

UNITED STATES OF AMERICA

# The State of Washington



## Secretary of State

I, **KIM WYMAN**, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

### ARTICLES OF INCORPORATION

to

### ISSAQUAH HIGHLANDS COMMUNITY FUND

A **WA NONPROFIT CORPORATION**, effective on the date indicated below.

Effective Date: 03/04/2020

UBI Number: 604 589 849



Given under my hand and the Seal of the State  
of Washington at Olympia, the State Capital

Kim Wyman, Secretary of State

Date Issued: 03/04/2020

**ARTICLES OF INCORPORATION  
OF  
ISSAQUAH HIGHLANDS COMMUNITY FUND**

**ARTICLE 1  
NAME**

The name of this corporation is Issaquah Highlands Community Fund, a nonprofit corporation (the “*Corporation*”).

**ARTICLE 2  
DURATION**

The period of duration of the Corporation shall be perpetual.

**ARTICLE 3  
REGISTERED OFFICE AND AGENT**

The street address of the initial registered agent of the Corporation shall be 2550 NE Park Drive, Issaquah, WA 98029, and the registered agent at that office shall be Michele McFarland. The registered office address and the registered agent may each be changed from time to time by the Corporation, in any manner now or hereafter permitted by law.

**ARTICLE 4  
PURPOSES**

The Corporation is organized exclusively for charitable, scientific, literary or educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “*Code*”), including, but not limited to, supporting and enhancing educational, environmental, and cultural opportunities consistent with the community building goals of the Highlands Council.

**ARTICLE 5  
LIMITATIONS**

**5.1 Maintaining Exempt Organization Purpose.**

Notwithstanding any other provision of these Articles of Incorporation, all of the purposes and powers of the Corporation shall be exercised exclusively in such manner that the Corporation shall qualify as an exempt organization under Section 501(c)(3) of the Code, and that contributions to the Corporation shall be deductible under Section 170(c)(2) of the Code or any successor provision.

**5.2 Stock and Profit Restrictions.**

The Corporation shall not have or issue shares of stock. The Corporation is not organized for profit, and no part of the net earnings of the Corporation shall inure in whole or in part to the benefit of, or be distributable to, its directors, any officer, or other private individual, except that

the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered, to make reimbursement for reasonable expenses incurred on its behalf, and to make payments and distributions in furtherance of the purposes stated in Article 4 and consistent with the limitations provided in these Articles of Incorporation.

### **5.3 Lobbying and Political Campaign Restrictions.**

No substantial part of the activities of the Corporation shall be devoted to attempting to influence legislation by propaganda or otherwise, except to the extent that an organization exempt from federal income tax under Section 501(c)(3) of the Code can engage in such activities without incurring any penalties, excise taxes or losing its status as an organization exempt from federal income tax under Section 501(c)(3) of the Code. The Corporation shall not, directly or indirectly, participate in or intervene in (including by the publication or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. The Corporation shall not have objectives or engage in activities that characterize it as an "action" organization within the meaning of the Code.

### **5.4 Excess Benefit and Other Restrictions.**

The Corporation is prohibited from engaging in any excess benefit transaction as defined in Section 4958(c) of the Code. The Corporation is prohibited from engaging in any act of self-dealing as defined in Section 4941(d) of the Code, from retaining any excess business holding as defined in Section 4943(c) of the Code, from making any investments that would subject the Corporation to tax under Section 4944 of the Code, and from making any taxable expenditure as defined in Section 4945(d) of the Code, as applicable. The Corporation shall make distributions at such time and in such manner that it is not subject to tax under Code Section 4942, as applicable.

### **5.5 Authority to Act and Permitted Powers.**

In general, and subject to such limitations and conditions as are or may be prescribed by law, by these Articles of Incorporation, or by the Bylaws of the Corporation, the Corporation shall have the authority to (a) engage in any and all such activities as are incidental or conducive to the attainment of the purposes of the Corporation set forth in Article 4, and (b) exercise any and all powers authorized or permitted under any laws that are now, or hereafter may be, applicable or available to the Corporation.

## **ARTICLE 6 MEMBERS**

Highlands Council, a Washington nonprofit corporation, is the sole member of the Corporation.

## **ARTICLE 7 DIRECTORS**

### **7.1 Board of Directors Determined by Bylaws of the Corporation.**

The number of directors constituting the Board of Directors shall be determined in the manner provided by the Bylaws of the Corporation. The powers, duties, qualifications, terms of office, manner of election, time and criteria for removal of directors shall be as set forth in the Bylaws of the Corporation.

### **7.2 Initial Board of Directors.**

The number of directors constituting the initial Board of Directors shall be three (3). The names and addresses of the persons who are to serve as the initial directors are as follows:

<u>Name</u>	<u>Address</u>
Gary Ashby	2550 NE Park Drive Issaquah, WA 98029
Christy Garrard	2550 NE Park Drive Issaquah, WA 98029
Michele McFarland	2550 NE Park Drive Issaquah, WA 98029

## **ARTICLE 8 MEMBER AND DIRECTOR LIABILITY LIMITATIONS**

A member or a director shall have no liability to the Corporation or its member for monetary damages for conduct as a member or a director, except for acts or omissions that involve intentional misconduct by such member or director, or a knowing violation of law by such member or director, where the director votes or assents to a distribution which is unlawful or violates the requirements of these Articles, or for any transaction from which such member or director will personally receive a benefit in money, property, or services to which such member or director is not legally entitled. Nevertheless, the liability of each of the member and director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended, without any requirement of further action by the Corporation. Any repeal or modification of this Article shall not adversely affect any right or protection of any member and director of the Corporation existing at the time of such repeal or modification for or with respect to an act or omission of such member or director occurring prior to such repeal or modification.

## **ARTICLE 9 INDEMNIFICATION**

### **9.1 Right to Indemnification.**

Each person who is or was threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit, or proceeding, whether civil, criminal, administrative, or investigative, because that person is or was a member, director or officer of the Corporation or, while serving as a member, director or officer, that person is or was serving at the request of the Corporation as a member, director, trustee, officer, employee, or agent of another corporation or of a partnership, joint venture, trust, or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a member, director, trustee, officer, employee, or agent or in any other capacity while serving as a member, director, trustee, officer, employee, or agent, shall be indemnified and held harmless by the Corporation, to the full extent permitted by applicable law as then in effect, against all expense, liability, and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties, and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a member, director, trustee, officer, employee or agent and shall inure to the benefit of his or her heirs, executors, and administrators; provided, however, that except as provided in this Article regarding proceedings seeking solely to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification for a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Article shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Article or otherwise.

### **9.2 Right of Claimant to Bring Suit.**

If a claim for which indemnification is required under this Article is not paid in full by the Corporation within sixty (60) days after a written claim (that includes reasonable evidence of all such amounts requested) has been received by the Corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the Corporation), and thereafter the Corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the Corporation (including its board of directors and independent legal counsel) to have made a



determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses of the claimant is proper in the circumstances nor an actual determination by the Corporation (including its Board of Directors or independent legal counsel) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.

### **9.3 Procedures Exclusive.**

Pursuant to Section 24.03.043 of the Washington Nonprofit Corporation Act, the procedures for indemnification set forth in this Article 9 are in lieu of the procedures required by Section 23B.08.550 or any successor provision of the Washington Business Corporation Act, as applied to nonprofit corporations to the full extent permitted by applicable law as then in effect.

### **9.4 Nonexclusivity of Rights.**

The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute or any provision of the Articles of Incorporation, Bylaws of the Corporation, agreements, votes of disinterested directors of the Corporation or otherwise.

### **9.5 Insurance, Contracts and Funding.**

The Corporation may maintain insurance at its expense to protect itself and any member, director, trustee, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such persons against such expense, liability or loss under the Washington Nonprofit Corporation Act. The Corporation may, without further authorization required, enter into contracts with any member, 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 to effect indemnification as provided in this Article.

### **9.6 Indemnification of Employees and Agents of the Corporation.**

The Corporation may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Corporation with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation or pursuant to rights granted pursuant to, or provided by, the Washington Nonprofit Corporation Act, or as otherwise allowed in accordance with the law, as determined by the Board of Directors.

**ARTICLE 10**  
**AMENDMENT TO ARTICLES OF INCORPORATION**

The Corporation reserves the right to amend or repeal any of the provisions contained in these Articles of Incorporation in any manner now or hereafter permitted by law.

**ARTICLE 11**  
**DISTRIBUTION UPON DISSOLUTION**

Upon the winding up and dissolution of the Corporation, the assets of the Corporation remaining after payment of, or provision for payment of, all debts and liabilities of the Corporation, shall be distributed to an organization or organizations, as determined by the Board of Directors, recognized as exempt under Section 501(c)(3) of the Code, and used exclusively to accomplish the purposes for which the Corporation is organized. If the Board of Directors fails to distribute the assets of the Corporation for any reason, any such assets not disposed of shall be disposed of by the Superior Court of King County, Washington, exclusively for Section 501(c)(3) purposes.

**ARTICLE 12**  
**INCORPORATOR**

The name and address of the incorporator of the Corporation is as follows:

Name

Address

Christy Garrard

2550 NE Park Drive  
Issaquah, WA 98029

Dated: March 3, 2020.

  
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Christy Garrard, Incorporator

### CONSENT TO SERVE AS REGISTERED AGENT

I hereby consent to serve as Registered Agent in the State of Washington for Issaquah Highlands Community Fund (the "Corporation"). I understand that as agent for the Corporation, it will be my responsibility to receive service of process in the name of the Corporation, to forward all mail to the Corporation, and to notify the office of the Secretary of State immediately in the event of my resignation or of any change in the registered office address of the corporation.

Dated: March 3, 2020.

  
Michele McFarland

Address: 2550 NE Park Drive  
Issaquah, WA 98029  
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