

**BY-LAWS
OF
SKAGIT LAND TRUST**

Article I

PURPOSES

The purposes of the corporation include preserving for posterity scenic open spaces, forest and agricultural land, wetlands, shorelines, and wildlife habitat. To realize these purposes, the corporation will, among other actions, accept donations of, and purchase conservation easements, and accept donations of, and purchase land. It will manage such acquisitions in an environmentally sound manner for the long-range benefit of the community.

Article II

MEMBERSHIP

Section 1. Qualification. All persons who support the purposes of the corporation may become and remain members upon approval of the Board of Directors and the payment of annual dues. The Board may expel a member from the corporation upon a two-thirds affirmative vote to do so.

Section 2. Dues. The corporation shall have members who are designated by categories and annual contribution amounts to be determined from time to time by the Board of Directors.

Section 3. Rights. All categories of members shall enjoy the same rights and privileges, including the right to one vote per membership for members of the Board of Directors and to serve on committees of the corporation to which they are appointed. The Board of Directors may, at its discretion, establish special recognition for specific categories of members.

Article III

ANNUAL MEETING

The Annual Meeting of the corporation for the purpose of electing members of the Board of Directors and conducting other business which may properly come before the meeting shall be held during the first calendar quarter of each year at a time and place to be determined by the Board of Directors. Notice of the date, time and place of the Annual Meeting shall be provided to all members of the corporation at least thirty (30) days in advance by mail, email or fax as directed by the Secretary. A quorum shall consist of those members present at the meeting.

Special meetings of the corporation may be called by the Board of Directors at its discretion, upon 10 days' notice to the membership.

Article IV

BOARD OF DIRECTORS

Section 1. Powers. The property, affairs and activities of the corporation shall be managed by a Board of Directors consisting of from five (5) to twenty-one (21) members. The powers of the Board of Directors shall include the authority to accept, transfer, sell, purchase and encumber property and interests in property; and the authority to retain any necessary staff or contractors. The Board may, at its discretion, and upon approval of any transaction, appoint an Ad Hoc Committee of Board members to finalize details of said property transaction.

Section 2. Election. Directors shall be members of the corporation and shall be elected by the membership at the Annual Meeting of the corporation; each shall serve until a successor is elected and qualified; or until they resign or until dismissed by the board pursuant to Article IV, Section 5.

Section 3. Terms. All members of the Board of Directors shall be elected for a three-year term, unless a shorter term is stated in advance to maintain staggered terms, and shall assume their positions at the Annual Meeting at which they were elected.

Section 4. Staggered Terms. The terms of members of the Board of Directors shall expire on a rotating basis.

Section 5. Removal. Any director or officer of the corporation may be removed by affirmative vote of two-thirds of the entire Board of Directors for non-performance of duties including meeting attendance, or other cause deemed sufficient by the Board.

Section 6. Vacancies. The Board may fill vacancies until the next annual meeting for the remainder of the vacant terms.

Section 7. Meetings. The Board of Directors shall meet monthly at least 10 times per year as determined by the Board. Special meetings may be held whenever called by the President or by any four or more directors for pre-stated purposes only.

Section 8. Notice of Regular Meetings. Notice of the time and place of regular Board meetings shall be given by mail, email or fax at least five days prior to the date on which the meeting is to be held at the direction of the Secretary.

Section 9. Notice of Special Meetings. Notice of special meetings of the Board for a pre-stated purpose shall be mailed, emailed, faxed or telephoned at the direction of the Secretary, or person(s) calling the meeting, at least four days prior to the special meeting.

Section 10. Annual Meeting. The Annual Meeting of the Board shall be held at the same place and date as the Annual Meeting of the corporation and at such time as the Board of Directors shall determine.

Section 11. Quorum. One-third (1/3) of the members of the Board of Directors shall constitute a quorum for the transaction of business. The act of the majority of directors present at a meeting at which a quorum is present shall be the act of the Board of Directors except when provided elsewhere in these By-Laws.

Section 12. Directors' Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, upon notification to, and response from all Board members by email or fax and after unanimous approval of the Board members who are eligible to vote. That action shall have the same force and effect as if approved at a regular or special Board meeting. Individual Board members shall confirm their vote and the Secretary shall confirm, record and file these confirmations with the minutes of the Board Meeting.

Section 13. Waiver of Notice of Meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Objections to the propriety of notice may be also hand delivered to the Secretary of the corporation prior to the meeting with the same effect as if the board member so objecting had appeared at the meeting.

Section 14. Reimbursement of Expenses. All officers and directors may be reimbursed for expenses actually incurred subject to approval by the Board of Directors.

Section 15. Conflicts of Interest. From time to time, a Board member or officer of this corporation may be a director, officer, employee, or member of another corporation, association, firm or entity which is interested in a transaction or contract with this corporation. All such interests must be disclosed in advance of approval of a transaction or contract. In the absence of fraud, such a contract or transaction shall not be void or voidable for this reason as long as the Board member or officer leaves the room during the discussion and abstains from voting on the action. The director or officer shall not be required to account to this corporation for any profits or benefits therefrom if the transaction or contract is or shall be authorized, ratified or approved by a vote of two-thirds (2/3) of the members of the Board of Directors. Nothing herein contained shall create any liability in the events described or prevent the authorization, ratification or approval of such transactions or contracts in any other manner.

Article V

OFFICERS

Section 1. Officers Listed. The officers of the corporation shall include a President, a Vice President, a Secretary and a Treasurer and others elected by the Board.

Section 2. Election of Officers. Each officer shall be elected from the membership of the Board at the annual meeting of the Board of Directors or at any subsequent Board meeting. All officers shall serve until the next annual meeting of the Board of Directors or until their successor is duly elected and qualified. All officers are voting members of the Board of Directors.

Section 3. Duties. The duties of the officers are as follows:

a. President. The President shall exercise the usual executive powers pertaining to the office of President and shall preside at meetings of the Board of Directors, the Executive Committee and at the Annual Meeting.

b. Vice President. The Vice President shall act as President in the absence or disability of the President.

c. Secretary. The Secretary shall keep or cause to be kept minutes of all meetings of the membership, the Board of Directors, the Executive Committee and any Ad Hoc Committees appointed to finalize details of property transactions; keep a file of the official documents and records of the corporation as directed by the Board. The Secretary shall send or cause to be sent notices of all meetings of the Board of Directors and Executive Committee.

d. Treasurer. The Treasurer shall have the care and custody of and be responsible for all funds and investments of the corporation and shall cause to be kept regular books of account. They shall cause to be deposited all funds and other valuable effects of the corporation, in such depositories as may be determined by the Board of Directors. The Treasurer remains responsible for the actions of the Assistant Treasurer should the Board elect an Assistant Treasurer.

e. Additional Duties. Additional duties and job descriptions for the above-named corporate officers may be provided for by written job descriptions prepared by the Board of Directors.

Section 4. Vacancies. Vacancies in any office arising from any cause shall be filled by the Board of Directors at any regular or special meeting.

Section 5. Removal. Any officer may be removed by a majority vote of the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby.

Article VI

EXECUTIVE COMMITTEE

Section 1. The Board of Directors shall elect an Executive Committee consisting of the officers of the corporation and one additional director.

Section 2. The Executive Committee shall meet monthly and act for the Board of Directors between meetings and shall exercise all powers of the Board except those which have been expressly reserved by resolution of the Board or these By-Laws and the acceptance, purchase or disposition of land and the acceptance or purchase of conservation easements. Notice of the date, time and place of the meeting shall be provided by mail, email or fax to all board members at least five (5) days in advance as directed by the Secretary. A quorum shall consist of three (3) members. Action approval would require a minimum of three (3) affirmative votes.

Section 3. The Executive Committee shall act as the Finance Committee of the corporation, the Personnel Committee and the Conflict of Interest Review Committee.

Section 4. The Executive Committee shall report its decisions and actions to the Board of Directors at the Board's next meeting.

Article VII

INDEMNIFICATION AND LIABILITY OF DIRECTORS AND OTHERS.

Section 1. Director Liability. A director of the corporation shall not be personally liable to the corporation for monetary damages for conduct as a director, except for liability of the director as follows:

- a. For acts or omissions which involve intentional misconduct by the director or a knowing violation of the law by the director; or
- b. For any transaction from which the director will personally receive benefit in money, property or services to which the director is not legally entitled.

If the Washington Nonprofit Corporation Act is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the corporation shall be eliminated or limited to the fullest extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any repeal or modification of the foregoing paragraph by directors or members, if any, of the corporation shall not adversely affect any right or protection of a director of the corporation existing at the time of such repeal or modification.

Section 2. Indemnification.

- a. The corporation has the power to indemnify, and to purchase and maintain insurance for its directors, officers, employees, and other persons and agents, and (without limiting the generality of the foregoing) shall indemnify its directors, against all liability, damage, and expenses arising from or in connection with service for, employment by, or other affiliation with this corporation or other firms or entities to the maximum extent and under all circumstances permitted by law.
- b. Each person who was or is made a party or is threatened to be made a party to or is involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of that fact that they are or were a director or officer of the corporation or, being or having been such a director or officer, they are or were serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, plans, whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent or in any other capacity, 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, without limitation, attorney's fees, judgments, fines, ERISA excise taxes) or penalties and amounts to be

paid in settlement actually or reasonably incurred or suffered by such person in connection herewith. Such indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of their heirs, executors and administrators. No indemnification shall be provided under this Article to any such person if the corporation is prohibited by the applicable law as then in effect from paying such indemnification. The right to indemnification conferred in this Section 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 to or on behalf of a director or officer 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, which undertaking may be unsecured and may be accepted without reference to financial ability to make repayment.

c. 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, provision of the Article of Incorporation, By-Laws, agreement, vote of the disinterested directors or otherwise.

d. The corporation shall maintain insurance, at its expense, to protect itself and any director, 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 person against such expense, liability or loss under the Washington Nonprofit Corporation Act. The corporation may enter into contracts with any directors or officers 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.

e. 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 officers, 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 otherwise.

Article VIII

COMMITTEES

Section 1. Directors Committees. The President, with the approval of the Board, may when deemed necessary appoint committees of directors and /or members for specific purposes. These may include the following:

a. Land Committee - to investigate, evaluate and recommend lands suitable for protection by the corporation. The land committee shall be made up of board members and staff.

b. Stewardship Committee - to monitor and maintain easements and lands owned by the corporation and to advise on stewardship issues and long-term costs when protecting lands. The stewardship committee shall be made up of board members and staff and may also include other Trust members.

c. Development Committee - to provide oversight of fundraising activities, to raise funds in support of annual operations and dedicated funds through membership, major donors, businesses and organizations, grants, special events and activities, planned giving, capital campaigns and other methods allowable for non-profit corporations. The development committee shall be made up of board members and staff and may also include other Trust members.

d. Outreach Committee - to develop and maintain a Communication and Outreach Plan that educates members, volunteers, landowners and the general public on the Trust's mission of land conservation, on its current work and strategic goals, and on ways to engage with the Trust. Communication and Outreach is accomplished through print and electronic media, the annual meeting, special events, activities and personal communication. The committee works to encourage growth in membership, volunteering, and conservation with willing landowners. The committee works to educate the public, including youth and those communities not yet reached, about land conservation and the Trust's work. The committee oversees community relations to build a positive image in the community. The outreach committee shall be made up of board members and staff and may also include other Trust members.

e. Public Policy Committee - To advise the Trust's actions and statements regarding land-use policies, decisions and activities that directly impact Skagit Land Trust's work. The committee helps the Trust's board and staff to address public policy matters in a timely and effective manner that is consistent with the values articulated in the Mission Statement. The public policy committee shall be made up of board members and staff and may also include other Trust members.

f. Investment Committee - To oversee the Trust's investments and make recommendations to the board regarding all investment matters including selection of investment managers. They are guided by the Trust's investment policy and may suggest changes to this policy from time to time. The investment committee shall be chaired by the Treasurer and made up of board members, staff and Trust members with appropriate investment skills to assist in guiding the Trust's financial investments.

g. Facilities Committee –To oversee the Trust's buildings, infrastructure and other large physical assets including vehicles. The committee helps the Trust's board and staff to plan, budget for, and implement matters concerning infrastructure in a timely and effective manner that is consistent with the values articulated in the Mission Statement and appropriate Property Management Plans. The committee shall be made up of board members and staff, and may also include other Trust members.

Section 2. Governance Committees.

The President shall appoint, with the approval of the Board, a Governance Committee of five (5) members who are members of the corporation, including directors. The chairman shall be a director. The function of the committee is to:

- a. Nominate directors for election to the Board of Directors;
- b. Consider candidates, if any, recommended by members of the corporation; such recommendations shall be in petition form endorsed by at least five (5) members and submitted to the Committee at least six (6) weeks prior to the Annual Meeting.
- c. Provide for the orientation and training of the Board of Directors in the business of the corporation and in the governance of non-profit corporations. This may include inviting speakers or consultants to Board meetings and/or staging Board retreats.
- d. Review by-laws and propose changes as necessary.

Section 3. Advisors. The President, with the approval of the Board, may appoint Advisors to advise the Board and assist in fundraising and public relations.

Article IX

FINANCIAL AFFAIRS

Section 1. Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 2. Loans.

- a. Loans to the corporation. In keeping with its fiduciary responsibility, the board may secure loans beneficial to the operation of the corporation and the pursuit of its mission. Approval of a loan to the corporation shall require a two-thirds (2/3) majority vote of the Board of Directors. The President, or in their absence the Vice-President is authorized to execute loan documents once the Board votes its approval.
- b. Loans by the corporation. In keeping with its fiduciary responsibility, the board may extend a loan should the purpose of the loan be deemed by the board to be consistent with the corporation's mission and on terms deemed beneficial to the corporation via a due diligence process deemed satisfactory by the board. Approval of a loan by the corporation shall require a two-thirds (2/3) majority vote of the Board of Directors.
- c. Personal loans. No loans shall be made by the corporation to any officer, director, employee or other insider of the corporation.

Section 3. Conflict of Interest.

Per Article IV, Section 15, of the Skagit Land Trust Code of Policies, Board Members must reveal any conflict of interest involved with a loan.

Section 4. Insurance. The Board of Directors shall secure insurance to protect the corporation and the Board of Directors and the officers from liability.

Section 5. Disbursements.

Disbursements shall be made only in accordance with a specific authorization or a general budget approved by the Board of Directors and on such terms as may be established by the Board.

Section 6. Annual Audit. An audit or review, by an independent certified public accountant, of the corporation's books shall be undertaken annually in a manner to be determined by the Board.

Article X

RULES OF PROCEDURE

The rules of procedure at meetings of the Board of Directors and the corporation shall be those contained in Robert's Rules of Order on Parliamentary Procedure, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or any resolutions of the Board of Trustees.

Article XI

AMENDMENTS

These Bylaws may be amended by an affirmative vote of three-quarters (3/4) of the entire Board of Directors, provided that notice of the nature of the proposed amendment has been mailed, faxed or transmitted electronically to all directors at least ten (10) days in advance of the meeting.

The amendment further must be approved by a majority vote of the members present at an Annual Meeting or a special meeting of the corporation at which advance notice of at least 10 days has been given of the nature of the proposed amendment.

Article XII

DISSOLUTION

A resolution to dissolve the corporation may be adopted upon a three-quarters (3/4) vote of the Board of Directors. The distribution of assets of the corporation shall follow the requirements of RCW 24.03.225, except that all assets remaining after all liabilities and obligations have been discharged shall be distributed to those nonprofit corporations, as defined by Internal Revenue Code 501 (c), selected by the Board of Directors by a three-quarters (3/4) vote. Distribution of the assets pursuant to the Articles of Incorporation shall take place only upon involuntary dissolution.

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Amendments adopted March 23, 1995.
Amendments adopted March 21, 1996.
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