorporation, the Articles shall govern.

Section 2. Amendments.

These Bylaws may be amended by the affirmative two-thirds vote or the written consent of the trustees, provided however that if an amendment is adopted by the written consent without a meeting of the trustees, the Secretary shall mail a copy of such amendment to each Officer and Trustee of the Corporation.

Section 3. Fiscal Year.

KindHearts' fiscal year shall be from January 1 until December 31 of every year.

ADOPTION OF BYLAWS

We, the undersigned, are all the initial Trustees of KindHearts, and we consent to, and hereby do, adopt the foregoing Bylaws, as the Bylaws of KindHearts.

Dated: 5/1/02, W

Mr. Khaled M. Smaili

Mr. AbdelRahman Qatishat

Mr. Abdurahman Hamdan

THE INVESTIGATIVE PROJECT ON TERRORISM

DATE:	DOCUMENT ID	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
01/22/2002	200202201200	DOMESTIC ARTICLES/NON-PROFIT (ARN)	125.00	.00	.00	.00	.00

Receipt

This is not a bill. Please do not remit payment.

JIHAD M. SMAILI LLC
1133 W 9TH ST
STE 50
CLEVELAND, OH 44113-1098

STATE OF OHIO

CERTIFICATE

Ohio Secretary of State, J. Kenneth Blackwell

1290494

It is hereby certified that the Secretary of State of Ohio has custody of the business records for

KINDHEARTS FOR CHARITABLE HUMANITARIAN DEVELOPMENT, INC.

and, that said business records show the filing and recording of:

Document(s)	Document No(s):
DOMESTIC ARTICLES/NON-PROFIT	**200202201200**

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary of State at Columbus, Ohio this 22nd day of January, A.D. 2002

J. Kenneth Blackwell

Ohio Secretary of State

THE INTELLIGENCE PROJECT ON TERRORISM