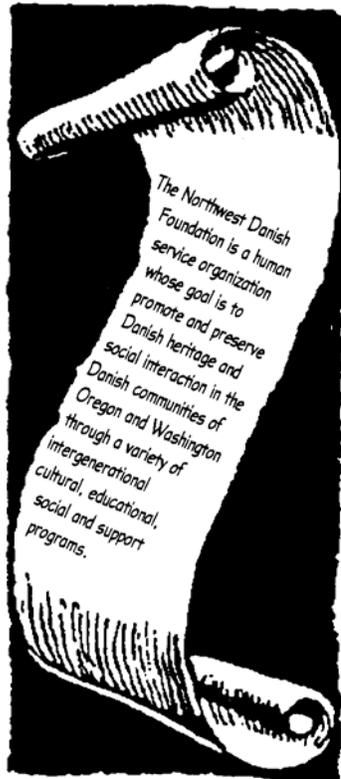


# BYLAWS



## NORTHWEST DANISH FOUNDATION

[Approved October 11, 2008]

### **SECTION I. MEMBERSHIP**

The various membership classes of the Northwest Danish Foundation (“NWDF”) shall be set from time to time by the Board of Directors (“Board”).

A portion of membership requirements are stated in the Articles of Incorporation.

#### **(a) Membership Fees**

Fees for the different classifications of membership and definitions of membership classification shall be set from time to time by the Board and in any event placed in the form used as the Application for Membership. Life membership, a classification now declared to be discontinued, entitles the existing life member to all rights of membership for the balance of his/her or its natural lives.

#### **(b) Due Date of Members Payment**

This annual membership payment is due and payable in advance by the annual meeting date. If the annual dues are not paid by the annual meeting date, such member’s name shall be dropped from the membership role as provided in paragraph (h) below. Reinstatement may be effected at any time.

**(c) Membership Application**

Membership shall be obtained by notifying the office of the NWDF of the person's desire to join and by the applicant signing an application and delivering it to the office. Membership fees must accompany the application but thereafter may be paid without application.

**(d) Honor Directors and Honorary Members**

Honorary Directors and Honorary Members of the NWDF may be elected by a two-thirds favorable vote of the Board after the person nominated has first been recommended for such position by the Executive Committee of the Board; such Directors and Members shall have all the rights of membership and shall be exempt from payment of further membership fees.

To qualify as an Honorary Director, a person must have served as an elected director of the Board and performed duties of such in an outstanding manner. To qualify as an Honorary Member, a person must have served as a member and performed duties of such in an outstanding manner. Once elected as an Honorary Director or Member, the person shall hold such office in perpetuity but without vote as director, unless again voted to a position on the Board.

To be elected to either honorary position is the highest honor that can be conferred by the organization.

**(e) Group Qualification**

Any organized Lodge, Association, Club, Society, Congregation or Circle in Washington or Oregon, identified with the Danish language or nationality, shall be included in the classes of membership, with the same rights as an individual member by having paid the required group membership fee. Such an organization shall be entitled to one vote at the general or special elections and to elect one of its members as its qualified representative.

**(f) Quorum**

Members holding twenty-five votes entitled to be cast represented in person or by proxy shall constitute a quorum at a membership meeting. The vote of a majority of the votes entitled to be cast by the members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by the Articles of Incorporation or the Bylaws. Proxies must be in writing signed by the member and filed with the Secretary before the meeting.

**(g) Notice of Members Meeting**

Written or printed notice stating the place, day and hour of the annual membership meeting and, in case of special meetings, the purpose or purposes for which the meeting is called, shall be delivered not less than ten or more than fifty days before the date of the meeting, by mail, by or at the direction of the President, or the Secretary, or the officers, to each member entitled to vote at such meeting. Such notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

Any proposal to be voted on by the members at the annual or any special meeting, other than one approved by the Board of Directors, shall be presented to the Secretary at least 20 days in advance of the meeting. If it conforms to legal requirements the proposal shall be placed on the Agenda of the meeting for action.

**(h) Reason for Delinquency**

If a member does not pay applicable dues, that person or entity shall be dropped from the membership rolls. No person or entity shall be dropped from the rolls without the Secretary mailing notice thereof at least thirty (30) days prior thereto to the member's last known address.

**SECTION II. BOARD**

**(a) Management by Directors**

The management of the corporation shall be vested in a Board of Directors. At least 60% of the Board shall be of Danish nationality or descent or related by marriage to those of Danish nationality or descent. The size of the Board

shall be determined from time to time by the Board, but shall consist of not less than 9 and not more than 18 members, striving for geographic representation.

**(b) Term of Directors**

The term of office of each director shall be three years, except for a shorter period when a person fills a vacancy. The terms of one third of the directors shall expire each year, but those directors are eligible for immediate reelection. Directors shall serve for no more than three consecutive terms after which they shall be eligible to serve again after a one year hiatus.

**(c) Vacancies on the Board**

A record of the last election returns in full shall be filed by the Secretary. A vacancy on the Board during the year may be filled by the person nominated at the last election, but not elected. The Nominee with the most votes who is willing to fill the vacancy shall fill the vacancy. He or she shall complete the term of the director whose vacancy is being filled. In the event that no such nominees are available, the President shall, with the approval of the Board, select a person to fill the vacancy for the duration of the vacant directorship.

**(d) Members Elect Directors**

The members of the Board shall be elected from the general membership at the annual meeting. A director must be a member and keep his/her dues current

**(e) Annual Election of Directors**

The election shall take place at the annual meeting in the month of October unless changed by the Board with 30 days written notice.

**(f) One Vote Per Membership Category**

Each person/category who is a member of the corporation, who may be present at the election shall as an individual member or one person of a category membership such as family or couple membership, have one vote. An organization delegate who is representing a member organization shall be entitled to one vote for that organization. A member or delegate who is not present at the election shall be entitled to vote by proxy.

**(g) Vote by Ballot**

The voting shall be done by ballot. A plurality of those voting shall be sufficient to elect.

**(h) Appointment of Nominating Committee**

The President shall appoint a committee and announce to the membership at least 90 days before the annual meeting to arrange for the election and nomination of candidates for the Board and for the nomination of officers in the corporation. Nomination of candidates for the Board and for officers in the corporation may also be made from the floor during the course of the meeting, provided that the nominee is present and has agreed to serve on the Board. The nominating committee shall strive to find nominees that are representative of the geographic distribution of the membership.

**(i) Attendance Requirement**

All directors are expected to attend all Board meetings in person or by teleconference unless excused by the President from attending or absent because of illness. The director in default due to failure to attend meetings will be notified that his/her term as a director may be terminated at the annual meeting.

**SECTION III. DUTIES and POWERS OF THE BOARD AND OFFICERS**

**(a) Officers**

The Board shall elect all officers. The officers shall be the President, Executive Vice President, Corporate Secretary, Corporate Treasurer, and such other officers as may be elected or established by the Board. There may also be Vice-Presidents with specific duties such as Operations (upkeep of the building), Programs (chairs Program committees), and Development (fund raising and development). All officers of the Board shall serve for one year or

until their successors are elected. The immediate past President (if not otherwise a Board member) is a non voting members of the Board.

**(b) Duties of President**

The President shall preside over the meetings of the Board, and conduct them in accordance with Roberts “Rules of Order Newly Revised.” The President shall be empowered to call extra meetings when it is deemed necessary, or when 25% of the directors request it.

The President shall appoint, upon approval of the Board, the Chairpersons of all committee and subcommittees. The Chairperson shall name all committee and subcommittee members after approval of selections by the President.

**(c) Duties of Executive Vice President**

The Executive Vice President shall act in the absence of the President.

**(d) Duties of Corporate Secretary**

The Secretary shall keep a record of the proceedings of all Board meetings in the appropriate record books or files, approve official correspondence of the corporation, keep the membership lists current, and issue all notices. Copies of the minutes of all meetings shall be provided to the board members within ten days of any meeting and be available to members on request

**(e) Duties of Corporate Treasurer**

The Treasurer shall have responsibility for the safe guarding of all the assets, keep an accurate account of all monies received and expended, manage the funds of the corporation according to the budget approved by the Board, and chair the finance committee and its work. Quarterly financial reports or at a frequency decided by the Board, shall be provided to the Board.

**(f) Duties of Finance Committee**

The Finance Committee, chaired by the Treasurer, shall have a composition as decided by the Board. The Finance Committee subject to Board approval shall arrange for an audit of the financial statements every three years and a review in the intervening years. When deemed necessary, the finance committee may recommend to the Board that and audit or review of the financial statements of the corporation be conducted. The finance committee, as guided by the Board, shall develop and recommend the final form of the budget to the Board for approval. The finance committee shall review and analyze the financial performance of the organization and report budgetary deviations and recommendations to the Board. The finance committee shall report on the financial statements at the annual meeting.

**(g) Other Committees**

The Board may from time to time establish one or more temporary committees as such committee or committees may be deemed useful for the execution of programs or tasks.

Such standing committees as are necessary to conduct the business of the corporation will be established by the Board and designated as continuing each year as needed at the Annual meeting.

**(h) Duty Changes**

The duties of the various officers and committees may be altered or amended from time to time, upon motion in writing at a regular meeting of the Board.

**(i) Frequency of Meetings and Quorum**

The Board shall hold regular meetings at least four times annually, or more often, if it shall so decide. Special meetings may be held at the call of the President, or, upon request of 25% of the directors. A quorum shall consist of a majority of members of the Board. Meetings shall be held at such places a the Board may hereafter determine.

**(j) Voting at Board Meetings**

A simple majority vote of Board members present shall rule unless otherwise specified in these By-Laws.

**(k) Fund Raising**

The Board shall have authority to collect funds including membership fees and supplies from lodges, societies, churches, individuals, etc. for the upkeep of the corporation and its projects. The Board shall give moral support and encourage the holding of fund raising events to help support the corporation.

**(l) Annual Report by Board**

The Board shall prepare and render an annual report, covering all activities in connection with the corporation and its management. The report must set forth in detail all of the resources and all of the expenditures for the past fiscal year. It must contain recommendations and such facts as may be of interest to the supporters of the corporation. This shall be made available to all members upon their request.

**(m) Employee(s)**

The Board or its designee shall have the authority to employ or discharge employees of the corporation.

The Board or its designee shall select all employees of the corporation. It shall select the building management company or person, responsible for leasing and such tenant matters, and has the power to terminate their service. The Board or its designee shall decide any possible disputes between and among the staff of the corporation. It may request the President to call special meetings if some important action shall require it and make it advisable.

The Board may employ an Executive Director or Office Manager who will have responsibilities as the Board shall determine. These may include operations, administrative, fund raising duties, or input to budget preparations, under the supervision of the President or designee.

The Board will approve an Annual Action Plan, chart of Staff Organization and Job Descriptions for all staff positions of the corporation.

**SECTION IV. FUNDS**

The Treasurer shall maintain such capital funds, operating – funds and reserve accounts as that person deems will meet generally accepted accounting principals and which also follow the directions of the Board

**SECTION V. ENDOWMENT FUND**

**(a) Purpose**

The Permanent Endowment Fund of the Northwest Danish Foundation, a Washington corporation, (hereinafter called the “Endowment Fund” or “Fund”) is hereby established for the purpose of providing members and friends of the Foundation the opportunity to make charitable gifts to the Foundation to provide financial support for the its programs and facilities that would otherwise not be funded from other assets of the Foundation

**(b) Administration**

The Endowment Fund shall be administered by the Endowment Committee of the Foundation (hereinafter called the “Committee”) as hereinafter constituted, but investments of the Fund shall be handled by the Investment Committee of the Foundation. The Endowment Committee shall make a report at least annually to the Board of the Foundation as to its accomplishments and plans for the future; and such report shall include complete information as to the assets of the Endowment Fund, receipts and disbursements for the prior year, and other information helpful to the Board. )

**(c) Investment of Endowment Funds**

The Endowment Fund’s investment objectives are as follows:

1. Conservation of principal for the effective maintenance of purchasing power.
2. Production of regular income at a reasonable rate.
3. Growth of income and principal over and above that necessary to offset rises in the cost of living.

All gifts received by the Endowment Fund shall be invested through the establishment of one or more accounts with local reputable financial services companies, including banks, savings and loan associations, credit unions, brokerage firms, mutual fund entities and the like.

The specific purpose of each account authorized by the Committee shall be stated in order to fulfill the wishes of the donor and thereby segregate and maintain gifts for their stated purposes.

**(d) Limitation on Use of Principal**

The objectives of the Fund are to conserve principal as above stated, and only five (5%) percent of the annual December 31 balance in the Fund can be distributed each year for endowment purposes, even if the income earned by the Fund in the prior year did not reach that percentage. Except as above provided any part of the principal may be withdrawn only in extreme and overwhelming circumstances, bordering on the survival of the Foundation. Except as above provided any withdrawal of the principal must be upon recommendation of the Committee, approved by a two-thirds (2/3) vote of the Board at which a quorum is present, after at least ten days written notice of the proposal to the Board.

**(e) Distribution of Income and Description of Gift Types**

Gifts to the Fund shall be classified as “designated” or “undesignated.”

1. Designated Gift:

The income of designated gift account shall be distributed by the Board upon the recommendation of the Committee as directed by the donor at the time of their gift or as directed by Will or other gift document, if such direction is in conformity with the purposes of the Fund as above stated. *(Adopted 7/18/1998)*

2. Undesignated Gift:

If the use of the gift is undesignated, the income from the undesignated gift account shall be distributed as directed by the Board after first reviewing the recommendation of the Committee. *(Adopted 7/18/1998)*

3. Gift to Special Account:

Gifts to an established designated account (e.g. ElderCare Account) can be in any amount. *(Adopted 7/18/1998)*

At least three account records shall be kept within the ElderCare Account; namely:

- a) One account shall be titled the Ted Kofoed Account, with an original principal balance of \$32,678, the amount of the gift made to the Foundation in August, 1999.
  - (1) Earnings on the account will either be the actual earnings or 5% per year provided the proposed amendment to the Bylaws is passed by the members of the Foundation at its meeting to be held April 20, 2002.
  - (2) The Finance Committee of the Foundation will inform the Board at least once a year as to the restricted funds (principal balance) and unrestricted (unused earnings) funds in the account.
  - (3) The unrestricted funds can be spent for Eldercare expenses as defined by the donor and documented by his facilitator of the gift, Mel Hollister. *(Adopted 4/20/2002)*
- b) Another account shall be titled the General Endowment Account in the amount of the balance of funds after deducting the balance in the Ted Kofoed account.
  - (1) At least annually the Finance Committee of the Foundation will inform the Board of the principal balance and the actual or assumed earnings (depending on the applicable Bylaw provision).
  - (2) The unrestricted earnings will be available for ElderCare projects as from time to time determined by the Board. *(Adopted 4/20/2002)*
- c) A third account titled ElderCare Tracking Account shall be established whenever an initial gift of \$1,000 or more in cash or assets then having a fair market value of \$2,500 or more for ElderCare as defined in the current brochure of the Foundation’s ElderCare Committee. (See attached current brochure).

(1) The gift (both principal and interest) shall be used for budgeted ElderCare or donor specified ElderCare projects **before** budgeted funds are spent.

(2) At the end of the Foundation's fiscal year the Finance Committee shall report to the Board the status of the ElderCare Tracking Account, indicating the balance (if any) remaining of the tracked funds and the balance of the unspent budgeted funds for ElderCare.

(3) The balance of the tracked funds shall be carried forward to the next fiscal year(s) for the above purposes until the tracked funds are exhausted.

(4) A new ElderCare Tracking Account shall be established when another such \$2,500 or more gift is received and shall be managed as above provided for the first ElderCare Tracking Account. *(Adopted 4/20/2002)*

#### 4. Acceptance or Rejection of Gifts:

The Committee shall have the authority and responsibility to accept or reject any and all gifts to the Fund in keeping with the purposes of the Fund. All gifts made to the Fund shall be accepted subject to the terms and limitations set forth in these By Laws. *(Adopted 7/18/1998)*

#### 5. Size of Gift and Allocation to Account:

Undesignated gifts shall be accepted in any amount.

Designated gifts to establish an individual account (i.e. an account in the donor's requested name) must be in an amount or value large enough to produce an income that would support the action designated as well as compensate for the effects of inflation over time and shall be of a value of at least \$25,000. *(Adopted 7/18/1998)*

### **(f) Endowment Committee Membership**

The Committee shall consist of regular and ex-officio members as hereinafter provided.

1. The ex-officio members of the Committee shall be the President of the Foundation or that person's designee, together with the Treasurer of the Foundation or that person's designee.

2. The regular members of the Committee shall be at least three persons but not more than five persons elected by the Board upon recommendation of the Committee once it is established.

The regular members of the Committee shall serve staggered three year terms or until their successors are elected. *(Adopted 7/18/1998)*

### **(g) Marketing**

In marketing the goals of the Committee it shall take the following action:

1. Explain to prospective donors how they can expand and help perpetuate the work of the Foundation by making gifts to its funds.

2. Explain to prospective donors how gifts to the Fund will continue the charitable objectives of the donor following that person's death.

3. Emphasize the need for adults of all ages to have a Will and/or other estate plan documents. Provide information (not including legal advice) on the preparation of these instruments.

4. Review, in conjunction with the Investment Committee, at least annually the Investment Policies of the Foundation to help implement the Investment Objectives of the Committee as above provided. *(Adopted 7/18/1998)*

### **(h) Liability of Members of Committee**

In the absence of gross negligence or fraud, no member of the Endowment Committee shall be personally liable for any action or omission with respect to the Fund and the work of the Committee, and the Foundation shall save the members harmless from financial exposure and costs of any legal defense regarding any claims, justified or not, relating to such action or omission. *(Adopted 7/18/1998)*

### **(i) Merger, Consolidation or Dissolution of the Foundation**

If at any time the Foundation is lawfully merged or consolidated with any other corporation, all the gifts to the Fund and provisions hereof in respect to the Fund shall be deemed to have been made in behalf of the merged or consolidated corporation which shall be obligated to administer the same in all respects and in accordance with the terms of the Bylaws. If the Foundation should ever be dissolved without any successor thereto, the Fund, including both principal and interest to date of dissolution shall be entrusted to the charitable corporation or organization as provided in Article V of the Articles of Incorporation of the Foundation. (Adopted 7/18/1998)

**(j) Amendments**

Technical corrections and amendments to the provision of the Bylaws establishing the Fund which amendments do not alter the stated purpose of the Fund may be made only by two-thirds (2/3) vote of the members of the Foundation at a meeting at which a quorum is present with at least ten days written notice of the proposed amendments and/or corrections having been given to the membership. (Adopted 7/18/1998)

**(k) Severability**

If any provisions or any application of any provisions of the Fund shall be held or deemed to be or shall be illegal, inoperative, or unenforceable, the same shall not affect any other provisions or any application of any provisions herein or render the same invalid, inoperative, or unenforceable. (Adopted 7/18/1998)

**SECTION VI. FISCAL YEAR**

The fiscal year of the corporation shall be from July 1 through June 30. (Adopted 7/19/1997)

**SECTION VII. BONDING**

The Board shall annually review the adequacy of employee and directors' bonding. (Adopted 7/19/1997)

**SECTION VIII. BY-LAW AMENDMENTS**

(a) These by-laws or any portion thereof, may be altered, amended or annulled at the annual meeting of the members, special meeting or referendum of the members.

(b) Such amendment, alteration or annulment shall require a two-thirds majority vote of those voting to carry a referendum and a two-thirds majority vote of those voting at a meeting of the members with a quorum present. (Adopted 7/19/1997)

**SECTION IX. INDEMNIFICATION**

The corporation shall indemnify any director or officer of the corporation, who is involved in any capacity in a proceeding (as defined in RCW 23B.08.500, as presently in effect and as hereafter amended or as defined in the Washington Nonprofit Corporation Act, as presently in effect or as hereafter amended) by reason of the position held by such person or entity in the corporation, to the fullest extent permitted by applicable law, as presently in effect or as hereafter amended; provided, however, that the corporation shall only indemnify a director or officer seeking indemnification in connection with a proceeding initiated by such person if such proceeding or part of a proceeding was authorized by the Board of Directors or if such proceeding was brought by a director or officer to enforce a claim for indemnification under this Article and a court or an arbitrator determines that the director or officer is entitled to all of the relief claimed.

By means of a resolution or of a contract specifically approved by the Board of Directors, the corporation may indemnify an employee or an agent to such degree as the Board of Directors determines to be reasonable, appropriate and consistent with applicable law and to be in the best interests of the corporation.

The Board of Directors of the corporation shall have the right to designate the counsel who shall defend any person or entity who may be entitled to indemnification, to approve any settlement, and to approve in advance any expense.

Reasonable expenses incurred by a director or officer who is involved in any capacity in a proceeding by reason of the position held in the corporation, shall be advanced by the Corporation to the fullest extent permitted by applicable law, as presently in effect or as hereafter amended. Reasonable expenses incurred by an employee or agent who is involved in any capacity in a proceeding by reason of the position held by such person or entity in the corporation may be, but is not required to be, advanced by the corporation prior to the final disposition of such

proceeding to the fullest extent permitted by applicable law, as presently in effect or as hereafter amended. Expenses shall not be advanced to any director, officer, employee or agent unless that person first delivers to the corporation the undertaking described within RCW 23B.08.530.

The corporation may purchase and maintain insurance on behalf of any person who is a director, officer, employee or agent of the corporation or is serving at the request or consent of the corporation as an officer, employee, or agent of another corporation, partnership, joint venture, trust, other enterprise or employee benefit plan against any liability incurred by such person because of such person's status, whether or not the corporation would have the power to indemnify such person against such liability under the provisions of this Article. In addition, the corporation may enter into contracts with any director or officer of the corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest or use other means (including without limitation a letter of credit) to ensure the payment of such amounts as may be necessary or desirable to affect the indemnification and advances contemplated in this Article.

The right to indemnification conferred by this Article shall be interpreted to conform with, and shall not create any right that is inconsistent with, applicable law, as presently in effect and as hereafter amended. The right to indemnification conferred by this Article shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person. The rights conferred in this Article shall not be exclusive of any other rights which any person may have or acquire under any applicable law (as presently in effect and as hereafter amended), these bylaws, the Articles of Incorporation of the corporation, a vote of the Board of Directors of the corporation or otherwise.

If the Washington Nonprofit Corporation Act is amended to expand or increase the power of the corporation to indemnify, to pay expenses in advance of a final disposition, to enter into contract, or to expand or increase any similar or related power, then, without any further requirement of action by the Board of Directors or the Members of the corporation, the powers described in this Article shall be expanded and increased to the fullest extent permitted by law.

Notwithstanding any other provision of this Article, no indemnification shall be provided to any person if in the opinion of counsel payment of such indemnification would cause the corporation to lose its tax exempt status.

No amendment to or repeal of this Article shall adversely affect any right of protection of any director, officer, employee or agent for events occurring after the date of the adoption of this Article and prior to such amendment or repeal. *(Amended 7/10/2004)*

NOTE: The *Adopted* date is the date the members of the Foundation adopted the By Law provision.

The *Amended* date is the date the Foundation members amended the By Law provision.

These By Laws of the Northwest Danish Foundation were confirmed by the Board of Directors as complete with all amendments to July 30, 2004.