

BYLAWS  
OF  
WASHINGTON TROLLERS ASSOCIATION

**ARTICLE 1.  
OFFICES**

Section 1.1. **Registered Office and Registered Agent.** The registered office of the Association shall be located in the State of Washington at such place as may be fixed from time to time by the Board of Directors ("Board") upon filing of such notices as may be required by law, and the registered agent shall have a business office identical with such registered office. Any change in the registered agent or registered office shall be effective upon filing such change with the Office of the Secretary of State of the State of Washington.

Section 1.2. **Other Offices.** The Association may have other offices within or outside the State of Washington at such place or places as the Board may from time to time determine, including but not limited to at Local Ports.

**ARTICLE 2.  
ANNUAL MEETING OF THE BOARD OF DIRECTORS**

Section 2.1. **Annual Meeting - Order of Business.** At the annual meeting of directors, the order of business shall be as follows:

- 2.1.1. Calling the meeting to order.
- 2.1.2. Proof of due notice of meeting (or filing waiver).
- 2.1.3. Presentation and examination of proxies.
- 2.1.4. Announcement of a quorum.
- 2.1.5. Reading of, or waiver thereof, and approval of minutes of previous meeting.
- 2.1.6. Announcements.
- 2.1.7. Reports of officers.
- 2.1.8. Reports of committees.
- 2.1.9. Election of directors.
- 2.1.10. Old or unfinished business.
- 2.1.11. New business.
- 2.1.12. Adjournment.

**ARTICLE 3.**

## MEMBERS

Section 1.1. **Members.** A member of the organization is any qualified individual who has paid dues to the Association by December 31 of the immediately preceding calendar year.

Section 1.2. **Annual Meeting.** The annual meeting of the members of this corporation, for the purposes of establishing policies, positions with respect to fishing regulations and such other business as may come before it, shall be held at the registered office of the Association, or such other place as may be designated by the notice of the meeting issued in January. The annual meeting may be held at such time as is designated in the notice. The failure to hold an annual meeting at the time stated in these Bylaws does not affect the validity of any corporate action.

Section 3.1. **Special Meeting.** Except as otherwise provided by law, special meetings of members of this Association shall be held whenever called by at least twenty percent (20%) or more members entitled to vote on any issue proposed to be considered at the meeting.

Section 3.2. **Place of Meeting.** Meetings of members shall be held at the registered office, or at such place within or without the State of Washington as determined by the Board of Directors, pursuant to proper notice.

Section 3.3. **Notice.** Written notice of each members' meeting stating the date, time, and place and, in case of a special meeting, the purpose(s) for which such meeting is called, shall be given by the Association, not less than ten (10) (unless a greater period of notice is required by law in a particular case) nor more than thirty (30) days prior to the date of the meeting, to each member of record entitled to vote unless required by law to send notice to all members regardless of whether or not such members are entitled to vote), to the member's address as it appears on the current record of members of this Association.

Section 3.4. **Waiver of Notice.** A member may waive any notice required to be given by these Bylaws, or the Articles of Incorporation of this Association, or any of the corporate laws of the State of Washington, before or after the meeting that is the subject of such notice. A valid waiver is created by any of the following three methods: (a) in writing, signed by the member entitled to the notice and delivered to the Association for inclusion in its corporate records; (b) attendance at the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; or (c) failure to object at the time of presentation of a matter not within the purpose or purposes described in the meeting notice.

Section 3.5. **Quorum of Members.** At any meeting of the members, a minimum of ten (10) members, represented by members of record in person or by proxy, shall constitute a quorum of that voting group for action on that matter.

Once a member is present at a meeting, other than to object holding the meeting or transacting business, such member is deemed to be present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for the adjourned meeting. At such reconvened meeting, any business may be transacted which might have been transacted at the meeting as originally notified.

If a quorum exists, action on a matter is approved by a voting group if the votes cast within the voting group favoring the action exceed the votes cast within the voting group

opposing the action, unless the question is one upon which by express provision of law or of the Articles of Incorporation or of these Bylaws a different vote is required.

Section 3.6. **Termination of Membership.** Any member may be expelled from membership with or without cause by majority vote of the membership or majority vote of the Board of Directors.

#### **ARTICLE 4. BOARD OF DIRECTORS**

Section 4.1. **Powers of Directors.** All Association powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be managed under the direction of, the Board of Directors, except as otherwise provided by its Articles of Incorporation.

Section 4.2. **Number and Qualifications.** The business affairs and property of this Association shall be managed by a Board of not less than six (6) directors. The number of directors may at any time be increased or decreased by the members or by the Board of Directors at any regular or special meeting. Board members shall be elected as follows: two or more Directors from each Local Port shall be elected not less than annually at a meeting of each Local Port, as provided for in Article 5. The results of each Local Port election shall be certified in writing by the Chairman of that Local Port to the Board of this Association on the first business day following the election. The new Board shall take office immediately. A director must be a member in good standing.

Section 4.3. **Election - Term of Office.** The terms of the initial directors expire at the first members' meeting at which directors are elected.

The directors shall be elected by the members at each annual members' meeting to hold office until the next annual meeting of the members and until their respective successors are elected and qualified. If, for any reason the directors shall not have been elected at an annual meeting, they may be elected at a special meeting of members called for that purpose in the manner provided by these Bylaws.

Section 4.4. **Regular Meetings.** Regular meetings of the Board of Directors shall be held at such places, and at such times as the Board by vote may determine, and, if so determined, no notice thereof need be given.

Section 4.5. **Special Meetings.** Special meetings of the Board of Directors may be held at any time or place whenever called by any officer or one (1) or more directors, notice thereof being given to each Director by the officer calling or by the officer directed to call the meeting.

Section 4.6. **Notice.** No notice is required for regular meetings of the Board of Directors.

Notice of special meetings of the Board of Directors, stating the date, time, and place thereof, shall be given at least two (2) days prior to the date of the meeting. The purpose of the meeting need not be given in the notice.

Such notice may be oral or written.

Section 4.7. **Waiver of Notice.** A director may waive notice of a special meeting of the Board either before or after the meeting, and such waiver shall be deemed to be equivalent of giving notice. The waiver must be in writing, signed by the director entitled to the notice and delivered to the Association for inclusion in its corporate records. Attendance of a director at a meeting shall constitute waiver of notice of that meeting unless said director attends for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or convened.

Section 4.8. **Quorum.** Except as set forth below, a majority of the directors shall constitute a quorum for the transaction of business at a meeting, but if less than a majority is present at a meeting, a majority of the directors may adjourn the meeting from time to time without further notice. Where the business before the Board concerns a transaction in which a director has a direct or indirect interest as defined in RCW 23B.08.240, then in order to constitute a quorum, there must be present a majority of directors who do not have a direct or indirect interest in the transaction, provided, that if all of the directors of the Association have a direct or indirect interest in the transaction and this interest is fully disclosed, then a quorum shall be defined as only a majority of directors in the Association.

Section 4.9. **Manner of Acting.** The act of the majority of the directors present at a meeting at which there is a quorum shall be the act of the Board.

Section 4.10. **Adjournment.** A majority of the directors present, even if less than a quorum, may adjourn a meeting and continue it to a later time. Notice of the adjourned meeting or of the business to be transacted there, other than by announcement at the meeting of which the adjournment is taken, shall not be necessary. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting as originally called.

Section 4.11. **Resignation and Removal.** Any director of this Association may resign at any time by giving written notice to the Board of Directors, its Chairperson, the President, or Secretary of this Association. Any such resignation is effective when the notice is delivered, unless the notice specifies a later effective date.

The members, at a special meeting called expressly for that purpose, may remove from office with or without cause one or more directors and elect their successors. A director may be removed only if the number of votes cast for removal exceeds the number of votes cast against removal. A director may not be removed if the number of votes sufficient to elect the director under cumulative voting is voted against the director's removal.

Section 1.1. **Vacancies.** Unless otherwise provided by law, in case of any vacancy in the Board of Directors, including a vacancy resulting from an increase in the number of directors, the remaining directors, whether constituting a quorum or not, or the members may fill the vacancy.

Section 1.2. **Compensation.** By resolution of the Board of Directors, each director may be paid expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a stated salary as director, or a fixed sum for attendance at each meeting of the Board of Directors, or both. No such payment shall preclude any director from serving this Association in any other capacity and receiving compensation therefore.

Section 1.3. **Presumption of Assent.** A director of this Association who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless:

1.3.1. The director objects at the beginning of the meeting, or promptly upon the director's arrival, to holding it or transacting business at the meeting;

1.3.2. The director's dissent or abstention from the action taken is entered in the minutes of the meeting; or

1.3.3. Unless the director shall file written dissent or abstention with the presiding officer of the meeting before its adjournment or to the Association within a reasonable time after adjournment of the meeting.

The right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 1.4. **Committees.** The Board of Directors, by resolution adopted by a majority of the full Board of Directors, may designate from among its members an Executive Committee and one or more other committees, each of which:

1.4.1. Must have three (3) or more members;

1.4.2. Must be governed by the same rules regarding meetings, action without meetings, notice, and waiver of notice, and quorum and voting requirements as applied to the Board of Directors; and

1.4.3. To the extent provided in such resolution, shall have and may exercise all the authority of the Board of Directors, except no such committee shall have the authority to:

1.4.3.1. Authorize or approve a distribution except according to a general formula or method prescribed by the Board of Directors;

1.4.3.2. Approve or propose to members action this title requires to be approved by members;

1.4.3.3. Fill vacancies on the Board to Directors or on any of its committees;

1.4.3.4. Amend Articles of Incorporation;

1.4.3.5. Adopt, amend, or repeal Bylaws; or

1.4.3.6. Approve a plan of merger not requiring member approval; or

Section 1.5. **Loans.** No loans shall be made by the Association to directors, unless first approved by the holders of two-thirds of the voting shares. No loans shall be made by the Association secured by its own shares.

Section 1.6. **Participation of Directors by Communication Equipment.** Members of the Board or committees designated by the Board may participate in a meeting of the Board or a committee by means of a conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 1.7. **Duties of Directors.** A director of the Association shall perform the duties of a director, including the duties as a member of any committee of the Board upon which the director may serve, in good faith, in a manner such director believes to be in the best interest of the Association, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

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

1.1.1. One or more officers or employees of the Association whom the director believes to be reliable and competent in the matter presented;

1.1.2. Counsel, public accountants, or other persons as to matters which the director believes to be within such person's professional or expert competence; or

1.1.3. A committee of the Board upon which the director does not serve, duly designated in accordance with a provision in the Articles of Incorporation or these Bylaws, as to matters within its designated authority, which committee the director believes to merit confidence; so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Section 1.2. **Executive Director & Executive Secretary.** The Board shall have the authority, at its sole discretion, to appoint an Executive Director and/or an Executive Secretary to have such authority and perform such duties as defined and directed by the Board. The Board may delegate to the Executive Director and/or the Executive Secretary the authority to appoint the Executive Committee(s). The Executive Director and Executive Secretary shall be compensated in an amount established by the Board.

Section 1.3. **Association Transactions with Interested Director.**

1.3.1. If a transaction is fair to a Association at the time it is authorized, approved, or ratified, the fact that a director or an officer had a direct or indirect interest in the transaction is not grounds for either invalidating the transaction or imposing liability on such director or officer.

1.3.2. For purposes of this provision, a director or officer of a Association has an indirect interest in a transaction with the Association if the entity who is the other party to the transaction is an entity in which a director or officer has a material financial interest or in which a director or officer is a general partner, or if the director or officer of this Association is a director, officer or trustee to the other entity and the transaction is one that is or should be considered by the Board of Directors of this Association.

1.3.3. If the material facts of the transaction and the director's or officer's interest was disclosed or known to the Board of Directors, and the Board authorized, approved, or ratified the transaction (e.g., by it receiving the affirmative vote of a majority of the directors on the Board that have no direct or indirect interest in the transaction), or if the material facts of the transaction and the director's or officer's interest was disclosed or known to the members entitled to vote, and such members authorized, approved or ratified the transaction (e.g., by receiving a

majority of the vote of the shares other than those shares owned or voted under the control of the interested director or officer), then the burden of invalidating the transaction is upon the person attempting to invalidate the transaction. In other cases, the burden is upon the person asserting the validity of the transaction.

1.3.4. In order for the Association to lend money to or guarantee the obligations of a director of this Association, the particular loan or guarantee must be approved by the holders of at least a majority of the shares of the Association, except those share which are owned or directed by the benefited director, or in the alternative, the Association's Board must determine that the loan or guarantee benefits the Association and the Board either approves the specific loan or guarantee or a general plan authorizing loans or guarantees.

**Section 1.4. Association Transactions Involving Common Directorships.**

1.4.1. No contract or other transaction between a Association and any other Association, firm, association or other entity of which one of its directors is a director, an officer or an employee, or their equivalents, shall be either void or voidable for this reason alone, or by reason alone that such director is present at the meeting of the Board or a committee thereof which authorizes, approves or ratifies the contract or transaction, or that such director's vote is counted for such purpose:

1.4.1.1. If the material facts as to the contract or other transaction and as to the director's relationship with the other entity are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient for such purpose without counting the vote of the director who is a director, an officer, or an employee of the other entity, or if the votes of unrelated directors are insufficient to constitute an act of the Board as defined in RCW 23B.08.240, by a majority vote of unrelated directors; or

1.4.1.2. If the material facts as to the contract or other transaction and as to the director's relationship with the other entity are fully disclosed or known to the members entitled to vote thereon, and such contract is authorized, approved or ratified by the vote of the holders of a majority of the shares entitled to vote thereon.

1.4.2. If the material facts as to the contract or transaction or as to the director's relationship to the other entity were not fully disclosed or known to the Board, committee or members, or if the contract or transaction was not authorized, approved or ratified in the manner described in subparagraphs (a)(ii) or (a)(ii), the Association may avoid the contract or transaction if it sustains the burden of proving that the contract or transaction was not fair and reasonable to the Association at the time that it was authorized, approved or ratified by the Board, committee or members, or that the contract or transaction was not fair and reasonable to the Association at the time it was entered into, if the contract or transaction was never authorized, approved or ratified by the Board, a committee or the members.

1.4.3. Directors who are directors, officers, or employees of another entity may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes, approves or ratifies a contract or transaction with such other entity and shares owned by such directors may be counted in determining the presence of a quorum at a meeting of members which authorizes, approves or ratifies such a contract or transaction.

**ARTICLE 5.**  
**LOCAL PORTS**

Section 5.1. **Charters.** The Association may, at its sole discretion and upon a majority vote of the Board, grant charters to local ports within the state of Washington (“Local Ports”). A charter shall not be granted to any port with less than seven (7) members in good standing. Any Local Port falling below seven (7) members in good standing on March 23 in 2019 and February 1 thereafter shall have its charter revoked and its members may register with a different Local Port.

Section 5.2. **Meetings of Local Ports.** Each Local Port shall schedule such regular and special meetings as it deems necessary. In addition, Local Port meetings may be called by the directors of that Local Port or upon request of one-third of the members of that Local Port upon five (5) days’ notice to the members of the Local Port. The presence in person of not less than 5 of the Local Port members shall be required to constitute a quorum at any Local Port meeting.

Section 5.3. **Local Port Boards.** Each Local Port shall elect a Local Port Board consisting of, at a minimum, a Chairman and a Vice-Chairman. One additional Local Board member shall be elected when 10 members are registered with the Local Port on February 1. One additional Board member shall be elected for each additional 10 members registered with the Local Port on February 1 above the initial 10member threshold for a three-member Local Port Board. Local Port Board Members shall be members of the Association’s Board. The Local Port elections shall be held annually at Local Port meetings.

Section 5.4. **Actions by Local Ports.** Each Local Port may, by resolution adopted at any regular or special meeting of that Local Port, make recommendations to the Board of Directors of this corporation. Such recommendations shall be certified in writing by the vice-chairman of the Local Port as a resolution of that port and shall be presented to the Board of Directors of the corporation for their approval at the next scheduled regular or special meeting of the Board of Directors.

**ARTICLE 6.**  
**SPECIAL MEASURES APPLYING TO BOTH**  
**MEMBERS' MEETINGS AND DIRECTORS' MEETINGS.**

Section 1.5. **Action by Written Consent.** Any action required or permitted to be taken at a meeting of the members or the Board of Directors may be accomplished without a meeting if the action is taken by all the members entitled to vote thereon, or all the members of the Board, as the case may be. The action must be evidenced by one or more written consents describing the action to be taken, signed by all the members entitled to vote thereon, or by all directors, as the case may be, and deliver to the Association for inclusion in the minutes. Directors' consents may be signed either before or after the action taken.

Action taken by unanimous written consent is effective when the last director signs the consent, unless the consent specifies a later effective date. Action taken by unanimous written consent of the members is effective when all consents are in possession of the Association, unless the consent specifies a later effective date.



If the corporate laws of the State of Washington require that notice of a proposed action be given to nonvoting members and the action is to be taken by unanimous consent of the voting members, the Association must give its nonvoting members written notice of the proposed action at least ten (10) days before the action is taken. The notice must contain or be accompanied by the same material that would have been required to be sent to the nonvoting members in a notice of meeting at which the proposed action would have been submitted to such members for action.

Section 1.6. **Conference Telephone.** Meetings of the members and Board of Directors may be effectuated by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other during the meeting. Participation by such means shall constitute presence in person at such meeting.

Section 1.7. **Oral and Written Notice.** Oral notice may be communicated in person or by telephone, wire or wireless equipment, which does not transmit a facsimile of the notice. Oral notice is effective when communicated.

Written notice may be transmitted by mail, private carrier, or personal delivery; telegraph or teletype; or telephone, wire, or wireless equipment which transmits a facsimile of the notice. Written notice is effective at the earliest of the following: (a) when received; (b) five (5) days after its deposit in the U.S. mail if mailed with first-class postage; (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf of the addressee.

## **ARTICLE 7. OFFICERS**

Section 1.8. **Positions.** The officers of this Association may be a President, one or more Vice-Presidents, and a Treasurer, as appointed by the Board. The Board of Directors shall appoint a Secretary. Such other officers and assistant officers as may be necessary may be appointed by the Board of Directors or by a duly appointed officer to whom such authority has been delegated by Board resolution. Any two or more offices may be held by the same person.

The Board of Directors in its discretion may elect a Chairman from amongst its members to serve as Chairman of the Board of Directors, who, when present, shall preside at all meetings of the Board of Directors, and who shall have such other powers as the Board may determine.

Section 1.9. **Appointment and Term of Office.** The officers of this Association shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members. If officers are not appointed at such meeting, such appointment shall occur as soon as possible thereafter. Each officer shall hold office until a successor shall have been appointed and qualified or until said officer's earlier death, resignation, or removal.

Section 1.10. **Powers and Duties.** If the Board appoints persons to fill the following officer positions, such officer shall have the powers and duties set forth below:

1.10.1. **President.** The President shall be the chief executive officer of this Association and, subject to the direction and control of the Board of Directors, shall have general supervision of the business of this Association. Unless a Chairman of the Board of Directors has been elected and is present, the President shall preside at meetings of the Board of Directors.

The President or any Vice-President or such other person(s) as are specifically authorized by vote of the Board of Directors, shall sign all bonds, deeds, mortgages, and any other agreements, and such signature(s) shall be sufficient to bind this Association. The President shall perform such other duties, as the Board of Directors shall designate.

1.10.2. Vice-President. During the absence or disability of the President, the Vice-President (or in the event that there be more than one Vice-President, the Vice-Presidents in the order designated by the Board of Directors) shall exercise all functions of the President, except as limited by resolution of the Board of Directors. Each Vice-President shall have such powers and discharge such duties as may be assigned from time to time to such Vice-President by the President or by the Board of Directors.

1.10.3. Secretary. The Secretary shall:

1.10.3.1. Prepare minutes of the directors' and members' meetings and keep them in one or more books provided for that purpose;

1.10.3.2. Authenticate records of the Association;

1.10.3.3. See that all notices are duly given in accordance with the provisions of these bylaws or as required by law;

1.10.3.4. Be custodian of the corporate records and of the seal of the Association (if any), and affix the seal of the Association to all documents as may be required;

1.10.3.5. Keep a register of the post office address of each member, which shall be furnished, to the Secretary by such member;

1.10.3.6. Sign with the President, or a Vice-President, certificates for shares of the Association, the issuance of which shall have been authorized by resolution of the Board of Directors; and

1.10.3.7. In general, perform all the duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors. In the Secretary's absence, an Assistant Secretary shall perform the Secretary's duties.

1.10.3.8. The duties of the Secretary may be assumed by the Executive Secretary in the sole discretion of the Board of Directors.

1.10.3.9. Treasurer. The Treasurer shall have the care and custody of the money, funds, and securities of the Association, shall account for the same, and shall have and exercise, under the supervision of the Board of Directors, all the powers and duties commonly incident to this office. The duties of the Treasurer may be assumed by the Executive Secretary in the sole discretion of the Board of Directors.

Section 1.11. **Salaries and Contract Rights**. The salaries, if any, of the officers shall be fixed from time to time by the Board of Directors. The appointment of an officer shall not of itself create contract or salary rights.

Section 1.12. **Resignation or Removal.** Any officer of this Association may resign at any time by giving written notice to the Board of Directors, or to any officer of this Association. Any such resignation is effective when the notice is delivered, unless the notice specifies a later date, and shall be without prejudice to the contract rights, if any, of such officer.

The Board of Directors, by majority vote may remove any officer or agent appointed by it, with or without cause. The removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 1.13. **Delegation.** In the case of absence or inability to act of any officer of the Association and of any person herein authorized to act in such person's place, the Board may from time to time delegate the powers and duties of such officer to any other officer or any director or other person whom it may select.

Section 1.14. **Vacancies.** If the office of any officer becomes vacant by any reason, the directors may appoint a successor or successors who shall hold office-for the unexpired term.

Section 1.15. **Bonds.** The Board may, by resolution, require any and all of the officers to give bonds to the Association, with sufficient surety or sureties, conditioned for the faithful performance of the duties of their respective offices, and to comply with such other conditions as may from time to time be required by the Board.

## **ARTICLE 8. FINANCE**

Section 1.16. **Reserves.** Before making any distribution of earned surplus, there may be set aside out of the earned surplus of the Association such sum or sums as the directors from time to time in their absolute discretion deem expedient as a reserve fund to meet contingencies, or for equalizing dividends, or for maintaining any property of the Association, or for any other purpose, any earned surplus of any year not distributed as dividends shall be deemed to have been thus set apart until otherwise disposed of by the Board.

Section 1.17. **Depositories.** The moneys of the Association shall be deposited in the name of the Association in such bank or banks or trust company or trust companies as the Board shall designate, and shall be drawn out only by check or other order for payment of money signed by such persons and in such manner as may be determined by resolution of the Board.

Section 1.18. **Dues.** Members of the Association shall be required to pay annual dues in an amount to be set from time to time by the Board. A member's dues must be paid in full for the current year in order for such member to be in good standing. Any member who is not current on their dues payment shall be subject to removal from the Association in the sole discretion of the Board.

Section 1.19. **Reimbursement of Expenses.** Directors, members, officers, and other individuals working on behalf of the Association, shall, in the sole and unanimous discretion of the President and the Treasurer, be entitled to reimbursement for out-of-pocket expenses for such items as travel and lodging on Association business. Requests for reimbursement shall be submitted within 90 calendar days of the date on which the expense was incurred.

## **ARTICLE 9.**

## **BOOKS AND RECORDS**

Section 1.1. **Books of Accounts and Minutes.** The Association:

1.1.1. Shall keep as permanent records minutes of all meetings of its members and Board of Directors, a record of all actions taken by the members or Board of Directors without a meeting, and a record of all actions taken by a committee of the Board of Directors exercising the authority of the Board of Directors on behalf of the Association;

1.1.2. Shall maintain appropriate accounting records;

1.1.3. Or its agent shall maintain a record of its members, in a form that permits preparation of a list of the names and addresses of all members, in alphabetical order by class of shares showing the number and class of shares held by each; and

1.1.4. Shall keep a copy of the following records at its principal office;

1.1.4.1. The Articles or Restated Articles of Incorporation and all amendments to them currently in effect;

1.1.4.2. The Bylaws or Restated Bylaws and all amendments to them currently in effect;

1.1.4.3. The minutes of all members' meetings, and records of all actions taken by members without a meeting, for the past three ( 3 ) years;

1.1.4.4. Its financial statements for the past three (3) years, including balance sheets showing in reasonable detail the financial condition of the Association as of the close of each fiscal year, and an income statement showing the results of its operations during each fiscal year prepared on the basis of generally accepted accounting principles or, if not, prepared on a basis explained therein;

1.1.4.5. All written communications to members generally within the past three (3) years;

1.1.4.6. A list of the names and business addresses of its current directors and officers; and

1.1.4.7. Its most recent annual report delivered to the Secretary of State of Washington.

Section 1.2. **Copies of Resolutions.** Any person dealing with the Association may rely upon a copy of any of the records of the proceedings, resolutions, or votes of the Board of Directors or members, when certified by the President or Secretary.

## **ARTICLE 10.**

### **INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS**

Section 1.3. **Definitions.** As used in this Article:

1.3.1. "Act" means the Washington Business Corporation Act, now or hereafter in force.

1.3.2. "Association" means this Association, and any domestic or foreign predecessor entity, which, in a merger or other transaction, ceased to exist .

1.3.3. "Director" means an individual who is or was a director of the Association or an individual who, while a director of the Association, is or was serving Association's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic Association, partnership, joint venture, trust, employee benefit plan, or other enterprise. "Director" includes, unless the context requires otherwise, the estate or personal representative of a director.

1.3.4. "Expenses" include counsel fees.

1.3.5. "Indemnitee" means an individual made a party to a proceeding because the individual is or was a director, officer, employee, or agent of the Association, and who possesses indemnification rights pursuant to the Articles, these Bylaws, or other corporate action. If the Articles so provide, the term shall also include, for officers, employees, or agents, service at the Association's request as a director, officer, partner, trustee, employee, or agent of another foreign or domestic Association, partnership, joint venture, trust, employee benefit plan, or other enterprise.

It shall also include the heirs, executors, and other successors in interest of such individuals.

1.1.1. "Liability" means the obligation to pay a judgment, settlement, penalty, fine, including an excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

1.1.2. "Party" includes an individual who was, is, or is threatened to be named a defendant or respondent in a proceeding.

1.1.3. "Proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal.

Section 1.2. **Indemnification Rights of Officers, Employees and Agents.** The Association shall indemnify its Officers, employees and agents to the same extent as directors against liability arising out of a proceeding to which such individual was made a party because the individual is or was an Officer, employee or agent of the Association. The Association shall advance expenses incurred by such persons who are parties to a proceeding in advance of final disposition of the proceeding, as provided herein.

Section 1.3. **Procedure for Seeking Indemnification and/or Advancement of Expenses.**

1.3.1. Notification and Defense of Claim.

1.3.1.1. Indemnitee shall promptly notify Association in writing of any proceeding for which indemnification could be sought under this Article. In addition, Indemnitee shall give Association such information and cooperation as it may reasonably require and as shall be within Indemnitee's power.

1.3.1.2. With respect to any such proceeding as to which Indemnitee has notified Association:

1.1.1.1.1. The Association will be entitled to participate therein at its own expense;

1.1.1.1.2. Except as otherwise provided below, to the extent that it may wish, the Association, jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel satisfactory to Indemnitee. Indemnitee's consent to such counsel will not be unreasonably withheld.

1.1.1.2. After notice from the Association to Indemnitee of its election to assume the defense, the Association will not be liable to Indemnitee under this Article for any legal or other expenses subsequently incurred by Indemnitee in connection with such defense. However:

1.2.1.1.1. Indemnitee shall continue to have the right to employ its counsel in such proceeding, at Indemnitee's expense; and

1.2.1.1.2. If:

1.2.1.1.2.1. The employment of counsel by Indemnitee has been authorized by the Association;

1.2.1.1.2.2. Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Association and Indemnitee in the conduct of such defense; or

1.2.1.1.2.3. The Association shall not in fact have employed counsel to assume the defense of such proceeding, the fees and expenses of Indemnitee's counsel shall be at the expense of the Association.

1.2.1.2. The Association shall not be entitled to assume the defense of any proceeding brought by or on behalf of the Association or as to which Indemnitee shall reasonably have made the conclusion that a conflict of interest may exist between the Association and the Indemnitee in the conduct of the defense.

1.2.2. Information to be Submitted and Method of Determination and Authorization of Indemnification.

1.2.2.1. For the purpose of pursuing rights to indemnification under this Article, the Indemnitee shall submit to the Board:

1.2.2.1.1. A sworn statement requesting indemnification; and

1.2.2.1.2. Reasonable evidence of all amounts for which indemnification is requested (together, constitutes "Indemnification Statement").

1.2.2.2. Submission of an Indemnification Statement to the Board shall create a presumption that the Indemnitee is entitled to indemnification hereunder, and the

Association shall, within sixty (60) calendar days after thereof, make the payments requested in the Indemnification Statement to or for the benefit of the Indemnitee, unless,

1.2.2.2.1. Within such sixty (60) calendar day period it shall be determined by the Association that the Indemnitee is not entitled to indemnification under this Article;

1.2.2.2.2. Such vote shall be based upon clear and convincing evidence (sufficient to rebut the foregoing presumption); and

1.2.2.2.3. The Indemnitee shall receive notice in writing of such determination, which notice shall disclose with particularity the evidence upon which the determination is based.

1.2.2.3. At the election of the President, the foregoing determination may be made by either:

1.2.2.3.1. The written consent of the members owning a majority of the stock in the Association;

1.2.2.3.2. A committee chosen by written consent of a majority of the directors of the Association, and consisting solely of two (2) or more directors not at the time parties to the proceeding; or

1.2.2.3.3. As provided by RCW 23B.08.550, as amended.

1.2.2.4. Any determination that the Indemnitee is not entitled to indemnification, and any failure to make the payments requested in the Indemnification Statement shall be subject to judicial review by any court of competent jurisdiction.

1.2.3. Special Procedure Regarding Advance for Expenses. An Indemnitee seeking payment of expenses in advance of a final disposition of the proceeding must furnish the Association, as part of the Indemnification Statement:

1.2.3.1. A written affirmation of the Indemnitee's good faith belief that the Indemnitee has met the standard of conduct required to be eligible for indemnification; and

1.2.3.2. A written undertaking, constituting an unlimited general obligation of the Indemnitee, to repay the advance if it is ultimately determined that the director did not meet the required standard of conduct. If the Association determines that indemnification is authorized, the Indemnitee's request for advance of expenses shall be granted.

1.2.4. Settlement. The Association is not liable to indemnify Indemnitee for any amounts paid in settlement of any proceeding without Association's written consent. The Association shall not settle any proceeding in any manner, which would impose any penalty or limitation on Indemnitee without Indemnitee's written consent. Neither the Association nor Indemnitee will unreasonably withhold its consent to a proposed settlement.

### Section 1.3. Contract and Related Rights.

1.3.1. Contract Rights. The right of an Indemnitee to indemnification and advancement of expenses is a contract right upon which the Indemnitee shall be presumed to have relied in determining to serve or to continue to serve in his or her capacity with the Association. Such right shall continue as long as Indemnitee shall be subject to any possible proceeding. Any amendment to or repeal of this Article shall not adversely affect any right or protection of an Indemnitee with respect to any acts or omissions of such Indemnitee occurring prior to such amendment or repeal.

1.3.2. Optional Insurance, Contracts, and Funding. The Association may:

1.3.2.1. Maintain insurance, at its expense, to protect itself and any Indemnitee against any liability, whether or not the Association would have power to indemnify the individual against the same liability under RCW 23B.08.510 or .520, or successor statute;

1.3.2.2. Enter into contracts with any Indemnitee in furtherance of this Article and consistent with the Act; and

1.3.2.3. 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.

1.3.3. Severability. If any provision or application of this Article shall be invalid or unenforceable, the remainder of this Article and its remaining applications shall not be affected thereby, and shall continue in full force and effect.

1.3.4. Right of Indemnitee to Bring Suit. If a claim under this Article: (1) For indemnification is not paid in full by the Association within sixty (60) days; or (2) For advancement of expenses is not paid in full by the Association within twenty (20) days; after a written claim has been received by the Association, the Indemnitee may, but need not, at any time thereafter bring suit against the Association to recover the unpaid amount of the claim. To the extent successful in whole or in part, the Indemnitee shall be entitled to also be paid the expense (to be proportionately prorated if the Indemnitee is only partially successful) of prosecuting such claim.

Neither: (1) the failure of the Association (including its Board of Directors, its members, or independent legal counsel) to have made a determination prior to the commencement of such proceeding that indemnification of or reimbursement or advancement of expenses to the Indemnitee is proper in the circumstances; nor (2) an actual determination by the Association (including its Board of Directors, its members, or independent legal counsel) that the Indemnitee is not entitled to indemnification or to the reimbursement or advancement of expenses, shall be a defense to the proceeding or create a presumption that the indemnitee is not so entitled.

1.3.5. Contribution.

1.3.5.1. If the indemnification provided in Section 10.3 of this Article is not available to be paid to Indemnitee for any reason other than those set forth in subparagraphs 10.3.2.1, 10.3.2.2, 10.3.2.3 of Section 10.3 of this Article (for example, because indemnification is held to be against public policy even though otherwise permitted under Section 10.3) then in respect of any proceeding in which the Association is jointly liable with Indemnitee (or would be if joined in such proceeding), the



Association shall contribute to the amount of loss paid or payable by Indemnitee in such proportion as is appropriate to reflect:

1.3.5.1.1. The relative benefits received by the Association on the one hand and the Indemnitee on the other hand from the transaction from which such proceeding arose, and

1.3.5.1.2. The relative fault of the Association on the one hand and the Indemnitee on the other hand in connection with the events which resulted in such loss, as well as any other relevant equitable consideration.

1.3.5.2. The relative benefits received by and fault of the Association on the one hand and the Indemnitee on the other shall be determined by a court of appropriate jurisdiction (which may be the same court in which the proceeding took place) with reference to, among other things, the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent the circumstances resulting in such loss. Association agrees that it would not be just and equitable if contribution pursuant to this Section was determined by pro rata allocation or any other method of allocation, which does not take account of the foregoing equitable considerations.

Section 1.4. **Exceptions.** Any other provision herein to the contrary notwithstanding, the Association shall not be obligated pursuant to the terms of these Bylaws to indemnify or advance expenses to Indemnitee with respect to any proceeding:

1.4.1. Claims Initiated by Indemnitee. Initiated or brought voluntarily by Indemnitee and not by way of defense, except with respect to proceedings brought to establish or enforce a right to indemnification under these Bylaws or any other statute or law or as otherwise required under the statute; but such indemnification or advancement of expenses may be provided by the Association in specific cases if the Board of Directors finds it to be appropriate.

1.4.2. Lack of Good Faith. Instituted by Indemnitee to enforce or interpret this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by Indemnitee in such proceeding was not made in good faith or was frivolous.

1.4.3. Insured Claims. For which any of the expenses or liabilities for indemnification is being sought have been paid directly to Indemnitee by an insurance carrier under a policy of officers' and directors' liability insurance maintained by the Association.

1.4.4. Prohibited by Law. If the Association is prohibited by the Washington Business Corporation Act or other applicable law as then in effect from paying such indemnification and/or advancement of expenses. For example, the Association and Indemnitee acknowledge that the Securities and Exchange Commission ("SEC") has taken the position that indemnification is not possible for liabilities arising under certain federal securities laws, and federal legislation prohibits indemnification for certain ERISA violations. Indemnitee understands and acknowledges that the Association has undertaken or may be required in the future to undertake with the SEC to submit the question of indemnification to a court in certain circumstances for a determination of the Association's right under public policy to indemnify Indemnitee.

**ARTICLE 11.  
FISCAL YEAR**

The fiscal year of the Association shall be the ending of twelve months after the Association began doing business, or such other year as is selected for federal income tax purposes.

**ARTICLE 12.  
AMENDMENT OF BYLAWS**

Section 1.5. **By the Members.** These Bylaws may be amended or repealed at any annual or special meeting of the members if notice of the proposed amendment is contained in the notice of the meeting.

Section 1.6. **By the Board of Directors.** These Bylaws may be amended or repealed by the affirmative vote of a majority of the whole Board of Directors at any meeting of the Board, if notice of the proposed amendment is contained in the notice of the meeting. However, the directors may not modify the Bylaws fixing their qualifications, classifications, or term of office.

**ARTICLE 13.  
RULES OF ORDER**

The rules contained in the most recent edition of Robert's Rules of Order, newly revised, shall govern all meetings of members and directors where those rules are not inconsistent with the Articles of Incorporation, Bylaws, or other rules of order of this Association.

The undersigned Secretary of Washington Trollers Association does hereby certify that the above and foregoing Bylaws of said Association were adopted by the directors as the Bylaws of and that the same do now constitute the Bylaws of this Association.

DATED this 30TH day of March, 2019

Attest: SIGNATURE ON FILE

SECRETARY

Revised November, 1994  
Updated November, 1995  
Revised March 2013  
Revised March 2015  
Revised January 2016  
Revised January 2019  
Revised March 2019