

BYLAWS OF Seabeck Community Center

PREAMBLE

The following Bylaws shall be subject to, and governed by, the Washington State Non-Profit Corporation Act and the Articles of Incorporation of the Seabeck Community Center (SCC). In the event of a direct conflict between the herein contained provisions of these Bylaws and the mandatory provisions of the Non-Profit Corporation Act of the State of Washington, said Non-Profit Corporation Act shall be the prevailing controlling law. In the event of a direct conflict between the provisions of these Bylaws and the Articles of Incorporation of Corporation/Organization, it shall then be these Bylaws which shall be controlling.

ARTICLE 1 – NAME

The legal name of the Non-Profit Corporation/Organization shall be known as Seabeck Community Center and shall herein be referred to as "SCC."

ARTICLE 2 – PURPOSE

The general purposes for which SCC has been established is to develop and operate a public place in the Seabeck School Campus that provides educational and recreational opportunities. A place to connect people and preserve the natural beauty of the community.

2.1 Mission

SCC is formed to enhance the community's vitality by:

Establishing and safeguarding community owned assets and the natural resources, ensuring availability to all.

Developing and maintaining excellent facilities for education, recreation, relaxation, gathering and solitude.

Providing and coordinating community services and programs that contribute to the health and well-being of residents of all ages and abilities.

2.2 Vision

SCCs vision is to develop a public place in Seabeck that provides: educational and recreational opportunities, a place to connect people and that preserves the natural beauty of our community. Seabeck residents will treasure and care for this legacy, building on the history of the Elementary School Community Campus to provide for future generations.

2.3 Values Statement

SCC serves the public interest and plays an essential role in the community. SCC will work hard to strengthen the community and address a variety of issues and challenges to enrich lives in a variety of ways. Programs and Services shall benefit our society in fields such as education, recreation, science, health, environment, religion, arts, culture, and more. Individuals, businesses, non-profits, and governments all help the SCC mission to happen by investing time, resources and funds. SCC shall have a high level of accountability, transparency and effectiveness that fosters excellence and inspires trust.

2.4 Establishment

SCC is established within the meaning of Internal Revenue Code Section 501(3)(c). Organization is in accordance with the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding section of any future federal tax code and shall be operated exclusively for physical fitness and community recreation (N30).

In addition, SCC has been formed for the purpose of performing all things incidental to, or appropriate in, the specific and primary purposes. However, SCC shall not, except to an insubstantial degree, engage in any activity or the exercise of any powers which are not in furtherance of its primary non-profit purposes.

SCC shall hold and may exercise all such powers as may be conferred upon any nonprofit organization by the laws of the State of Washington and as may be necessary or expedient for the administration of the affairs and attainment of the purposes of SCC. At no time and in no event shall SCC participate in any activities which have not been permitted to be carried out by a Corporation/Organization exempt under Section 501(3)(c) of the Internal Revenue Code of 1986 (the "Code").

ARTICLE 3 – OFFICES

The principal office of SCC shall be located at 15398 Seabeck Hwy NW, Seabeck, Washington 98380.

SCC may have other such offices as the Board of Directors may determine or deem necessary, or as the affairs of SCC may find a need for from time to time.

ARTICLE 4 – DEDICATION OF ASSETS

The properties and assets of SCC are irrevocably dedicated to and for non-profit purposes only. No part of the net earnings, properties, or assets of SCC, on dissolution or otherwise, shall inure to the benefit of any person or any member, director, or officer of SCC. On liquidation or dissolution, all remaining properties and assets of SCC shall be distributed to a tax-exempt organization dedicated to non-profit activities in Kitsap County that benefits Seabeck residents..

ARTICLE 5 – BOARD OF DIRECTORS

5.1 General Powers and Responsibilities

SCC shall be governed by a Board of Directors (the "Board"), which shall have all the rights, powers, privileges and limitations of liability of directors of a non-profit corporation organized

under the Non-Profit Corporation Act of the State of Washington. The Board shall establish policies and directives governing business and programs of SCC and shall delegate to staff and volunteers subject to the provisions of these Bylaws, authority and responsibility to see that the policies and directives are appropriately followed. The SCC President, is a volunteer and chair of the Board. . The SCC Vice President is a volunteer and vice chair of the Board. The Secretary and Treasurer are volunteers and Board Members.

5.2 Number and Qualifications

The Board shall have up to 12, but no fewer than 6, Board members. The number of Board members may be changed by a $\frac{3}{4}$ vote of the members (quorum). Bylaw changes require a $\frac{3}{4}$ vote of the members (quorum). New and renewing Board Members require a $\frac{2}{3}$ vote of the members (quorum). A Board member need not be a resident of the State of Washington. The Central Kitsap School District shall have one Board member, this member is not subject to Annual Dues.

In addition to the regular membership of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be *Ex-Officio Board Members*, they will have the same rights and obligations as the other Board Members, except they will not have voting power.

5.3 Board Compensation

The Board shall receive no compensation other than for reasonable expenses. However, provided the compensation structure complies with Sections relating to "Contracts Involving Board Members and/or Officers" as stipulated under these Bylaws, nothing in these Bylaws shall be construed to preclude any Board member from serving SCC in any other capacity and receiving compensation for services rendered.

5.4 Board Elections

The Board shall present nomination for new and renewing Board members. Recommendations shall be made known to in writing before nominations are voted on. New and renewing Board members shall be approved by two thirds of those Board members at a Board meeting at which a quorum is present.

A governance committee shall be in charge of developing Board nomination procedures. The vetting process shall permit new Board member election during the annual meeting.

5.5 Term of Board

All appointments to the Board shall be for a term of three year(s). No person shall serve more than two consecutive terms unless a majority of the Board, during the course of a Board meeting at which a quorum is present, votes to appoint a Board member to three additional year(s). No person shall serve more than nine consecutive years. After serving the maximum total number of consecutive years on the Board, a member may be eligible for reconsideration as a Board member after one year has passed since the conclusion of such Board member's service.

5.6 Vacancies

A vacancy on the Board of Directors may exist at the occurrence of the following conditions:

- a) The death, resignation, or removal of any director;
- b) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, found by final order or judgment of any court to have breached a duty pursuant to the Corporation Code and/or Act of the law dealing with the standards of conduct for a director, or has missed three consecutive meetings of the Board of Directors, or a total of three meetings of the Board during any one calendar year;
- c) An increase in the authorized number of directors; or
- d) The failure of the directors, at any annual or other meeting of directors at which director(s) are to be elected, to elect the full authorized number of directors.

The Board of Directors, by way of affirmative vote of a majority of the directors then currently in office, may remove any director without cause at any regular or special meeting, provided that the director to be removed has been notified in writing in the manner set forth in Article 5 – Meetings that such action would be considered at the meeting.

Except as provided in this paragraph, any director may resign effective upon giving written notice to the president of the Foundation, the secretary of the Foundation, or the Board of Directors, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be designated to take office when the resignation becomes effective. Unless the Attorney General of the State of Washington is first notified, no director may resign when SCC would then be left without a duly elected director in charge of its affairs.

Any vacancy on the Board may be filled by a majority vote of the directors then in office, whether or not the number of directors then in office is less than a quorum, or by vote of a sole remaining director. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

A Board member elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

5.7 Resignation

Each Board member shall have the right to resign at any time upon written notice thereof to the President of the Board or Secretary of the Board. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective.

5.8 Removal

A Board member may be removed, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of two thirds then-serving Board members.

5.9 Meetings

The Board's regular meetings may be held at such time and place as shall be determined by the Board, usually one meeting per month. Regular Board members may call a special meeting of the Board with seven days' written notice provided to each member of the Board. The notice shall be served upon each Board member via hand delivery, regular mail, email, or fax. The person(s) authorized to call such special meetings of the Board may also establish the place the meeting is to be conducted, so long as it is a reasonable place to hold any special meeting of the Board. Meetings may be held by phone and/or web.

5.10 Minutes

The Secretary shall be responsible for the recording of all minutes of each and every meeting of the Board in which business shall be transacted in such order as the Board may determine from time to time. However, in the event that the Secretary is unavailable, the Chair of the Board (President) shall appoint an individual to act as Secretary at the meeting. The Secretary, or the individual appointed to act as Secretary, shall prepare the minutes of the meetings, which shall be delivered to SCC to be placed in the minute books. A copy of the minutes shall be delivered to each Board member via either regular mail, hand delivered, emailed, or faxed within seven business days after the close of each Board meeting.

5.11 Quorum

At each meeting of the Board of Directors or Board Committees, the presence of 50 percent shall constitute a quorum for the transaction of business. If at any time the Board consists of an even number of members and a vote results in a tie, the item will be tabled. The act of the majority of the Board members serving on the Board or Board Committees and present at a meeting in which there is a quorum shall be the act of the Board or Board Committees, unless otherwise provided by the Articles of Incorporation, these Bylaws, or a law specifically requiring otherwise. If a quorum is not present at a meeting, the Board members present may adjourn the meeting from time to time without further notice until a quorum shall be present. However, a Board member shall be considered present at any meeting of the Board or Board Committees if during the meeting he or she is present via telephone or web conferencing with the other Board members participating in the meeting.

5.12 Voting

Each Board member shall only have one vote.

5.13 Proxy

Board members shall not be allowed to vote by written proxy

5.14 Board Member Attendance

An elected Board Member who is absent from two consecutive regular meetings of the Board during a fiscal year shall be encouraged to reevaluate with the Chair of the Board his/her commitment to the Foundation. The Board may deem a Board member who has missed three consecutive meetings without such a reevaluation with the President to have resigned from the Board. A Board member may request a leave of absence up to 6 months and this shall be granted without vote.

ARTICLE 6 – OFFICERS

6.1 Officers and Duties

The Board shall elect officers of SCC from among Board Members. Officers shall include a President, a Vice President, a Secretary, a Treasurer and any such other officers as the Board may designate by resolution. The same person may not hold any office concurrently. In addition to the duties in accordance with this Article, officers shall conduct all other duties typically pertaining to their offices and other such duties which may be required by law, Articles of Incorporation, or by these bylaws, subject to control of the Board of Directors, and they shall perform any other such additional duties which the Board of Directors may assign to them at their discretion.

6.2 Selection and Resignation The officers shall be Board Members and selected by the Board at its annual meeting by a 2/3 vote, and shall serve the needs of the Board, subject to all the rights, if any, of any officer who may be under a contract of employment. Therefore, without any bias or predisposition to the rights of any officer that may be under any contract of employment, any officer may be removed with or without cause by the Board. All officers have the right to resign at any time by providing notice orally or in writing to the President, and/or Secretary of SCC, without bias or predisposition to all rights, if any, of SCC under any contract to which said officer is a part thereof. All resignations shall become effective upon the date on which the written notice of resignation is received or at any time later as may be specified within the resignation; and unless otherwise indicated within the written notice, a stated acceptance of the resignation shall not be required to make the resignation effective.

6.3 Vacancies Any and all vacancies in any office because of death, resignation, disqualification, removal, or for any other cause, shall be filled in accordance to the herein prescribed bylaws for regular appointments to such office. Any officer or agent elected by the Board may be removed from office by the Board whenever in its judgement the best interest of SCC would be served.. The compensation, if any, of the officers shall be fixed or determined by resolution of the Board of Directors.

6.4 President (Chair of the Board)

It shall be the responsibility of the President to preside over all meetings of the Board and in general, to supervise and conduct all activities and operations of SCC, subject to the control, advice and consent of the Board of Directors. The President shall keep the Board of Directors completely informed, shall freely consult with them in relation to all activities of SCC, and shall see that all orders and/or resolutions of the Board are carried out to the effect intended. The Board of Directors may place the President under a contract of employment where appropriate. The President shall be empowered to act, speak for, or otherwise represent SCC between meetings of the Board. The President shall be responsible for the hiring and firing of all personnel, and shall be responsible for keeping the Board informed at all times of staff performance and for implementing any personnel policies which may be adopted and implemented by the Board. The President, at all times, is authorized to contract, receive, deposit, disburse and account for all funds of SCC, to execute in the name of SCC all contracts and other documents authorized either generally or specifically by the Board to be executed by SCC, and to negotiate any and all material business transactions of SCC.

6.5 Vice President (Vice chair of the Board)

It shall be the responsibility of the Vice President to preside over all meetings of the Board and in general, to supervise and conduct all activities and operations of the Foundation, subject to the 6.5 control, advice and consent of the Board of Directors when the President is unable to execute the duties of Executive Director.

6.6 Secretary

The Secretary, or his/her designee, shall be the custodian of all records and documents of SCC, which are required to be kept at the principal office of SCC, and shall act as secretary at all meetings of the Board of Directors, and shall keep the minutes of all such meetings on file in hard copy or electronic format. She/he shall attend to the giving and serving of all notices of SCC and shall see that the seal (logo) of SCC is affixed to all documents, the execution of which on behalf of SCC under its seal is duly authorized in accordance with the provisions of these bylaws.

6.7 Treasurer

It shall be the responsibility of the Treasurer to keep and maintain, or cause to be kept and maintained, adequate and accurate accounts of all the properties and business transactions of SCC, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements.

The Treasurer shall be responsible for ensuring the deposit of, or cause to be deposited, all money and other valuables as may be designated by the Board of Directors. Furthermore, the Treasurer shall disburse, or cause to be disbursed, the funds of SCC, as may be ordered by the Board of Directors, and shall render to the Chair of the Board, President, and directors, whenever they request it, an account of all the Treasurer's transactions as treasurer and of the financial condition of SCC. All funds of SCC shall be deposited in accounts at Kitsap Credit Union. All checks drawn against such accounts shall be signed and countersigned by such officers of SCC as may be authorized by the Board and set out in the SCC Financial Policies.

The Treasurer shall give SCC a bond, if so requested and required by the Board of Directors, in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the Treasurer's office and for restoration to SCC of all its books, papers, vouchers, money and other property of every kind in the Treasurer's possession or under the Treasurer's control upon the Treasurer's death, resignation, retirement, or removal from office. SCC shall pay the cost of such a bond.

ARTICLE 7 – COMMITTEES

7.1 Committees of the Board

The Board of Directors may, by resolution adopted by a majority of the directors then in office, provided that a quorum is present, designate one or more committees to execute specific tasks delegated by the Board. There may also be standing committees such as; Fundraising, Programs, Advisory and Facilities. Each such committee shall consist of two (2) or more Board Members and may also include community persons who are not on the Board but whom the directors believe to be reliable and competent to serve on the specific committee. No committee shall have the

authority to authorize, require, or approve any expenditure, grant, donation, or payment from funds managed by SCC.

7.2 Meetings and Actions of Committees

Meetings and actions of all committees shall be governed by, and held and taken in accordance with, the provisions of Article 5 - Board of Directors of these bylaws concerning meetings and actions of the directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the SCC records. The Board of Directors may adopt rules not consistent with the provisions of these bylaws for the governance of any committee.

If a director relies on information prepared by a committee of the Board on which the director does not serve, the committee must be composed exclusively of any or any combination of (a) directors, (b) directors or employees of SCC whom the director believes to be reliable and competent in the matters presented, or (c) counsel, independent accountants, or other persons as to matters which the director believes to be within that person's professional or expert competence.

ARTICLE 8 - STANDARD OF CARE

8.1 General

A director shall perform all the duties of a director, including, but not limited to, duties as a member of any committee of the Board on which the director may serve, in such a manner as the director deems to be in the best interest of SCC and with such care, including reasonable inquiry, as an ordinary, prudent, and reasonable person in a similar situation may exercise under similar circumstances.

In the performance of the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- a) One or more officers or employees of SCC whom the director deems to be reliable and competent in the matters presented;
- b) Counsel, independent accountants, or other persons, as to the matters which the director deems to be within such person's professional or expert competence; or
- c) A committee of the Board upon which the director does not serve, as to matters within its designated authority, which committee the director deems to merit confidence,

so long as in any such case the director acts in good faith, after reasonable inquiry when the need may be indicated by the circumstances, and without knowledge that would cause such reliance to be unwarranted.

Except as herein provided in Article 8 - Standard of Care, any person who performs the duties of a director in accordance with the above shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limitation of the following, any actions or omissions which exceed or defeat a public or charitable purpose to which SCC, or assets held by it, are dedicated.

8.2 Loans

No loan shall be made by or to SCC. SCC shall not make any loan of money or property to, or guarantee the obligation of, to any Directors, Officers, Board Members, Volunteers or Employees.

8.3 Loans to Individuals and Non-Profit Organizations

If doing so furthers SCC's charitable purposes the Board may authorize by resolution the making of loans to individuals and non-profit organizations. The Board shall adopt by resolution guidelines and procedures to be used in making loans and for collecting loans that are unpaid in accordance with the purposes for which SCC is established.

8.4 Conflict of Interest

The purpose of the Conflict of Interest policy is to protect the SCC's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of one of its officers or directors, or that might otherwise result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable corporations/organizations and is not intended as an exclusive statement of responsibilities.

8.5 Restriction on Interested Directors

Not more than 10% (percent) of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any person currently being compensated by SCC for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director; and (2) any brother, sister, parent, ancestor, descendent, spouse, brother-in-law, sister-in-law, son-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the interested person.

8.6 Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors who are considering the proposed transaction or arrangement.

8.7 Establishing a Conflict of Interest

After the disclosure of the financial interest and all material facts, and after any discussion with the interested person, the interested person shall leave the Board meeting while the potential

conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

8.8 Addressing a Conflict of Interest

In the event that the Board should establish that a proposed transaction or arrangement establishes a conflict of interest, the Board shall then proceed with the following actions:

- a) Any interested person may render a request or report at the Board meeting, but upon completion of said request or report the individual shall be excused while the Board discusses the information and/or material presented and then votes on the transaction or arrangement proposed involving the possible conflict of interest.
- b) The President shall, if deemed necessary and appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c) After exercising due diligence, the Board 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 a conflict of interest.
- d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the best interest of the Foundation, for its own benefit, and whether it is fair and reasonable. It shall make its decision as to whether to enter into the transaction arrangement in conformity with this determination.

8.9 Violations of Conflict of Interest Policy

Should the Board have reasonable cause to believe an interested person has failed to disclose actual or possible conflicts of interest, the Board shall then inform the interested person of the basis for such belief and afford the interested person an opportunity to explain the alleged failure to disclose.

If, after hearing the interested person's explanation, and after making further investigation as may be warranted in consideration of the circumstances, the Board determines the interested person intentionally failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

8.10 Procedures and Records

All minutes of the Board Meetings, when applicable, shall contain the following information:

- a) The names of all the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's decision as to whether a conflict of interest in fact existed.
- b) The names of the persons who were present for discussions and any votes relating to the transaction or arrangement, the content of the discussions, including any alternatives to

the proposed transaction or arrangement, and a record of any vote taken in connection with the proceedings.

8.11 Acknowledgement of Conflict of Interest Policy

Each director, principal officer, and member of a committee with Board delegated powers shall be required to sign a statement which affirms that such person:

- a) Has received a copy of the conflict of interest policy;
- b) Has read and understands the policy;
- c) Has agreed to comply with the policy; and
- d) Understands that the Corporation/Organization is charitable, and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

8.12 Violation of Loyalty - Self-Dealing Contracts

A self-dealing contract is any contract or transaction (i) between SCC and one or more of its Directors, or between SCC and any corporation, firm, or association in which one or more of the Directors has a material financial interest ("Interested Director"), or (ii) between SCC and a corporation, firm, or association of which one or more of its directors are Directors of this Foundation. Said self-dealing shall not be void or voidable because such Director(s) of corporation, firm, or association are parties or because said Director(s) are present at the meeting of the Board of Directors or committee which authorizes, approves or ratifies the self-dealing contract, if:

- a) All material facts are fully disclosed to or otherwise known by the members of the Board and the self-dealing contract is approved by the Interested Director in good faith (without including the vote of any membership owned by said interested Director(s));
- b) All material facts are fully disclosed to or otherwise known by the Board of Directors or committee, and the Board of Directors or committee authorizes, approves, or ratifies the self-dealing contract in good faith—without counting the vote of the interest Director(s)—and the contract is just and reasonable as to SCC at the time it is authorized, approved, or ratified; or
- c) As to contracts not approved as provided in above sections (a) and/or (b), the person asserting the validity of the self-dealing contract sustains the burden of proving that the contract was just and reasonable as to SCC at the time it was authorized, approved, or ratified.

Interested Director(s) may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof, which authorizes, approves, or ratifies a contract or transaction as provided for and contained in this section.

8.13 Indemnification

To the fullest extent permitted by law, SCC shall indemnify its "agents," as described by law, including its directors, officers, employees and volunteers, and including persons formerly occupying any such position, and their heirs, executors and administrators, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," and including any action by or in the right of SCC, by reason of the fact that the person is or was a person as described in the Non-Profit Corporation Act. Such right of indemnification shall not be deemed exclusive of any other right to which such persons may be entitled apart from this Article.

SCC shall have the power to purchase and maintain insurance on behalf of any agent of SCC, to the fullest extent permitted by law, against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, or to give other indemnification to the extent permitted by law.

ARTICLE 9 – EXECUTION OF CORPORATE INSTRUMENTS

9.1 Execution of Corporate Instruments

The Board of Directors may, at its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute any corporate instrument or document, or to sign the corporate name without limitation, except when otherwise provided by law, and such execution or signature shall be binding upon SCC.

Unless otherwise specifically determined by the Board of Directors or otherwise required by law, formal contracts of SCC, promissory notes, deeds of trust, mortgages, other evidences of indebtedness of SCC, other corporate/organization instruments or documents, memberships in other corporations/organizations, and certificates of shares of stock owned by SCC shall be executed, signed, and/or endorsed by the President and Treasurer.

All checks and drafts drawn on banks or other depositories on funds to the credit of SCC, or in special accounts of SCC, shall be signed by such person or persons as the Board of Directors shall authorize to do so.

9.2 Loans and Contracts

No loans or advances shall be contracted on behalf of SCC and no note or other evidence of indebtedness shall be issued in its name unless and except as the specific transaction is authorized by the Board of Directors. Without the express and specific authorization of the Board, no officer or other agent of SCC may enter into any contract or execute and deliver any instrument in the name of and on behalf of SCC.

ARTICLE 10 – RECORDS AND REPORTS

10.1 Maintenance and Inspection of Articles and Bylaws

SCC shall keep at its principal office the original or a copy of its Articles of Incorporation and bylaws as amended to date, which shall be open to inspection by the Directors at all reasonable times during office hours.

10.2 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

SCC shall keep at its principal office a copy of its federal tax exemption application and its annual information returns for three years from their date of filing, which shall be open to public inspection and copying to the extent required by law.

10.3 Maintenance and Inspection of Other Corporate Records

The Foundation shall keep adequate and correct books and records of accounts and written minutes of the proceedings of the Board and committees of the Board. All such records shall be kept at a place or places as designated by the Board and committees of the Board, or in the absence of such designation, at the principal office of SCC. The minutes shall be kept in written or typed form, and other books and records shall be kept either in written or typed form or in any form capable of being converted into written, typed, or printed form. Upon leaving office, each officer, employee, or agent of the Foundation shall turn over to his or her successor or President, in good order, such Foundation monies, books, records, minutes, lists, documents, contracts or other property of the Foundation as have been in the custody of such officer, employee, or agent during his or her term of office.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of SCC and each of its subsidiary corporations/organizations. The inspection may be made in person or by an agent or attorney, and shall include the right to copy and make extracts of documents.

10.4 Preparation of Annual Financial Statements

SCC shall prepare annual financial statements using generally accepted accounting principles. Such statements shall be audited by an independent certified public accountant, in conformity with generally accepted accounting standards. SCC shall make these financial statements available to the State of Washington Attorney General and members of the public for inspection no later than 30 days after the close of the fiscal year to which the statements relate.

10.5 Reports

The Board shall ensure an annual report is sent to all directors within 30 days after the end of the fiscal year of SCC, which shall contain the following information:

- a) The assets and liabilities, including trust funds, of this corporation at the end of the fiscal year.
- b) The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- c) The expenses or disbursements of SCC for both general and restricted purposes during the fiscal year.

- d) The information required by Non-Profit Corporation Act concerning certain self-dealing transactions involving more than \$50,000 or indemnifications involving more than \$10,000 which took place during the fiscal year.

The report shall be accompanied by any pertinent report from an independent accountant or, if there is no such report, the certificate of an authorized officer of SCC that such statements were prepared without audit from the books and records of SCC.

ARTICLE 11 – FISCAL YEAR

The fiscal year for SCC shall end on 31 December.

ARTICLE 12 – MEMBERS

12.1 Benefits Members are entitled to participate in all SCC Programs and Services. Members are entitled to a Newsletter and Annual Report. Members may submit suggestions, recommendations and questions to the Board for action.

12.2 Responsibilities Members are expected to comply with the rules and regulations specified in the CKSD and SCC operating agreement. Members are also expected to comply with rules of conduct that may be developed by SCC. Members are required to pay annual dues set by the Board.

12.3 Memberships Membership is open to anyone who pays Annual Dues and supports SCC Programs. Membership includes all members of a household. Membership does not include voting rights.

12.4 Sustaining Member A member who financially supports, on an annual basis, the programs to which SCC is committed and will continue to financially support them in the foreseeable future, provided the support exceeds the Annual Dues. Such donations may be tax deductible

12.5 Company Member Any corporation, partnership, foundation and business of the US or a friendly foreign government is eligible for company membership upon written application and approval by the Board. Company membership shall entitle the company to designate two individuals as representatives of the company, each of whom shall be a member. Annual Dues will be set by the Board.

12.6 Officers and Directors Officer and Board of Director positions are open to any adult citizen of the US or a friendly foreign government. Officers and Board of Directors are members and their Annual Dues will be set by the Board of Directors. Officers and Directors have voting rights.

12.7 Termination of Membership The Board of Directors, by affirmative vote of a majority of the members of the Board of Directors, may suspend or expel a member for cause after an appropriate hearing. Membership may be terminated if the member does not pay appropriate Annual Dues.

12.8 Annual Dues The Board will establish and approve Annual Dues for members. The Secretary will publicize dues and any changes in the SCC's newsletter. Changes will become effective at the beginning of SCC's fiscal year.

ARTICLE 13 – AMENDMENTS AND REVISIONS

These bylaws may be adopted, amended, or repealed by the vote of two thirds of the directors then in office. Such action is authorized only at a duly called and held meeting of the Board of Directors for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefore, is given in accordance with these bylaws. If any provision of these bylaws requires the vote of a larger portion of the Board than is otherwise required by law, that provision may not be altered, amended or repealed by that greater vote.

CERTIFICATE OF SECRETARY

I, _____, certify that I am the current elected and acting Secretary of SCC, and the above bylaws are the bylaws of SCC as adopted by the Board of Directors on _____, and that they have not been amended or modified since the above.

EXECUTED on this day of _____, in the County of _____ in the State of _____.

(Duly Elected Secretary)