

BYLAWS OF THE
COEUR D'ALENE ROTARY NON-PROFIT INC
An Idaho Non-Profit Corporation
COEUR D'ALENE ROTARY ENDOWMENT FOUNDATION

ARTICLE 1. Principal Office.

The principal office for the transaction of the business of the Coeur d'Alene Rotary Non-Profit, Inc., referred to herein as "Endowment Foundation" is fixed and located at Coeur d'Alene, Kootenai County, Idaho. The Board of Directors may at any time or from time to time change the location of the principal office from one location to another in this county.

ARTICLE 2. Purposes.

Section 1. Objectives and Purposes.

The primary objectives and purposes of this Endowment Foundation shall be:

(a) To provide assistance or contributions exclusively for qualified charitable, scientific, educational or public purposes to organizations, individuals, or 501(c)(3) non-profit public benefit organizations, both local and international. "Local" shall be defined as primary, but not exclusively, the Coeur d'Alene area. "International" shall be defined as outside the United States and restricted to activities which are charitable and non-profit in nature.

(b) To manage, control and administer Endowment Foundation assets prudently in accordance with the Articles of Incorporation or by these Bylaws or as required by law.

(c) To provide for contributions received for designated purposes which assets shall be deposited to and managed in accordance with the rules related to that individual fund.

ARTICLE 3 Funding.

Section 1. Sources of Funding.

Sources of Endowment funding include, but are not limited to Coeur d'Alene Rotary Club fundraisers, grants, subscriptions, contributions, bequests, memorials, gifts and other activities as determined by the Board of Directors.

Section 2. Who May Contribute.

Contributions or gifts to the Endowment Foundation may be received from members or nonmembers of the Endowment Foundation.

Section 3. Fundraisers.

If deemed appropriate by the Board of Directors, this Endowment Foundation may establish, maintain and govern fundraising programs from various sources in the community and/or external sources.

ARTICLE 4. Membership.

Section 1. Members and Qualification of Members.

The members of this Endowment Foundation shall be persons who from time to time are Members of, and entitled to a vote in, the Coeur d'Alene Rotary Club (referred to herein as "Members").

Section 2. Voting and Other rights of Members.

Each member of this Endowment Foundation shall be entitled to one vote.

Section 3. Fiscal Year.

The fiscal year for this Endowment Foundation shall conform to the fiscal year of the Coeur d'Alene Rotary Club commencing on July 1 and ending on June 30.

Section 4. Annual Meeting.

The annual meeting of the Members of this Endowment Foundation shall be held on the same day and place as the annual meeting of the Coeur d'Alene Rotary Club or at any other time and place determined by a resolution of the Board of Directors. No notice of any such annual meeting need be given if it is held on the same day and place as the annual meeting of the Coeur d'Alene Rotary Club; otherwise written notice of the time and place of the annual meeting shall be sent to each Member by mail, charges prepaid addressed to them at their address as it is shown on the records of the Coeur d'Alene Rotary Club or by publication in the weekly Rotary Wheel, the newsletter of the Coeur d'Alene Rotary Club or by Email, as to each member who has provided an Email address to Coeur d'Alene Rotary Club. Any notice shall be given at least five (5) days before the date of the meeting. Notice given through the Rotary Wheel shall be in an issue sent at least ten days before the date of the meeting.

Section 5. Special Meetings.

Special meetings of the Members of the Endowment Foundation for any purpose or purposes may be called at any time by the President of the Endowment Foundation or by any two

Directors. Written notice of the time and place of special meetings of the Members shall be given in the same manner as for annual meetings of the Members.

Section 6. Quorum.

A quorum for any meeting of the Members shall be one third of the Members.

Section 7. Liabilities of Members.

No person who is now, or who later becomes a Member of this Endowment Foundation, shall be personally liable for the debts, liabilities, or other obligations of the Endowment Foundation.

ARTICLE 5. Directors.

Section 1. Number.

The Endowment Foundation shall have up to fifteen (15) Directors consisting of four (4) "Designated Directors" and eleven (11) "Elected Directors". Collectively they shall be known as the Board of Directors. The number may be changed by amendment of this Bylaw, or by repeal of the Bylaw and adoption of a new Bylaw, as provided in these Bylaws.

Section 2. Designated Directors.

The Designated Directors shall be the then serving President of the Coeur d'Alene Rotary Club, the then serving Treasurer of the Coeur d'Alene Rotary Club, the then serving President-elect of the Coeur d'Alene Rotary Club and the immediate past President of the Coeur d'Alene Rotary Club. If the immediate past President of the Coeur d'Alene Rotary Club is unable or unwilling to serve, then the Board shall appoint the next most immediate past President, who is able or willing to serve, as that member of the Board.

Section 3. Elected Directors.

The term of office for Elected Directors of this Endowment Foundation shall be three (3) years. Successors for such directors whose terms of office are then expiring shall be elected at the annual meeting of the Members nearest expiration of such terms.

Section 4. Director Election.

(a) Directors will be elected as needed each year for a three (3) year term. No Director will serve more than three (3) consecutive terms. No Elected Director shall serve more than nine (9) consecutive years as a director, without the approval of the Members.

(b) Should there be a vacancy on the Board of Directors between elections, said vacancy shall be filled by appointment by the Coeur d'Alene Rotary Endowment Foundation Board of Directors. The person appointed shall complete the term of the position being filled.

(c) The Board shall appoint a nomination committee ("Nomination Committee"), which shall consist of three members. The three members of the Nomination Committee shall include one member of the Board and two persons who are Members and not members of the Board.

(d) Prior to the first meeting of the Nomination Committee, the Board shall consider possible candidates (if any) and criteria for selection and report that information to the Nomination Committee.

(e) Any Member may nominate for election a qualified person to serve on the Board of directors by

notifying the President, in writing, no later than the first meeting of the Nomination Committee.

(f) The Nomination Committee shall meet no later than the end of October each year to review possible candidates, if any, and criteria as received from the Board, or others it determines appropriate.

(g) The Nomination Committee, who shall act by a majority vote of the committee, shall review all information and report its nominations to the Board at its November meeting or by email at anytime.

(h) From the persons nominated by the Nomination Committee, the Board shall determine and submit for election, the slate of proposed Directors candidates to the Members at the Annual Meeting in December, and three persons shall be elected to serve as members of the Board to fill the three open positions.

(i) If more than three candidates are nominated for the three director's positions, the Members shall vote by written ballot, with the persons receiving the highest votes being elected to the Board. In case of a tie vote in the voting by the Members, the tie shall be broken by the Board at their next meeting.

(j) Following the Annual Meeting, the newly elected Directors shall take office on July 1 of the following fiscal year.

Section 5. Powers.

Subject to the provisions of the Idaho Nonprofit Public Benefit Corporation Law and any limitations in the Articles of

Incorporation and Bylaws relating to action requiring or permitted to be taken or approved by the Directors, if any, of this Endowment Foundation, the activities and affairs of this Endowment Foundation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 6. Duties.

It shall be the duty of the Directors to:

(a) Conduct, manage and control the affairs and business of the Endowment and perform any and all duties imposed on them collectively or individually by law, by Articles of Incorporation of this Endowment, or by these Bylaws.

(b) Appoint and remove, employ and discharge and except as otherwise provided in these Bylaws, by law or by the Articles of Incorporation, prescribe the powers, duties and fix the compensation, if any, of agents and employees of the Endowment Foundation.

(c) Supervise all officers, agents and employees of the Endowment Foundation to assure that their duties are performed properly.

(d) Meet at such times and places as required by these Bylaws.

(e) Register their addresses with the Secretary of the Endowment Foundation, and notices of meetings mailed or communicated to them at such addresses shall be valid notices.

Section 7. Compensation.

The Directors shall receive no compensation for their services as Directors. They shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their regular duties as specified in Section 6 of this Article.

Section 8. Quorum.

A majority of the Directors shall constitute a quorum for the transaction of business.

Section 9. Place of Meeting.

(a) Regular meetings of the Board of Directors shall be held at any place, within or without of the state, that has been designated from time to time by resolution of the Directors or by written consent of all the Directors. In the absence of this designation, regular meetings shall be held at the principal office of the Endowment Foundation.

(b) Special meetings of the Directors may be held either at a place designated or at the principal office.

(c) Any meeting, regular or special, may be held by conference telephone or similar communications equipment, so long as all Directors participating in such meeting can hear one another.

Section 10. Time of Meeting.

(a) The regular meetings of the Directors shall be held at least quarter-annually on a day determined by the Directors, provided that this day may be changed by arrangement one month in advance for good cause.

(b) Special meetings of the Directors shall be called by the President, whenever deemed necessary or upon the request of two (2) Directors, 48 hour notice having been given.

Section 11. Waiver of Notice and Consent to Holding Meetings.

The transactions of any meetings of the Directors, however called and noticed and wherever held, shall be as valid as though they had been transacted at a meeting held after regular call and notice, if a quorum is present and if either before or after the meeting each of the Directors not present signs a written waiver of notice or a consent to hold the meeting or an approval of the minutes. All such waivers consents, or approvals shall be filed with the Endowment Foundation records or made a part of the minutes of the meeting.

Section 12. Action Without a Meeting.

Any action by the Directors may be taken without a meeting if all Directors, individually or collectively, by consent in writing to this action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 13. Conduct of Meeting.

(a) Meetings of the Board of Directors shall be conducted by the President of the Endowment Foundation or, in his or her absence, by the Vice President of the Endowment Foundation or, in the absence of each of these persons, by a Chairman chosen by a majority of the Directors present at the meeting. The Secretary of the Endowment Foundation shall act as Secretary of all meetings of the Board,

provided that in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting.

(b) Meetings shall be governed by Roberts Rules of Order as such rules may be revised from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles of Incorporation of this Endowment Foundation, or with provisions of law.

Section 14. Indemnification by Endowment Foundation of Directors, Officers, Employees and Other Agents.

To the extent that a person who is, or was, a Director, officer, employee or other agent of this Endowment Foundation has been successful on the merits in defense of any civil, criminal, administrative or investigative proceedings brought to procure a judgment against such person by reason of the fact that he or she is, or was, an agent of the Endowment Foundation, or has been successful in defense of any claim, issue or matter, therein, such person shall be indemnified against expenses actually and reasonably incurred by such person in connection with such proceeding. If such a person either settles any such claim or sustains a judgment against him or her, then indemnification against expenses, judgments, fines, settlements and other amounts reasonably incurred in connection with such proceedings shall be provided by this Endowment Foundation but only to the extent allowed by, and in accordance with the requirements of Idaho Code § 30-3-88. Nothing contained in this Article shall prohibit the Endowment Foundation from purchasing and maintaining insurance on behalf of any officer, Director, employee, or agent of the Endowment Foundation against any liability asserted against or incurred by any such persons in

such capacity or arising out of such person's status whether or not the Endowment Foundation has the power to indemnify said persons against such liability under the provisions of this Article or under Idaho Law; provided however, that this Endowment Foundation shall have no power to purchase or maintain such insurance to indemnify any of said persons of the Endowment Foundation for a violation of any self-dealing transaction.

Section 15. Non-Liability of Directors.

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Endowment Foundation.

Section 16. Removal and Resignation.

Any Director may be removed, either with or without cause, by the two-thirds vote of the membership, at any time, or at the discretion of the Board of Directors upon a Director missing two successive Board meetings without good cause. Any officer or Director may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Endowment Foundation. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE 6. Officers.

Section 1. Number of Officers.

The officers of this Endowment Foundation shall be a President, a Vice President, a Treasurer and a Secretary. Each such officer shall be elected by the Board of Directors at its 1st meeting of each fiscal year to serve for that fiscal year, and must be a member of the Board of Directors and may, but need not be, an officer of the Coeur d'Alene Rotary Club.

The Board of Directors may appoint or elect other officers.

Section 2. Removal and Resignation.

Any officer may be removed, either with or without cause, by the majority vote of the Board at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or Secretary of the Endowment Foundation. Any such resignation shall take effect at the date of the receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3. President.

Subject to the control of the Directors, the President shall have general supervision, direction, and control of the business and affairs of the Endowment Foundation. He or she shall preside at all meetings as may be prescribed from time to time by the Directors.

Section 4. Vice President.

In the absence or disability of the President, the Vice President shall perform all the duties of the President and in so acting shall have all powers of the President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Directors.

Section 5. Treasurer.

The Treasurer shall receive and safely keep all funds of the Endowment Foundation and deposit them in the bank or banks or other depositories that may be designated by the Directors; shall disburse or cause to be disbursed the funds of the Endowment Foundation as may be directed by the Board of Directors, taking proper vouchers for

such disbursements; shall keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses; and shall prepare, or cause to be prepared, the financial statements to be included in any required reports. An annual report (or more frequently if deemed appropriate by the Directors) shall be prepared by the treasurer, and shall be available to all members upon written request. The treasurer shall oversee the preparation and filing of required federal and state tax forms. The Treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Directors.

Section 6. Secretary.

The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall keep the seal of the Endowment Foundation and affix it to such papers and instruments as may be required in the regular course of business, shall make service of such as may be necessary or proper, shall supervise the keeping of the records of the Endowment Foundation, and shall discharge such other duties of the office as prescribed by the Directors.

ARTICLE 7. Execution Of Instruments, Deposits And Funds.

Section 1. Execution of Instruments.

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Endowment Foundation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Endowment Foundation, as such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the Endowment

Foundation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose in any amount.

Section 2. Checks and Notes.

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, and orders for the payment of money, shall be signed by either the President, Vice President, Treasurer or Secretary. However, for checks in the amount of One Thousand (\$1000) or more, the signature of any two of the above officers shall be required.

Section 3. Deposits.

All funds of the Endowment Foundation shall be deposited from time to time to the credit of the Endowment Foundation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts.

The Board of Directors may accept on behalf of the Endowment Foundation any contribution, gift, bequest, or devise for the charitable or public purposes of this Endowment Foundation.

Section 5. Disbursements.

The Board of Directors shall disburse funds for projects or programs approved by the Coeur d'Alene Rotary Club Board Of Directors.

ARTICLE 8. Amendment Of Bylaws.

These By-laws may be amended at any regular meeting of the Members, a quorum being present, by a two-thirds vote of all members present, provided that notice of such proposed amendment shall have been

transmitted to each member at least five (5) working days before such meeting. No amendment or addition to these By-laws can be made which is not in harmony with the Coeur d'Alene Rotary Club Articles and with the constitution and By-laws of Rotary International.

ARTICLE 9. Dedication And Dissolution.

Section 1.

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

Section 2.

No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for service rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization 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 this document, the organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an

organization, contributions to which are deductible under section 170(c) (2) of the Internal Revenue Code or corresponding section of any future federal tax code.

Section 3.

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes, approved by the Members, within the meaning of section 501(c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization 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 10. Self-Dealing Transactions.

Section 1.

Any duality of interest, possible conflict of interest or "self-dealing transactions" on the part of any Director shall be disclosed to the other Directors of the Endowment Foundation and made a matter of record when appropriate or when the transaction becomes a matter of Endowment Foundation action.

Section 2.

No transaction in which a Director has a material financial interest shall be approved unless and until the Endowment Foundation does all of the following things and enters a record of said things upon the written minutes of the meeting at which said things were done:

- (a) Makes a finding that the Endowment Foundation is

entering into a transaction for its own benefit.

(b) Makes a finding that the transaction is fair and reasonable to the Endowment Foundation at the time the Endowment Foundation enters into the transaction.

(c) Prior to consummating the transaction or any part thereof, the Endowment Foundation authorizes or approves the transaction in good faith by a majority of the Directors then in office without counting the vote of the interested Director or Directors and with the knowledge of the material facts concerning the transaction and the Director's interest in the transaction. No action by a committee of the Endowment Foundation shall satisfy this requirement.

(d) Prior to authorizing or approving the transaction, the Endowment Foundation considers and in good faith determines after reasonable investigation under the circumstances that the Endowment Foundation cannot obtain a more advantageous arrangement with reasonable effort under the circumstances or the Endowment Foundation in fact cannot obtain a more advantageous arrangement with reasonable effort under the circumstances.

Section 3.

The foregoing requirements shall not be construed as preventing the interested Endowment Director from briefly stating his position in the matter, nor from answering pertinent questions of other Directors, since his knowledge may be of great assistance. The interested

Director will be excused after answering questions prior to discussion and may not be present during the vote.

Section 4.

Any new Member of the Endowment Foundation shall be advised of this policy upon entering on the duties of the office.

END OF BYLAWS