

BYLAWS
OF
SOUTHWEST PACIFIC COUNTY
PENINSULA ROTARY FOUNDATION

Revised June 11, 2018

ARTICLE I
Offices

1.1 Registered Office and Registered Agent. The registered office of the Foundation is located in the State of Washington at such place as may be fixed from time to time by the Board of Directors upon filing of such notices as may be required by law. The registered agent shall have a business office identical with such registered office.

1.2 Other Offices. The Foundation may have other offices within or outside the State of Washington at such place or places as the Board of Directors may from time to time determine.

ARTICLE II
Purposes

The purpose of the Foundation is to be a public charity pursuant to Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended (hereafter "IRC"). The Foundation will not, as a substantial part of its activities, attempt to influence legislation or participate to any extent in political campaigns for or against any candidates for public office. The Foundation will do nothing that will violate the restrictions of IRC Section 501 (c)(3).

ARTICLE III
Members' Meetings

3.1 Meeting Place. The annual meeting, and any special meetings, shall be held at the regular place of meeting for the Southwest Pacific County Peninsula Rotary Foundation or, if such regular place of meeting is not available, at such other place as shall be determined by the Board of Directors. The place of any such meeting shall be stated in the notice of the meeting.

3.2 Annual Meeting. The annual meeting of the members for the transaction of such business as may properly come before the meeting shall be held each year during a regularly scheduled meeting of the Southwest Pacific County Peninsula Rotary Foundation during May or June.

3.3 Annual Meeting – Order of Business. At the annual meeting of members, the order of business shall be as follows:

- (a) Calling the meeting to order

- (b) Proof of notice of meeting (or filing of waiver)
- (c) Reading of minutes of last annual meeting
- (d) Reports of officers
- (e) Reports of committees
- (f) Election of officers and directors of the Foundation
- (g) Misc. business

3.4. Special meetings of the members for any purpose may be called at any time by the President or Board of Directors.

3.5 Notice.

(a) Notice of the time and place of the annual meeting of members and of regular meetings other than the annual meeting shall be given by delivering personally, electronically, faxing or by mailing a written or printed notice of the same, at least ten (10) days, and not more than fifty (50) days, prior to the meeting.

(b) At least ten (10) days and not more than fifty (50) days prior to the meeting, written or printed notice of each special meeting of members, stating the place, day and hour of such meeting, and the purpose for which the meeting is called, shall be delivered personally, or mailed or electronically sent or faxed.

3.6 Waiver of Notice. A waiver of any notice required to be given any member, signed by the person or persons entitled to such notice, whether before or after the time stated therein for the meeting, shall be equivalent to giving of such notice.

3.7 Voting. A member may vote in person or by electronic means, with a copy of the electronic vote being sent to the President and Secretary of the Foundation Board.

3.8 Quorum. A majority of the number of members is necessary and sufficient at all meetings to constitute a quorum for the transaction of business; provided however that the quorum shall be raised to sixty percent (60%) for an amendment to the Bylaws or Articles of incorporation or dissolution of the Foundation or the merger of the Foundation or incurring debt outside the ordinary course of business.

ARTICLE IV Board of Directors

4.1 Number and Powers. The management of all the affairs, property, and interests of the Foundation shall be vested in a Board of Directors, which shall consist of not less than five (5) nor more than ten (10) directors. The Board of Directors shall consist of the President of the Foundation, Past President of the Foundation, Treasurer of the Foundation, Secretary of the Foundation, Club President, Club Past President, Club President-elect and not more than three (3) additional members elected by the club membership-at-large. Board members will be nominated by a committee composed of

two members of the Foundation Board of Directors and three members who are not Foundation Board members. The members of the nominating committee shall be appointed by the President of the Foundation. Upon their initial election to the board, each new board member will serve three years. Thereafter, all directors, with the exception of the President Elect of the Rotary Club, shall serve three (3) year terms. At each annual meeting of the Foundation, directors shall be appointed for a term of three years to succeed the directors whose term expire at such meeting. The President-Elect of the Rotary Club shall serve a one (1) year term on the Foundation Board, beginning a three (3) year term upon becoming President.

4.2 Election. At each annual meeting, the members shall elect the individual directors to succeed directors whose terms expire at such meeting. Directors shall serve for not more than two consecutive terms and shall be members in good standing of the Southwest Pacific County Peninsula Rotary Foundation and the Rotary Club of Southwest Pacific County Peninsula, WA. Term limit exceptions may be made for members in any executive position by majority vote of the Board as a whole, with every attempt being made to not extend terms longer than is reasonably practical.

4.3 Change of Number. The number of directors may at any time be increased or decreased by the membership at the annual meeting or at a special meeting called for such purpose, but no decrease shall have the effect of shortening the term of any incumbent director.

4.4 Vacancies. Any vacancy in the Board of Directors, whether caused by resignation, death or otherwise, shall be filled as provided in paragraph 4.1. A director elected to fill any vacancy shall hold office for the unexpired term of his or her predecessor and until a successor is appointed.

4.5 Annual Meeting. The annual meeting shall be during May or June of each year, at such time and place as the Board of Directors shall designate and give written notice. In addition to the annual meeting, there shall be regular meetings of the Board of Directors held, with proper notice, not less than four a year, preferably within each calendar quarter.

4.6 Regular Meetings. Regular meetings of the Board of Directors may be held at the registered office of the Foundation or at such other place or places, either within or without the State of Washington, as the Board of Directors may from time to time designate.

4.7 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or upon written request by any two directors. Such meetings shall be held at the registered office of the Foundation or at such place or places as the directors may from time to time delegate.

4.8 Notice. Notice and Agenda of all special meetings of the Board of Directors (and of all regular meetings) shall be given to each director by three days prior service of the same by letter or personally and by electronic mail or fax.

4.9 Quorum. A majority of the number of directors currently in office is necessary and sufficient at all meetings to constitute a quorum for the transaction of business.

4.10 Voting. If a quorum is present when a vote is taken, the affirmative vote of the majority of directors present is the act of the Board of Directors. A director is considered present regardless of whether the director votes or abstains from voting. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless:

(a) the director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding the meeting or transacting the business at the meeting;

(b) the director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

(c) the director delivers written notice of dissent or abstention to the presiding officer of the meeting before its adjournment or to the Foundation immediately after adjournment of the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

4.11 Waiver of Notice. Attendance of a director at a meeting constitutes a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. A waiver of notice signed by the director or directors, whether before or after the time stated for the meeting, shall be equivalent to the giving of notice.

4.12 Registering Dissent. A director who is present at a meeting of the Board of Directors at which action on a corporate matter is taken is presumed to have assented to such action unless the director files a written dissent or abstention to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or forwards such dissent by registered mail to the Secretary of the Foundation immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a director who voted in favor of such action.

4.13 Executive and Other Committees. The Board of Directors may appoint, from time to time, from its own number, standing or temporary committees consisting of no fewer than two directors. Such committees may be vested with such powers as the Board of Directors may determine by resolution passed by a majority of the full Board of Directors. No such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing these Bylaws; electing, appointing, or removing any member of any such committee or director or officer of the Foundation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another foundation; authorizing the sale, lease, or exchange of all or substantially all of the property and assets of the Foundation other than in the ordinary course of business; authorizing the voluntary dissolution of the Foundation or adopting a plan for the distribution of assets of the Foundation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee. All committees so appointed shall keep regular minutes of the transactions of their meetings and shall cause them to be

recorded in books kept for that purpose in the office of the Foundation. The designation of any such committee and the delegation of authority thereto shall not relieve the Board of Directors, or any member thereof, of any responsibility imposed by law.

4.14 Remuneration. No salary or remuneration shall be paid directors, as such, for their service, but, by resolution of the Board of Directors, expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of such Board of Directors; provided nothing herein contained shall be construed to preclude any director from serving the Foundation in any other capacity and receiving compensation thereof. Directors who are members of special or standing committees may be allowed like expense remuneration for attending committee meetings.

4.15 Removal. Any director may be removed at any time, with or without cause, by the affirmative vote of two-thirds of the votes cast by the directors at a special meeting of the Board of Directors of the committee, as the case may be, before such action is taken. Such consent shall have the same effect as unanimous vote. Any such action may also be ratified after it has been taken, either at a meeting of the directors or by unanimous written consent.

4.16 Action by Directors without a Meeting. Any action required or permitted to be taken at a meeting of the directors, or a committee thereof, may be taken without a meeting by a written consent, or by electronic means, with a copy of the electronic consent being sent to the President and Secretary of the Foundation Board. Such consent shall set forth the action to be taken, signed by all the directors, or all of the Board of Directors of the committee, as the case may be, before such action is taken.

ARTICLE V Officers

5.1 Designation. The officers of the Foundation shall be President, Secretary, and Treasurer, and such Assistant Secretaries and Assistant Treasurers as the Board may designate. All officers shall be appointed for terms of one (1) year by the Board of Directors. Such Officers shall hold office until their successors are appointed and qualified. Any two or more offices may be held by the same person, except the offices of President and Secretary. Officers may be appointed an additional one (1) year term as the Board may designate.

5.2 President. The President shall preside at all meetings of the Board of Directors, shall have general supervision of the affairs of the Foundation, and shall perform such other duties as are incident to the office or are properly required by the President by the Board of Directors.

5.3 President Pro-Tem. Absence or disability of the President. During the absence or disability of the President, any of the officers, or board members, in the order designated by the Board of Directors shall exercise all the functions of the President. The Board designated officer or board member shall have such powers and discharge such duties as may be assigned to him or her from time to time by the Board of Directors.

5.4 Secretary and Assistant Secretaries. The Secretary shall issue notices for all meetings, including notices of special meetings of the Board of Directors which are called by the requisite number of directors, shall keep minutes of all meetings, shall have

charge of the seal and the corporate books, shall keep minutes of all meetings, shall have charge of the seal and the corporate books, and shall make such reports and perform such other duties as are incident to the office, or are properly required of the Secretary by the Board of Directors. The Assistant Secretary, or Assistant Secretaries, in the order designated by the Board of Directors, shall perform all of the duties of the Secretary, and at other times may perform such duties as are directed by the President or the Board of the Directors.

5.5 Treasurer. The Treasurer shall have the custody of all monies and securities of the Foundation and shall keep regular books of account. The Treasurer shall disburse the funds of the Foundation in payment of the just demands against the Foundation or as may be ordered by the Board of Directors (taking proper vouchers for such disbursements) and shall render to the Board of Directors, from time to time as may be required, an account of all transactions undertaken as Treasurer and of the financial condition of the Foundation. The Treasurer shall perform such other duties as are incident to the office or are properly required by the Board of Directors. The Assistant Treasurer, or Assistant Treasurers, in the order designated by the Board of Directors, shall perform all of the duties of the Treasurer in the absence or disability of the Treasurer, and at other times may perform such other duties as are directed by the President or the Board of Directors.

5.6 Delegation. If any officer of the Foundation is absent or unable to act and no other person is authorized to act in such officer's place by the provisions of these Bylaws, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any director or any other person it may select.

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

5.8 Other Officers. The Board of Directors may appoint such other officers or agents as it shall deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

5.9 Removal. Any officer or agent appointed by the Board of Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole Board of Directors, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

5.10 Bonds. The Board of Directors may, by resolution, require any and all of the officers to provide bonds to the Foundation, with surety or sureties acceptable to the Board of Directors, conditioned for the faithful performance of the duties of their respective offices, and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE VI Depositories

The monies of the Foundation shall be deposited in the name of the Foundation in such bank or banks, trust company or trust companies, or investment brokerage as the Board of Directors shall designate, and shall be drawn from such accounts only by check

or other order of payment or money signed by such persons, and in such manner, as may be determined by resolution of the Board of Directors.

ARTICLE VII Notices

Except as may otherwise be required by law, any notice to any director may be delivered personally, electronically, fax or by mail. If mailed, the notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the addressee at his or her last known address in the records of the Foundation, postage prepaid.

ARTICLE VIII Books and Records

The Foundation shall keep correct and complete books and records of account and shall keep minutes of the proceedings of its Board of Directors, and shall keep at its registered office or principal place of business, or at the office of its transfer agent or registrar, a record of its directors, giving the names and addresses of all directors.

ARTICLE IX Waiver of Notice

Whenever any notice is required to be given to any director of the Foundation under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of the Washington Nonprofit Foundation Act, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X Non-Discrimination

There shall be no discrimination on the basis of race, age, sex, religion, creed, or political persuasion in the practice of employment, service delivery, business matters or membership.

ARTICLE XI Dissolution

Upon the dissolution of this Foundation, all of the assets of the Foundation remaining after payment of creditors shall be distributed for one or more exempt purposes within the meaning of IRC Section 501 (c)(3), or shall be distributed first to Rotary International Foundation, then to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed by the Superior Court of the county in which the principal office of the Foundation is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XII

Amendments of Articles of Incorporation or Bylaws

The Foundation Articles of Incorporation or Bylaws may be altered, amended or repealed and new such documents may be adopted by the members at any regular or special meeting of the membership, provided that such alteration, amendment or repeal does not violate applicable laws.

ARTICLE XIII

Additional Restrictions and Requirements

Until this Foundation is determined by the Commissioner of Internal Revenue to be an organization other than a “private foundation” within the meaning of IRC Section 509(a), to the extent the foregoing provisions of these Bylaws do not restrict the powers and activities of the Foundation, the following additional restrictions and requirements are imposed:

13.1 Self-Dealing. The Foundation shall not engage in any act of self-dealing as defined in IRC Section 4941(d).

13.2 Distributions. The Foundation shall distribute its income for each tax year at such time and in such manner so as not to become subject to the tax on undistributed income imposed by IRC Section 4942.

13.3 Excess Business Holdings. The Foundation shall not retain any excess business holdings as defined in IRC Section 4943(c).

13.4 Investments. The Foundation shall not make any investments in such manner as to subject it to tax under IRC Section 4944.

13.5 Expenditures. The Foundation shall not make any taxable expenditures as defined in IRC Section 4945(d).

ARTICLE XIV

Restricted Activities

No part of the net earnings of the Foundation shall inure to the benefit of or be distributable to any director or officer of the Foundation, except that the Foundation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes as set forth in the Articles of Incorporation. No substantial part of the activities of the Foundation shall be the carrying on of propaganda or otherwise attempting to influence legislation, and the Foundation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of the Articles of Incorporation or these Bylaws, the Foundation shall not carry on any other activities not permitted to be carried on by a Foundation organized and operated exclusively for exempt purposes within the meaning of the Internal Revenue Code.

ARTICLE XV
Fiscal Year

The fiscal year of the Foundation shall begin July 1 and end June 30.

ARTICLE XVI
Conflict of Interest Policy

16.1 Purpose. The purpose of the conflict of interest policy is to protect this Foundation interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a member, director, or officer of the Foundation or might result in a possible excess benefit transaction under the IRC. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

16.2 Definitions. The following definitions shall apply:

16.2.1 Interested Person. Any member, director, or officer of a committee who has a direct or indirect financial interest, as defined below, is an interested person.

16.2.2 Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

16.2.2.1 An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement,

16.2.2.2 A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement, or

16.2.2.3 A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under this Article, a person who has a financial interest may have a conflict of interest only if the Board of Directors decides that a conflict of interest exists.

16.3.3 Procedures for Addressing the Conflict of Interest.

16.3.3.1 An interested person may make a presentation at the Board of Directors meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

16.3.3.2 The chairperson of the Board of Directors shall, if appropriate, appoint a disinterested person to investigate alternatives to the proposed transaction or arrangement.

16.3.3.3 Procedures for Addressing the Conflict of Interest.

16.3.3.1 An interested person may make a presentation at the Board of Directors meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

16.3.3.2 The chairperson of the Board of Directors shall, if appropriate, appoint a disinterested person to investigate alternatives to the proposed transaction or arrangement.

16.3.3.3 After exercising due diligence, the Board of Directors shall determine whether the Foundation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to conflict of interest.

16.3.3.4 If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Foundation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

16.3.4 Violations of the Conflicts of Interest Policy.

16.3.4.1 If the Board of Directors has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

16.3.4.2 If, after hearing the interested person's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the interested person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Adopted by resolution of the Foundation's Board of Directors on this 11th day of June, 2018.

Nancy McAllister

President

