

Seattle Triathlon Group

Bylaws

(a Washington nonprofit corporation with members)

Article 1 Bylaws

This document represents the bylaws (“**Bylaws**”) of the Seattle Triathlon Group (“**STG**,” the “**Organization**” or the “**Corporation**”).

Article 2 Membership

2.1. Classes and Qualifications.

The corporation has one class of Members. An individual who meets all qualifications and requirements and has paid their Membership Dues is considered a member (“**Member**”). In order to qualify for membership of the Organization (“**Membership**”), Members must pay their annual STG dues (“**Membership Dues**”). Members will also meet such application procedures and other qualifications as the Board of Directors (“**Board of Directors**” or “**Board**”) may prescribe by resolution from time to time. Collectively, Members are referenced as the “**General Membership**.”

2.2. Resignation.

Members can resign at any time. Resignation terminates their membership but does not relieve the Member from any obligations incurred or commitments made before resignation.

2.3. Termination; Transfer.

The Board has the right to admit and terminate Members. A Member may not transfer their Membership to another individual.

2.4. Voting Rights.

Each Member is entitled to cast one vote at any election or on any subject brought before any meeting of the Members. Cumulative voting is not allowed. Members are entitled to vote on the election of Directors.

2.5. Annual Meeting.

The annual meeting of the Members (“**Annual Member Meeting**”) will be held annually on the date defined by the Board, at the time and in the place determined by the Board of Directors, for the purpose of electing directors and transacting such other business. If the Annual Member Meeting cannot be held in the month designated by the Board, then it will be held as soon as feasible after that time.

2.6. Special Meetings.

The President, the Board of Directors, or no less than twenty five percent (25%) of the Members, may call a special meeting of the Members for any purpose (“**Special Meeting**”). Only business described in the special meeting Notice may be conducted at the special meeting.

2.7. Place of Meetings.

All meetings of Members will be held at the principal office of the corporation, or via video conference, telephone conference, or other electronic communication technology, unless another place for such meeting, either within or without the State of Washington, is determined by the President, Board of Directors, or Members entitled to call a meeting of Members.

2.8. Notice of Meetings.

The President or Secretary will cause Notice, in the form of a Record, to be delivered to each Member entitled to Notice of, or vote at, the meeting. Notice must be given no less than ten nor more than sixty days before the meeting. Such Notice must state the date, time, and place of the meeting and, in the case of a Special Meeting, the purpose or purposes for which the meeting is called.

2.9. Waiver of Notice.

Whenever any Notice is required to be given to any Member under the provisions of these Bylaws, the Articles of Incorporation or applicable law, a waiver of such Notice in the form of a Record, Delivered by the person or persons entitled to such Notice, is deemed equivalent to the giving of such Notice.

2.10. Quorum.

Ten percent (10%) of the number of Members entitled to vote constitutes a quorum at a meeting of the Members. If less than a quorum of the Members entitled to vote is present at a meeting, a majority of the Members present may adjourn the meeting to another time without further Notice. An amendment in the articles or bylaws which adds, changes, or deletes a greater quorum or voting requirement must meet the same quorum requirement and be adopted by the same vote as then in effect.

2.11. Manner of Acting.

Any matter voted to be duly adopted by the Members requires a majority of the votes entitled to be cast by the Members present at a meeting at which a quorum is present, unless a greater vote is required by these Bylaws, the Articles of Incorporation, or applicable law.

2.12. Voting.

Only Members may vote. A Member may vote in person, by mail, by Electronic Transmission, or by proxy in the form of a Record Delivered by the Member. Votes may be taken by mail or Electronic Transmission only if the name of each candidate and the text of proposals to be voted on are set forth in the Notice of the meeting or in an accompanying Record. When an election is to be conducted by Electronic Transmission, the corporation will designate an address, location, or system in which the ballot may be Electronically Transmitted. Members voting by mail or Electronic Transmission are present for all purposes of quorum, count of votes, and percentages of total voting power present.

2.13. Voting Group.

The corporation has no voting groups.

2.14. Action by Ballot.

The Corporation may take any action without a meeting by ballot, by delivering a ballot to every Member. The corporate action is approved when the number of ballots returned equals or exceeds the quorum required to be present at a meeting authorizing the action. The ballot must:

- A. Be in the form of a Record;
- B. Set forth each proposed action;
- C. Provide an opportunity to vote, or withhold a vote, separately for each candidate for a Director and position; and
- D. provide an opportunity to vote for or against each other proposed action.

The Corporation must also:

- A. Indicate the number of responses needed to meet the quorum requirement;
- B. state the percentage of approvals necessary to approve each matter other than election of Directors; and
- C. specify the time by which the ballot must be received by the Corporation to be counted (which may not be less than ten (10) days after the ballot is Delivered to the Member).

2.15. Remote Participation.

Members may participate in a meeting of the Members by a conference telephone or other electronic communications technology where all persons participating in the meeting can hear each other at the same time. Participation in this way constitutes presence in person at a meeting.

2.16. Action Without a Meeting; Unanimous Member Consent

Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if a consent setting forth the action to be taken is Executed by all the Members. The consent must be in the form of a Record. The consent must be inserted in the minute book as if it were the minutes of a Member meeting. The minute book may be in an electronic form as long as it is retrievable in a perceivable form.

2.17. Adjourned Meeting

If any meeting of the Members cannot be organized because a quorum has not attended, the Members who are present may, except as otherwise provided by law, adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Article 3 Board of Directors

3.1. General Powers

The affairs of this Organization shall be governed by a board of directors ("**Board of Directors**" or "**Board**"). All corporate power may be exercised by or under the authority of the Board, and the activities and affairs of the Organization are managed by or under the direction, and subject to the oversight, of the Board, except only those powers expressly reserved to the Organization's Members.

3.2. Number

The Board of Directors may consist of not less than three (3) and not more than eleven (11) directors ("**Board Members**" or "**Directors**") with the specific number of Directors set by resolution of the Board at any Annual Member Meeting or Special Meeting. The number of Directors may be changed from time to time by resolution of the Board. No decrease in the number of Directors may shorten the term of any Director then in office. If there is no specific Board resolution, then the Board's action determines the number of Directors. For example, if the Board has five Directors and elects two more, then by its action, it has expanded the Board to seven Directors. For example, if the Board has nine Directors, and the term for all nine expire, but the Board only re-elects seven Directors, then the Board has reduced the size of the Board to seven Directors.

3.3. Qualifications

Directors must be Members. The Board may establish additional qualifications for its Directors. Those qualifications must be in writing and may be made a part of the Bylaws. Any qualification established by the Board will not disqualify any Director then in office, but will become effective immediately after the end of their term for Directors already in office, and immediately before the election of new Directors at the next Annual Member Meeting of the Board or immediately before the election or appointment of a Director to fill any Board vacancy.

3.4. Election

The initial Directors named in the Articles of Incorporation shall serve until the first Annual Member Meeting. Thereafter, Directors are elected each year at the Annual Member Meeting. Directors are elected by a plurality of the votes cast by the Members entitled to vote in the election at a meeting at which a quorum is present. Each candidate for the Board of Directors shall have the opportunity to submit a statement in writing to the Members.

3.5. Term of Office

Directors serve for terms of two (2) years, and until their successors are elected and qualified, unless they resign from the Board, or are removed pursuant to these Bylaws. Director terms begin January 1st of each year.

3.6. Resignation

Any Director may resign at any time by delivering an Executed Notice in the form of a Record to the President or Secretary, or by giving oral or Executed Notice at any meeting of the Board. Any Member of any Committee may resign at any time by Delivering an Executed Notice in the form of a Record to the President, the Secretary, or the Committee Chair, or by giving oral or Executed Notice at any meeting of

the Committee or the Board. Any resignation takes effect at the time specified in the resignation. If no time is specified, then it is effective on delivery. Acceptance of a resignation is not necessary to make it effective. The terms “**Delivering**,” “**Delivery**,” “**Executed**,” “**Notice**,” “**Notify**,” “**Record**,” and other defined terms are defined in Article 13. If the Organization is a charitable organization, and if the resignation of a Director results in the Organization having no Directors remaining in office, the resigning Director must Notify the Washington attorney general that the Organization has no Directors in office. The Notice must be in the form of a Record and must be Delivered to the attorney general within 10 calendar days after the effective date of the last Director’s resignation.

3.7. Removal

A. Removal by Members. At a meeting of Members called expressly for that purpose and at which a quorum is present, one or more Directors (including the entire Board) may be removed from office, with or without cause, by the two-thirds votes of Members entitled to vote on the election of Directors. Notice for the meeting (even an Annual Member Meeting) must disclose that at least one purpose of the meeting is to vote on the removal of one or more Directors.

B. Conditions for Removal by Directors. The Directors of the Corporation may remove a Director who:

- a. Has been appointed a guardian or conservator;
- b. Is subject to their attending physician’s certification that in the physician’s opinion the director is substantially unable to manage his or her financial resources or resist fraud or undue influence;
- c. Has been convicted of a felony;
- d. Has been found by final order of a court to have breached a duty of a Director under RCW 24.03A.495;
- e. Has missed four (4) or more Board meetings; or
- f. No longer satisfies the qualifications for Directors set forth in Section 3.3.

3.8. Vacancies

If there is a vacancy on the Board of Directors (including a vacancy resulting from an increase in the number of Directors), the remaining Directors may, by majority vote, elect a successor for each vacancy to fill the unexpired term, even if the remaining Directors do not constitute a quorum.

3.9. Committees

A. Committee Appointment

The Board of Directors may propose, designate and appoint by resolution one or more standing or temporary committees (“**Committees**” or “**Board Committees**”), each of which must consist of two or more directors. The Chairs of the Committees (“**Committee Chairs**”) are appointed by the Board of Directors. Members of each Committee (“**Committee Members**”) are nominated by the Committee Chair or Board of Directors. Any Committee Member may be removed from the Committee by the Board of Directors.

B. Committee Authority

Each Committee may exercise the authority of the Board of Directors in the management of the Organization only to the extent permitted by the Board's resolution and the Washington Nonprofit Corporation Act ("**Act**"). As of the date of these Bylaws, RCW 24.03A.575(5) provides that no Committee has the authority to do any of the following:

- (a) authorize distributions;
- (b) adopt, amend or repeal the Bylaws;
- (c) elect, appoint, or remove any Director, Officer, or Committee Member ;
- (d) amend the articles of incorporation;
- (e) adopt a plan of merger or consolidation with another organization;
- (f) adopt a plan of domestication, for-profit conversion, or entity conversion;
- (g) authorize the sale, lease, or exchange of all or substantially all the assets of the Organization not in the ordinary course of business;
- (h) authorize the voluntary dissolution of the Organization or revoke dissolution proceedings;
- (i) adopt a plan for the distribution of the Organization's assets; or
- (j) amend or repeal any Board resolution unless the resolution states it may be amended or repealed by a Committee.

C. Committee Quorum

A majority of the Committee Members present at a Committee Meeting constitutes a quorum.

D. Committee Act

The act of a majority of the Committee Members present at a Committee Meeting at which a quorum is present is an act of the Committee.

3.10. Advisory Committees

The President or the Board may create one or more advisory committees ("**Advisory Committee**"), whose members need not be Directors or meet the qualification requirements for Directors. The Board may not delegate any of its authority to an Advisory Committee. An Advisory Committee: (1) is not a Board Committee; and (2) may not exercise any of the powers of the Board.

3.11. Salaries

The salaries (if any) of Officers of the Organization must be fixed by the Board of Directors. Directors who also serve as Officers or agents of the Organization are not permitted to participate in any Board discussion about their compensation or to vote on their own salary, or that of their immediate family member (if any, and as applicable). If no compensation is fixed by the Board, then the Officer serves as a volunteer. Officers may receive reimbursement for expenses incurred on behalf of the Organization.

3.12. No Board Compensation

The Directors receive no compensation for their service as Directors but may receive reimbursement for expenses incurred on behalf of the Organization.

3.13. Organization Meeting

The first meeting of a newly elected Board of Directors ("**Organization Meeting**") shall be held within thirty (30) days of the start of the term of the newly elected Board of Directors with written Notice to the elected Directors of the date, time, and location of such meeting.

3.14. Regular Meetings

Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by the President, or a majority of the Directors, but at least four (4) such meetings shall be held each year. Notice of such regular meetings of the Board of Directors shall be given to each Director, personally or by mail, electronic mail or telephone, at least fourteen (14) days prior to the day named for such meeting.

3.15. Special Meetings

Special meetings of the Board of Directors ("**Special Meetings**") may be called by the President or by any three (3) Directors on at least a three (3) day advance notice to each Director, given personally or by mail, electronic mail or telephone, which shall state the time, place and purpose of the meeting. Neither the business to be transacted at, nor the purpose of, any regular meeting or Special Meeting of the Board of Directors or any Committee need be specified in the Notice or waiver of Notice of the meeting, except when the purpose of the meeting is the removal of a Director, or unless otherwise required by these Bylaws or the Act.

3.16. Motion

During a meeting of the Board, any Board Member is allowed to call a motion. To be discussed at a Board meeting, the motion must be seconded by another Board Member.

3.17. Voting

Each Director is entitled to cast one vote at any election or on any subject brought before any meeting of the Board. Each Committee member is entitled to cast one vote on any subject brought before any Committee meeting.

3.18. Remote or Virtual Meetings

Directors may participate in a meeting of the Board or committee by video conference, conference telephone, or other electronic communications technology where all persons participating in the meeting can hear each other at the same time. Such remote participation constitutes presence in person at a meeting. For any meeting at which one or more Directors (or Committee Members) may participate by means of remote communications, Notice of the meeting must be Delivered to each Director (or Committee Member) by a means the Director (or the Committee Chair) has authorized and provide complete instructions for participating in the meeting by remote communications.

3.19. Waiver of Notice

Before or at any meeting of the Board of Directors, any Director may, in writing, waive Notice of such meeting and such waiver shall be deemed equivalent to the giving of such Notice. Attendance by a Director at any meeting of the Board of Directors shall be a waiver of Notice by the month time and place thereof. If all Directors are present at any meeting of the Board of Directors, no Notice shall be required and any business may be transacted at such meeting.

3.20. Quorum

At all meetings of the Board of Directors, a majority of the Directors constitutes a quorum for the transaction of business, and the acts of majority of Directors is an act of the Organization, except as otherwise provided in these Bylaws.

3.21. Action Without a Meeting

Any action required or permitted to be taken at a meeting of the Board of Directors (or Committee meeting) may be taken without a meeting if a consent setting forth the action to be taken is Executed by each Director (or Committee Member) entitled to vote on the matter. A written consent Executed under this section has the effect of action taken at a meeting of the Board (or Committee) and may be described as such in any document. Only the President, Vice President, Secretary, or Treasurer may submit an action to be taken without a meeting by unanimous written consent. This board action may be proposed via electronically-transmitted message to all Directors.

- A. The consent must be in the form of a Record. The consent must be inserted in the minute book as if it were the minutes of a Board meeting (or Committee meeting). The minute book may be in an electronic form as long as it is retrievable in a perceivable form.
 - (1) The consents may be signed in counterparts.
 - (2) The period between the date of the first signature by a Director on a consent and the date on which at least fifty percent (50%) of the Directors of the Board (or Committee Members) have Executed the consent may not exceed 60 days.
- B. For purposes of this section only, "each Director (or Committee Member) entitled to vote" does not include any Director who is an Interested Person, as defined in Section 5.1 ("**Interested Director**") who abstains in writing from providing consent, where:
 - (1) the Board (or Committee) has determined that:
 - (a) the Organization is entering into the transaction for its own benefit; and
 - (b) the transaction is fair and reasonable to the Organization when it enters into the transaction or the Disinterested Directors (or Committee Members) determine in good faith after reasonable investigation that the Organization cannot obtain a more advantageous arrangement with reasonable effort under the circumstances, at or before execution of the written consent.

- (2) that determination of the Board (or Committee) is included in the written consent Executed by the Disinterested Directors (or disinterested committee Members) or in other Records of the Organization; and
- (3) all of the Disinterested Directors (or committee Members) approve the action. Disinterested Director is defined in Section 5.1.

3.22. Liability of Directors

A Director is not be liable to the Organization for any action taken, or any failure to take any action, as a Director, except a Director is liable to the Organization for the following:

- A. the value of any benefit in cash, other property, or services received by the Director to which the Director is not legally entitled;
- B. intentional misconduct or a knowing violation of law (including criminal law or the Act) by the Director; or
- C. any violation of any standard of conduct in Article 6 or the Organization’s articles of incorporation (“**Articles**” or “**Articles of Incorporation**”) as an exception to the limitation on the Director’s liability.

Article 4 Officers

4.1. Officer Designation

The officers of the Organization (“**Officers**”) shall be a president (“**President**”), a vice president (“**Vice President**”), a Secretary (“**Secretary**”) and a treasurer (“**Treasurer**”), and any other Officer or assistant Officer deemed necessary by the Board of Directors. All officers are Directors, and any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2. Appointment

The Board appoints all officers annually, and officers serve until their respective successors have been elected or appointed or until their earlier removal or resignation.

4.3. President

The President is an Officer of the Board and is responsible for ensuring that the Board and its Members:

- Are aware of and fulfill their governance responsibilities;
- Comply with applicable laws and Bylaws;
- Conduct board business effectively and efficiently;
- Are accountable for their performance.

In order to fulfill these responsibilities, and subject to the Organization’s Bylaws, the President presides over meetings, proposes policies and practices, sits on various Committees, monitors the performance of Board Members, submits various reports to the Board, to sponsors, and to other stakeholders; and performs other duties as the need arises and/or as defined in these Bylaws.

The President is accountable to the Board of Directors and Members as specified in these Bylaws. The President may delegate specific duties to the Vice President, Board Members and/or Committees as appropriate; however, the accountability for them remains with the President.

The President ensures that an agenda is planned for Board meetings. This may involve periodic meetings with Committee Chairs and other Officers to draft meeting agendas and reporting schedules.

The President presides over meetings of the Board of Director and serves on the Board of Directors. In this capacity, the President:

- Chairs meetings according to accepted rules of order for the purposes of
 - encouraging all Members to participate in the discussion;
 - arriving at decisions in an orderly, timely and democratic manner;
- Votes as prescribed in the Bylaws.

The President is authorized to sign or countersign checks, correspondence, applications, reports, contracts and other documents on behalf of the Organization.

4.4. Vice President

The Vice President is an Officer of the Board and shall fulfill all duties and exercise all powers of the President in his/her absence. He/she shall have all powers and perform all duties accorded him/her by these Bylaws. In addition, the Vice President:

- Reports to the Board's president
- Serves on the Board of Directors;
- Works closely with the President and other Board Members;
- Participates closely with the President to develop and implement Officer transition plans;
- Performs other responsibilities as assigned by the Board.

4.5. Treasurer

The Treasurer is an Officer of the Board and shall perform all the duties incident to the office of Treasurer, including but not limited to:

- Serves on the Board of Directors;
- Prepares an annual Organization budget for submission to the Board of Directors for approval. Upon approval by the Board, the budget will be presented to the General Membership;
- Collects all funds raised by the Organization including Membership Dues and fundraising efforts;
- Maintains full and accurate Records of all money raised by the Organization;
- Disburses all funds as authorized by the Board of Directors in accordance with these Bylaws;
- Makes monthly financial statements available to the Board and/or Organization Members upon request;
- Files any and all tax reports and returns;
- Ensures development and Board review of financial policies and procedures.

The Treasurer is authorized to sign or countersign checks, correspondence, applications, reports, contracts and other documents on behalf of the Organization.

4.6. Secretary

The Secretary is an Officer of the Board and shall perform all duties incident to the office of Secretary, including but not limited to:

- Serves on the Board of Directors;
- Keeps the minutes of all meetings of the Board of Directors and of the General Membership;

4.7. Resignation

Any officer may resign at any time by Delivering an Executed notice to the President or the Secretary, or by giving oral or Executed notice at any meeting of the Board of Directors. A resignation takes effect at the time specified in the resignation. If no effective time is specified, then it is effective when Delivered. The acceptance of a resignation is not necessary to make it effective.

4.8. Removal

Any Officer may be removed by the majority vote of the Board of Directors whenever in its judgment the best interests of the corporation will be served by the removal. Removal of an Officer who is also a Director does not have any effect on the person's status as a Director. The removal of an Officer is without prejudice to the contract rights, if any, of the removed Officer. Election or appointment of an Officer or agent does not of itself create any contract rights.

4.9. Vacancies

Vacancies in any office may be filled by the Board of Directors at any regular or special meeting.

4.10. Loans to Officers Prohibited

Loans to Officers Prohibited. The corporation will not make a loan to any of its officers. The directors who vote for or assent to the making of a loan to an officer, and any officer or officers participating in the making of the loan, are jointly and severally liable to the corporation for the amount of the loan until it is repaid in full.

Article 5 Conflicting Interest Transactions

5.1. Definitions.

A. An "Interested Person" is a Director or Officer:

- (1) who is a party to a contract or transaction in which the Organization is also a party;
- (2) whose Family Member is a party to a contract or transaction in which the Organization is also a party;

- (3) who has a financial interest (whether an ownership interest, profit interest, or beneficial interest) in an entity that is a party to a contract or transaction in which the Organization is also a party; or
 - (4) who is a Director or Officer of, or who holds a similar position with, an entity that is a party to a contract or transaction in which the Organization is also a party.
- B. An Interested Person's "**Family Members**" are the individual's spouse, ancestors, siblings (whole or half-blood), children, grandchildren, great-grandchildren, and the spouses of siblings, children, grandchildren, and great-grandchildren. A legally adopted child of an individual is treated as a child of the individual by blood.
- C. A "**Disinterested Director**" is a Director who is not an Interested Person.

5.2. Conflicting Interest Transactions

- A. If the Organization enters into any contract or transaction in which a Director or Officer is an Interested Person, the contract or transaction is not void or voidable solely for that reason or solely because the Director or Officer is present at or participates in the Board meeting that authorizes the contract or transaction, or solely because the Director's vote is counted for that purpose, if either of the two conditions are satisfied:
 - (1) The material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative vote of a majority of the Disinterested Directors even though the Disinterested Directors are less than a quorum.
 - (2) The contract or transaction is fair to the Organization as of the time the Board authorizes, approves, or ratifies the contract or transaction.
- B. A Director who is an Interested Person may be counted in determining the presence of a quorum at a meeting of the Board that authorizes the contract or transaction.
- C. This Article 5 applies except as provided in the Articles or these Bylaws.

5.3. Business Opportunities

- A. The fiduciary duties of a Director and Officer includes the duty not to directly or indirectly divert or take advantage of a business opportunity that should first be offered to the Organization.
- B. But a Director or Officer will not be subject to equitable relief or an award of damages or other sanctions in any proceeding brought by or in the Organization's right for breach of that fiduciary duty if, before becoming legally obligated or entitled regarding the business opportunity, the following conditions are satisfied:
 - (3) the Officer or Director brings the business opportunity to the attention of the Organization; and

- (4) the Board disclaims the Organization interest in the business opportunity after following the process in Section 5.3, as if the decision being made concerned a conflicting interest transaction.
- C. The fact that the two conditions are not satisfied does not support the inference that the opportunity should have been first presented to the Organization or alter the burden of proof the Organization must meet to establish a breach of a fiduciary duty to the Organization in the circumstances.

Article 6 Standards of Conduct for Officers and Directors; No Loans or Guarantees for Directors or Officers

6.1. Duties of Officers and Directors

All Officers and Directors must carry out their duties and responsibilities:

- A. in good faith;
- B. with the care an ordinarily prudent person in a like position would exercise in similar circumstances; and
- C. in a manner the Officer or Director reasonably believes to be in the best interests of the Organization.

6.2. Director's Duty to Disclose

In discharging Board or Committee duties, a Director must disclose, or cause to be disclosed, to other Board or Committee Members information not already known by them but known by the Director to be material to the discharge of their decision-making or oversight responsibilities. Disclosure is not required to the extent the Director reasonably believes that doing so would violate a duty imposed by law, a legally enforceable obligation of confidentiality, or a professional ethics rule.

6.3. Officer's Duty Disclose

The duty of an Officer includes the obligation to convey to his or her superior Officer, the Board, a Board Committee, or another appropriate person within the Organization:

- A. Information about the Organization's affairs within the scope of the Officer's functions, and known to the Officer to be material to the superior Officer, Board, or Committee; and
- B. information regarding any actual or probable material violation of law involving the Organization or material breach of duty to the Organization by an Officer, Director, employee, agent, or vendor of the Organization that the Officer believes has occurred or is likely to occur.

6.4. Reliance

In discharging his or her duties (and if he or she does not have knowledge that makes reliance unwarranted), a Director or Officer may rely on information, opinions, reports, or statements, including financial reports and other financial data, if prepared or presented by:

- A. One or more Officers or employees of the Organization (and a Director may also rely on a volunteer of the Organization) whom the Officer or Director reasonably believes to be reliable and competent in the functions performed or the information, opinions, statements, or reports provided; or
- B. Legal counsel, public accountants, or other persons retained by the Organization as to matters the Officer or Director reasonably believes are matters:
 - (1) within the particular person's professional or expert competence, or
 - (2) as to which matters the person merits confidence; or
- C. in the case of a Director, a Board Committee of which the Director is not a Member, as to matters within the Committee's designated authority, if the Director reasonably believes the Committee merits confidence.

6.5. No Loans, Advances, or Guarantees

The Organization may not lend money to, advance credit to, or guarantee the obligation of a Director or Officer of the Organization.

- A. This prohibition does not apply to:
 - (1) an advance to pay reimbursable expenses reasonably expected to be incurred within a time period that is reasonable under the circumstances by a Director or Officer; or
 - (2) Advancement of Expenses under Article 7 of these Bylaws.
- B. The fact that a loan or guarantee is made in violation of this section does not affect the borrower's liability on the loan.
- C. The Directors who vote for or assent to any loan, advance, or guarantee in violation of this section, and any Officer materially participating in the making of the loan, advance, or guarantee, are personally liable on a joint and several basis to the organization on the loan, advance, or guarantee. That liability terminates on the repayment of the funds advanced. If no funds have been advanced under the guarantee, then liability ends on termination of the guarantee.

Article 7 Control of Funds

7.1. Exclusive Control

The Board of Directors has exclusive control and power over all grants, contributions, and other financial assistance received or made by the Organization, all of which must be in furtherance of the Organization's purposes.

7.2. Grants

The Board of Directors has the power to make grants, contributions, and otherwise render financial assistance to any organization organized and operated exclusively for exempt purposes set forth in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any further United States internal revenue law or successor statute, provided the assistance is in furtherance of the organization's purposes.

7.3. Requests for Funds

The Board of Directors will review all requests for funds from other organizations and require that those requests specify the use to which the funds will be put. On approval of the request by the Board, payment of the funds may be authorized to that organization.

7.4. Accounting

The Board of Directors will require an organization that receives funds to provide a periodic accounting to show that the funds were expended for the use as approved by the Board of Directors.

7.5. Board Discretion

The Board of Directors may, in its absolute discretion, refuse to make any grants or contributions or otherwise render financial assistance to or for any or all the purposes for which funds are requested.

7.6. Solicitation for Specific Purpose

On approval of any request as described in Section 7.3, the Board of Directors may solicit funds for that specific project or purpose, but may at any time exercise its right to withdraw approval and to use the funds received for other charitable and educational purposes. The Board of Directors may refuse to accept any contribution that does not allow the Organization complete control and discretion to use funds in furtherance of the Organization's purposes.

Article 8 Limits on Distribution of Property

8.1. Definitions.

- A. **"Charitable corporation"** means a nonprofit corporation that is tax-exempt under section 501(c)(3) of the Code, or that is operated primarily or exclusively for one or more charitable purposes.
- B. **"Charitable purpose"** means a purpose that would make a corporation or other entity organized and operated exclusively for that purpose eligible to be tax-exempt under section 501(c)(3) of the Code.
- C. **"Code"** means the federal Internal Revenue Code of 1986, as amended, and any applicable successor statute.
- D. **"Property held for charitable purposes"** includes:

- (1) all property owned by the Organization if it is a charitable organization;
 - (2) property subject to restrictions contained in a gift instrument that limits its use only to one or more charitable purposes; and
 - (3) any property subject to any restriction contained in the Articles, these Bylaws, any Record adopted by the Board, or any other Record, where the restriction or restrictions limits the property's use only to one or more charitable purposes.
- E. **"Substantial Influencer"** means a Person (including a Director or Officer) who can exercise substantial influence over the Organization or its activities.

8.2. Property held for charitable purposes; Rule and exceptions

This Organization may not distribute any of its property held for charitable purposes, or pay dividends or make distributions of any of its property to its Members (if any), Directors, Officers, or other Substantial Influencers, except to:

- A. pay reasonable compensation for services rendered, and to reimburse reasonable expenses incurred in connection with services rendered;
- B. support an entity organized and operated exclusively for one or more charitable purposes; or
- C. support a governmental entity (federal, state, local, or tribal) for any public purpose.

8.3. Distributions on Dissolution

Distribution of assets on the Organization's dissolution must be made in accordance with the Act, the Articles, and these Bylaws.

8.4. Liability for Unlawful Distributions

A Director or Officer is personally liable to the Organization for the amount of any distribution of funds that exceeds the amount the Organization could have distributed without violating RCW 24.03A.155 (regarding prohibited distributions) if:

- A. The nature or amount of the distribution was material to the interests of the Organization for any reason under all facts and circumstances;
- B. The Director or Officer voted for or assented to that distribution as a Director, or participated beyond the level of ministerial function in making that distribution as an Officer; and
- C. The Director or Officer violated a standard of conduct in Sections 6.1, 6.2, or 6.3, or the conduct of the Director or Officer constitutes gross negligence.

Article 9 Gifts

9.1. Definitions.

- A. **“Gift Instrument”** means a Record or Records under which property is donated to, transferred to, granted to, or held by the Organization. A Solicitation is a Gift Instrument regarding a donation, transfer, or grant of property made in response to the Solicitation if:
 - (1) the Solicitation is in the form of a Record or the Solicitation was a document in the form of a Record created no more than 90 days after the Solicitation was made; and
 - (2) the donation, transfer, or grant of property was made within one year of the Solicitation.
- B. **“Property”** means all property, whether real, personal, or mixed, or tangible or intangible, including cash and securities.
- C. **“Solicitation”** means any oral or written request for a contribution, including an offer or attempt by the solicitor to sell any property, rights, services, or other thing, in connection with which:
 - (1) any appeal is made for any charitable purpose;
 - (2) the name of any charitable Organization, or any other entity that is tax-exempt under section 501(c)(3) of the Code, is used as an inducement for making the contribution or sale; or
 - (3) any statement is made that implies that the whole or any part of the contribution or the sales proceeds will be used for any charitable purpose or donated to any entity organized or operated for charitable purposes.

9.2. Unrestricted Gifts

A gift received by the Organization without a Gift Instrument is an unrestricted gift.

9.3. Restricted Gifts

- A. A **“Restricted Gift”** is a gift accepted by the Organization subject to a Gift Instrument that contains material restrictions or requirements.
- B. The Organization complies with a term contained in a Gift Instrument if the Organization reasonably complies with all material restrictions or requirements contained in that term (or, when appropriate, seeks modification under the Act).
- C. If the Organization does not comply with the material restrictions or requirements of the Gift Instrument, and fails to seek modification under the Act when appropriate, then the Washington attorney general may sue to enforce the Gift Instrument.

9.4. Modification or Release of Gift Restrictions

Modifications or release of gift restrictions can be made with donor consent in the form of a Record, or as otherwise permitted by the Act.

9.5. Charitable Trusts Not Covered by These Bylaws

Enforceable charitable trusts held by the Organization are governed by Chapter 11.110 RCW. A gift to this Organization does not create a charitable trust unless:

- A. the donor expresses an intent to create a charitable trust; and
- B. the trustee (which may be the Organization) agrees in the form of a Record to act as trustee of the trust according to its terms.

Article 10 Indemnification of Directors, Officers, Employees, and Agents

10.1. Power to Indemnify

The Organization has the following powers regarding indemnification:

A. Power to Indemnify

- (1) To the full extent permitted by applicable law, the Organization may indemnify any individual or entity (in the case of an agent that is an entity) who was or is made a party to any Proceeding or is involved in any Proceeding (including as a witness) because:
 - (a) the individual is or was a Director, Officer, employee, or agent of the Organization or the entity is or was an agent of the Organization; or
 - (b) the individual, while a Director, Officer, employee, or agent of the Organization (or an entity, while serving as an agent for the Organization), is or was serving at the request of the Organization as a Director, Officer, employee, agent, or trustee of another organization or of a limited liability company, partnership, joint venture, trust, or other enterprise, including service to or for any employee benefit plan.
- (2) This power to indemnify exists whether the basis of the Proceeding is alleged action or omission in an official capacity or in any other capacity while serving as a Director, Officer, employee, or agent of the Organization or on behalf of the Organization. This power to indemnify extends to any individual who was but is no longer a Director, Officer, employee, or agent of the Organization, and any indemnification granted inures to that individual's heirs and personal representatives. This power to indemnify also extends to any entity that is no longer an agent of the Organization, and any indemnification granted may include indemnification of the entity's successors and assigns, as expressly permitted by the Organization.
- (3) **"Person Seeking Indemnification"** means any individual or entity who seeks indemnification from the Organization under these Bylaws.
- (4) The term **"Proceeding"** means any threatened, pending, or completed action, suit, or other proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal. Unless otherwise permitted by the Disinterested Directors, the term "Proceeding" does not include:
 - (a) any internal Organization investigation, hearing, complaint process, or other internal Organization proceeding;

- (b) any threatened, pending, or completed action, suit, or other proceeding brought by the Organization against the Person Seeking Indemnification or brought against the Organization by the Person Seeking Indemnification; or
 - (c) any threatened, pending, or completed action, suit, or other proceeding brought by the Person Seeking Indemnification against another person to whom the Organization owes an indemnification obligation in the proceeding brought (or threatened) by the Person Seeking Indemnification.
- (5) The term “**Expenses**” means any judgment, settlement amount, loss, expense, or other liability (including attorney fees, costs, fines, ERISA excise taxes or penalties, and amounts to be paid in settlement) actually or reasonably incurred or suffered by the indemnified person because of a Proceeding. But Expenses do not include any excise tax, interest, or penalties or other expenses or liabilities related to any excess benefit transaction under Section 4958 of the Code (“**Intermediate Sanctions**”). With the approval of the Disinterested Directors (if any), Expenses may include attorney fees and costs related to the defense of any Proceeding seeking to impose the 10% excise tax under Intermediate Sanctions (including any related interest and penalties) on any of the Organization’s Officers, Directors, or trustees (or any individual having powers or responsibilities similar to those of Officers, Directors, or trustees of the Organization, as defined by Section 4958 of the Code).

B. Power to Pay Expenses in Advance of Final Disposition

Subject to the terms of the Organization’s Articles of Incorporation, these Bylaws, and the Act, the Organization may pay Expenses incurred in defending any Proceeding in advance of its final disposition (referred to as “**Advancement of Expenses**”).

- (1) An Advancement of Expenses may be made to or on behalf of a Director, Officer, employee, or agent only if the indemnified person Delivers to the Organization:
 - (a) an executed, written affirmation of the Director’s, Officer’s, employee’s, or agent’s good faith belief that he or she has met the standard of conduct described in RCW 23B.08.510; and
 - (b) an executed, written undertaking by the indemnified individual (which undertaking may be unsecured and may be accepted without regard to the indemnified party’s financial ability to make repayment):
 - i. to fully cooperate with the Organization in the defense of the claims related to the Proceeding;
 - ii. to immediately transfer to the Organization any award for any attorney fees, costs, or expenses received by the indemnified party, up to the amount of expenses incurred by the Organization in or related to the Proceeding; and
 - iii. to repay all amounts advanced if it is determined by final judicial decision (and no further right to appeal exists) that the indemnified party is not entitled to be indemnified under this Article or otherwise.

- (2) The Organization may also impose other conditions on Advancement on Expenses, including approval of counsel and counsel's compensation.

C. Power to Enter into Contracts

The Organization may enter into any contract with any person who is or was a Director, Officer, employee, or agent of the Organization regarding indemnification by the Organization, and may create a trust fund, grant a security interest in property of the Organization, or use other means (including a letter of credit) to ensure the payment of any amounts that may be necessary to provide any indemnification under this Article.

D. Expansion of Powers

If the Act is amended to expand or increase the power of the Organization to indemnify, to pay Expenses in advance of final disposition, to enter into any contract, or to expand or increase any similar or related power, then, without any further requirement of action by the Directors of this Organization, the powers described in this Article will be expanded and increased to the fullest extent permitted by the Act, as amended.

E. Limitation of Powers

No indemnification may be provided under this Article to any person if the Organization is prohibited by the Act or other applicable law from paying for the indemnification. For example, no indemnification will be provided to any person, whether or not involving action in his or her official capacity, for any Expenses incurred because of:

- (1) any act or omission finally adjudged to be intentional misconduct or a knowing violation of law (including criminal law and the Act);
- (2) conduct finally adjudged to be in violation of RCW 23B.08.310 (which relates to unlawful distributions to a Organization's shareholders) or RCW 24.03A.155 (regarding prohibited distributions); or
- (3) any transaction for which it is finally adjudged that the Person personally received a benefit in money, property, or services to which that Person was not legally entitled.

10.2. Indemnification of Directors, Officers, Employees, and Agents

A. Directors and Non-employee Officers

- (1) To the extent permitted by this Article, the Organization will indemnify any Person who is or was a Director or non-employee Officer of the Organization.
- (2) If the Organization chooses not to defend the indemnified party by providing counsel for the Director or non-employee Officer (as a part of the Organization's indemnification obligation), then the Organization will pay Advancement of Expenses to the full extent permitted by these Bylaws and applicable law, subject to the following conditions:
 - (a) the indemnified party satisfying the conditions of Section 10.1B(1); and

- (b) counsel for the indemnified party is approved by the Organization, which approval may be withheld in the Organization's reasonable discretion.

B. Employees and Agents

The Organization, by action of its Board, may indemnify any Person who is or was an employee or agent of the Organization, and may provide Advancement of Expenses to the full extent permitted by these Bylaws and applicable law, or to any lesser extent that the Board may determine.

C. Obligation of Indemnified Parties.

- (1) When the Organization fulfills part of its indemnification obligation by providing defense of the indemnified party, the indemnified party must cooperate fully with the Organization, its insurers, and attorneys provided by the Organization or its insurers.
- (2) When the Organization fulfills part of its indemnification obligation by providing defense of the indemnified party (whether through insurance or otherwise), then the Organization has exclusive control of the defense of the indemnified party. Among other things, this means the Organization may settle any Proceeding or underlying claim without the indemnified party's consent if the settlement may be achieved by payment of monetary damages and without the indemnified party being bound by any determination of the Proceeding. But if the settlement includes any obligation on the indemnified party other than or in addition to the payment of money (which will be paid by the Organization or its insurers), then the Organization must obtain the indemnified party's written consent, which may not be unreasonably withheld or delayed.

D. Character of Rights

To the extent required by this Article, the rights of indemnification and Advancement of Expenses under this Article are contract rights.

E. Enforcement

Each Director and non-employee Officer (each a "**Claimant**") is presumed to be entitled to indemnification under this Article. When the Organization does not fulfill its indemnification obligation by providing a defense of the Claimant, then the Claimant is presumed to be entitled to Advancement of Expenses when the Claimant satisfies the conditions of Section 10.1B(1). On submission of a written claim by the Claimant for indemnification or Advancement of Expenses (assuming the satisfaction of all required conditions), the Organization has the burden of proof to overcome the presumption of indemnification or Advancement of Expenses.

F. Claimant's Rights

If a claim under this Article is not paid in full by the Organization within 60 days after a written claim is received by the Organization, or within 20 days in the case of a claim for Advancement of Expenses, the Claimant may at any time bring suit against the Organization to recover the unpaid amount of the claim. If successful in whole or in part, the Claimant is also entitled to its reasonable attorney fees, costs, and expenses incurred in prosecuting the claim.

G. Enforcement Rights for Employees or Agents

If the Organization elects to indemnify or provide Advancement of Expenses under this Article to any employee or agent, the Organization may, in its sole discretion, provide the enforcement rights in Section 10.2E.

H. Rights Not Exclusive

The right to indemnification and Advancement of Expenses under this Article is not exclusive of any other right that any Person may have under the Articles, as amended, or Bylaws, or under any statute, agreement, vote of Disinterested Directors, or otherwise.

10.3. Insurance

The Organization may purchase and maintain insurance, at its expense, to protect itself and any Director, Officer, employee, volunteer, or agent of the Organization or any other person against any Expense or other liability, whether or not the Organization would have the power to indemnify the person against that Expense or other liability under these Bylaws or any applicable law.

10.4. Survival of Benefits

Any repeal or modification of this Article will not adversely affect any right existing at the time of that repeal or modification.

10.5. Severability

If any part of this Article or any application of this Article is invalid, unenforceable, or contrary to applicable law, the remainder of this Article, or the application of the provision to persons or circumstances other than those as to which it is held invalid, unenforceable, or contrary to applicable law, will continue in full force and effect.

10.6. Applicable Law

For purposes of this Article, “**Applicable Law**” means the Act in effect at the date when indemnification is sought, or the Act in effect at the date of the action, omission, or other event giving rise to the situation for which indemnification may be sought, whichever is selected by the person seeking indemnification.

Article 11 Corporate Records

11.1. Minutes and Consents

The Organization will permanently keep copies of the following Records:

- A. Minutes of all meetings of its Members (if any) and its Board of Directors;
- B. Records of all actions taken by Members (if any) and the Board of Directors by unanimous consent; and
- C. Records of all actions taken on behalf of the Organization by a Board Committee .

11.2. Articles, Bylaws, and Other Records

The Organization will keep a current copy of the following Records:

- A. its Articles or restated Articles and all amendments currently in effect;
- B. its Bylaws or restated Bylaws and all amendments currently in effect;
- C. all communications in the form of a Record to Members (if any) generally within the past six years, including the required financial statements furnished for the past six years;
- D. a list of the names and addresses of all Members, in alphabetical order by class, showing the number of votes each member is entitled to cast;
- E. a list of the names and business addresses of the Organization's current Directors and Officers; and
- F. the Organization's most recent annual report Delivered to the Washington Secretary of State.

11.3. Accounting Records

The Organization should maintain appropriate accounting Records. The Treasurer shall maintain books containing accurate and timely Record of all monies raised by the Organization fundraising efforts and all monies raised by the Organization from Members as Membership Dues or assessments. The outgoing President and newly elected President shall review the books after the Treasurer has closed the books at the end of the fiscal year.

11.4. Form of Records; Location

The Organization's Records may be in written or other form and may be kept in or outside Washington.

11.5. Inspection by Directors

A Director may inspect and copy the Organization's books, Records, and documents at any reasonable time to the extent reasonably related to the performance of the Director's duties as a Director, including duties as a Member of a Committee.

11.6. Inspection by Members

Any Member may inspect the Organization's Records upon written request to the Treasurer. According to RCW 24.03A.215, a member may inspect and copy the Records described in that RCW if the:

- A. Member's demand is made in good faith and for a proper purpose;
- B. Member describes with reasonable particularity the purpose and the Records the member desires to inspect;
- C. Member agrees in the form of a Record to reasonable restrictions required by the board on the use or distribution of the Records; and
- D. Records are directly connected with this purpose.

Article 12 Dues and Assessments

12.1. Dues

Membership Dues may be established and assessed by an affirmative vote of the majority of the Board of Directors. Membership Dues may be changed no more than once a year.

12.2. Special Assessments

In addition to any dues established by these Bylaws, the Board of Directors may levy a special assessment on the Members for any purpose that the Board of Directors may consider appropriate or necessary, provided that any such assessment shall have the approval of the majority of the Board of Directors.

12.3. Non-payment of Dues or Assessments

Any dues including Membership Dues or assessments levied pursuant to these Bylaws which are not paid on the date when due shall be delinquent and any Member owing such dues or assessments shall lose the right to vote, participate in any event reserved for Members, be eligible for election for a Board position, be appointed in a Committee Board and compete with the Organization until such payment is made. Any dues or assessments may be waived, postponed or reduced by the Board of Directors for a Member for reasons of financial hardship as determined by the Board.

Article 13 Administrative Provisions

13.1. Fiscal Year

The Organization's fiscal year is the calendar year. The Board of Directors may change the Organization's fiscal year by resolution of the Board.

13.2. Annual Budget

The Board will establish and adopt an annual budget. Upon the Board's approval of the budget, it shall be available to the General Membership upon request.

13.3. Definitions

Unless the context clearly requires otherwise, the definitions in this Section 13.3 apply throughout these Bylaws:

- A. **"Deliver", "Delivered", and "Delivery"** means delivery by hand, U.S. mail, private courier service, Electronic Transmission, or other methods of delivery used in conventional commercial practice.
- B. **"Electronic"** means relating to technology having electronic, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.
- C. **"Electronic transmission"** means an electronic communication:
 - (1) not directly involving the physical transfer of a Record in a Tangible Medium;
and

- (2) that may be retained, retrieved, and reviewed by the sender and the recipient, and that may be directly reproduced in a Tangible Medium by the sender and recipient.
- D. **“Electronically transmitted”** means that the sender of an Electronic Transmission initiated the Electronic Transmission.
- E. **“Execute”, “Executes”, or “Executed”** means:
- (1) signed, with respect to a written Record;
 - (2) Electronically Transmitted along with sufficient information to determine the sender’s identity and intent to Execute, with respect to an Electronic Transmission; and
 - (3) as required by law when filing a Record with the Secretary of State.
- F. **“Includes”** and **“including”** has its normal meaning and means a partial list. This defined term is not capitalized in these Bylaws.
- G. **“Notify”** means to give Notice.
- H. **“Notice”** may be communicated in person or by Delivery of a Record. If these forms of communications are impractical, then Notice may be communicated by a newspaper of general circulation in the area where published, or by radio, television, or other form of public broadcast communication. Notice is effective at the earliest of the following:
- (1) when received;
 - (2) when left at the recipient’s residence or usual place of business;
 - (3) five days after its deposit in the United States mail or with a commercial delivery service if the postage or Delivery charge is paid and the Notice is correctly addressed; or
 - (4) on the date shown on the return receipt if sent by registered or certified mail, return receipt requested, or by commercial delivery service.
- I. **“Person”** includes an individual or an entity. This defined term is not capitalized in these Bylaws.
- J. **“Record”** means information inscribed on a Tangible Medium or that is stored in an Electronic or other medium and is retrievable in perceivable form. An Electronic Transmission is a Record if:
- (1) it may be retained, retrieved, and reviewed by the sender and the recipient; and
 - (2) it may be directly reproduced in a Tangible Medium by the sender and the recipient.
- K. **“Tangible Medium”** means a writing, copy of a writing, facsimile, or a physical reproduction, on paper or on other tangible material.
- L. Any term not defined in these Bylaws has the definition in the Act.

13.4. Expenditure

Requests for reimbursement may be submitted to the Board, which has sole discretion and authority to approve reimbursement requests. The Board may delegate this authority to the Treasurer up to pre-approved reimbursement amounts that the Board will determine.

13.5. Registered Agent

The “Registered Agent” is the person or entity upon whom legal Notice to the Organization is served, and responsible for ensuring that documents necessary to maintain the legal standing of the Organization are filed with respect to the laws of the jurisdiction. Any Board Member may serve as the Organization’s registered agent. The Board of Directors may also decide to use a third-party entity to act as Registered Agent.

13.6. Bylaws Dispute

Any disputes with regard to the interpretation of these Bylaws shall be resolved by a majority vote of the Board of Directors.

13.7. Amendment of Bylaws

The Bylaws may be amended by the affirmative vote of the Board representing at least sixty-seven percent (67%) of the Directors.

The Organization’s Secretary certifies that these Bylaws consisting of 26 pages are the Bylaws of the Organization, adopted by resolution of the Board of Directors on _____.

Dated: _____.

_____, Secretary