

AMENDED BYLAWS
of
NAMI SEATTLE

A Washington Non-Profit Corporation

**PREAMBLE
CORPORATE PURPOSES**

The purposes for which NAMI Seattle (or, “the Corporation”) was created are to:

- a. Serve as advocates for persons with mental illness, regardless of age, gender, socio-economic status, or cultural heritage;
- b. Provide public education and information on the need for improved direct services to persons with mental illness;
- c. Examine existing health care programs, systems, institutions, or laws that pertain to persons with mental illness;
- d. Cooperate with and support those agencies, systems, institutions, or laws that comply with high standards of service;
- e. Recommend alternatives or modifications to those programs, systems, institutions, or laws that jeopardize, delay, or interfere with optimum effective diagnosis or treatment of persons with mental illness;
- f. Collect and disseminate information concerning the etiology, symptoms, diagnosis treatment, and prevention of mental illness;
- g. Reach out to meet the needs of families of persons with mental illness through supportive crisis and referral self-help groups;
- h. Act as a resource to the community;
- i. Encourage and generate funds for research and education on behalf of persons with mental illness; and
- j. Solicit, collect, receive, hold, reinvest, distribute, and disburse donations, subscriptions, gifts, bequests, and other funds for the purpose of the Corporation.

**ARTICLE 1.
NAME AND OFFICES**

- Section 1. **Name.** The name of the Corporation will be NAMI Seattle. The Corporation acknowledges that NAMI controls the use of the name, acronym, and logo of NAMI and that its use shall be in accordance with NAMI policy. Upon termination of affiliation with NAMI, the uses of the names, acronym, and logo by the Corporation shall cease, and within 30 days, the Corporation shall change its name to reflect that it is no longer affiliated with NAMI.
- Section 2. **Offices.** The principal office of the Corporation will be located at its primary place of business. It may be relocated at any time and to any location within the State of Washington by resolution of the board of directors (“the board”). Additional offices may be established by the board, and may be located within or without the state of Washington.

**ARTICLE 2.
NONDISCRIMINATION AND INCLUSION**

NAMI Seattle shall actively recruit, engage, and serve members from every race, culture, ethnicity, age, religion, socio-economic status, sexual orientation, gender, gender identity, and disability, and shall not discriminate in the requirements for membership, provision of service, or support in its policies or actions.

**ARTICLE 3.
MEMBERSHIP**

- Section 1. **Definition.** Membership in good standing shall be defined as a membership for which dues have been paid or waived for a period of 12 consecutive months, beginning on the first day of the month following payment or waiver of dues.
- Section 2. **Membership Qualifications.** All members must be 18 years of age or older and must accept the mission

and purpose of NAMI Seattle.

- Section 3. **Membership Categories.** There shall be two membership categories: Individual and Family.
- a. **Individual.** Individual memberships are available to individual persons with mental illness, individual family members or friends of persons with mental illness, professionals who work with persons with mental illness, and others who have an interest in the mission of NAMI Seattle.
 - b. **Family.** Family memberships are available to family units consisting of persons 18 years of age or older who are related as immediate family and live in one household. One family membership is the equivalent of one individual membership for voting and representation purposes.
- Section 4. **Dues.** Members shall pay annual dues to NAMI Seattle in the amount set by the board of directors of NAMI National. No otherwise eligible person shall be denied membership because of financial hardship. A person desiring a dues waiver shall submit a written request to NAMI Seattle which, when approved, shall entitle them to receive full privileges of membership.
- Section 5. **Member Rights.**
- a. **Voting.** Members shall elect the board of directors at the annual meeting and shall amend and adopt the articles of incorporation. Each individual member shall have one vote and each family unit shall have one vote.
 - b. **Privileges.** Individual members may seek to be elected to the board of directors, may serve on committees, and may attend the meetings of the board. Only one person within a family membership unit may sit on the board at any given time.

ARTICLE 4. MEMBER MEETINGS

- Section 1. **Annual Member Meeting.** The annual meeting of the members will be held during November or December on a date chosen by the board for the purposes of electing directors and transacting such business as may properly come before the board. The annual meeting will be held at the principal office or at any other place the board designates. If the meeting is not held on the date designated in this section, the board will cause the meeting to be held as soon thereafter as may be convenient.
- Section 2. **Special Meetings.** Special meetings of the general membership may be called by the President, the board of directors, or by petition of at least 15% of the members in good standing.
- Section 3. **Quorum.** Twenty percent of the members shall constitute a quorum for any meeting at which a vote is to be taken. Once the quorum is met, it is not broken by the subsequent withdrawal of any member. If a quorum is not present at a meeting, a majority of the members present may adjourn the meeting without further notice.
- Section 4. **Majority Vote.** Unless otherwise required by these bylaws or by the Washington Nonprofit Corporation Act Section 24.03 RCW (“the Act”), a simple majority of members present shall be required to pass a motion.
- Section 5. **Proxy Voting.** There shall be no proxy voting.
- Section 6. **Process.** Except where inconsistent with these bylaws or the Act, meetings shall be governed by the most recent edition Robert’s Rules of Order, Newly Revised.
- Section 7. **Notice.**
- a. **Contents and Timing of Notice.** Notice, in the form of a record, in a tangible medium, or in an electronic transmission, stating the place, day, and hour of the annual meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 nor more than 50 days before the date of the meeting, by or at the direction of the President, the Secretary, or the officers or persons calling the meeting, to each member entitled to vote.
 - b. **Delivery of Notice.** If notice is provided in a tangible medium, it may be transmitted by mail, private carrier, personal delivery, fax, or electronic means. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage prepaid. Other forms of notice in a tangible medium described in this subsection are effective when received.

- c. **Electronic Transmission.** Notices may be provided via electronic transmission, such as email, to members who have consented in writing to receive electronic notices. Consents must include the address, location, or system to which notices may be sent as well as the recipient's preferred message format. A member may revoke consent by delivering a written revocation to the Corporation. Furthermore, the consent is automatically revoked if the Corporation is unable to transmit two consecutive electronic notices, and this inability becomes known to the person responsible for giving notice. Notice provided in electronic format is effective when it is transmitted to the address, location, or number provided by the recipient for that purpose.

**ARTICLE 5.
BOARD OF DIRECTORS**

- Section 1. **Board Powers.** The Corporation shall be governed by a board of directors, which will have all of the rights, powers, privileges, and limitations of liability of directors of a nonprofit corporation organized under the Act.
- Section 2. **Number.** The board will consist of no less than 7 directors and no more than 21 directors. The number of directors may be changed from time to time by amendment to these bylaws, provided that no decrease in the number will have the effect of shortening the term of any incumbent director.
- Section 3. **Qualifications.** Directors must be members in good standing of NAMI Seattle prior to their election, and must be willing to abide by the NAMI Seattle articles of incorporation, these bylaws, and the Act.
- Section 4. **Fiduciary Duties.**
- a. **Duty of Care.** Directors have a duty to use at least the same level of care in conducting the business of NAMI Seattle as would a reasonably prudent person in conducting his or her own personal affairs. Board members fulfill this duty by regularly attending board meetings, becoming knowledgeable and informed about matters before the board, and using independent judgment to make objective decisions in the organization's best interest.
- b. **Duty of Loyalty.** Directors have a duty to exercise their power in the interest of NAMI Seattle and not in their own interest or the interest of another entity, particularly one in which they have a formal relationship. When acting on behalf of the organization, directors must put the interests of the organization before their personal and professional interests.
- c. **Duty of Obedience.** Directors have a duty to uphold the mission of NAMI Seattle and to comply with all applicable federal, state, and local laws; NAMI Seattle's articles of incorporation; these bylaws; and all official policies of NAMI National.
- Section 5. **Nomination and Election of Directors.**
- a. **Nomination Process.** Members may submit their own name or names of others to the governance committee for nomination and each nominee must consent before his or her name is presented to the board. The names of the nominees recommended by the governance committee shall be presented at the October board meeting. The list of the nominees presented at the October meeting shall be mailed to members at least 4 weeks prior to the annual meeting of the members.
- b. **Election.** Each director shall be elected by the members at the annual meeting of the members.
- Section 6. **Term and Term Limits.** Unless an elected director dies, resigns, or is removed, he or she will hold office for a term of 2 years. No director may serve more than 3 terms.
- Section 7. **Resignation.** At any time, a director of the Corporation may resign by giving written notice to the President of the board. Any such resignation is effective when the notice is delivered, unless the notice specifies a later effective date.
- Section 8. **Removal.**
- a. **Absences.** Directors are required to attend or call in to every board meeting or be excused by an affirmative vote of 2/3 of the board. Any director who is absent from 3 consecutive meetings without having been excused shall automatically resign their seat and the vacancy shall be filled as provided in these bylaws.
- b. **Breach of Duty.** At a meeting of the board called expressly for that purpose, a director may be removed for breach of fiduciary duty by an affirmative vote of 2/3 of the board.
- Section 9. **Vacancies.** A vacancy in the position of director may be filled by the affirmative vote of a majority of the remaining directors, even if less than a quorum. A director who fills a vacancy will serve for the unexpired term of his or her predecessor in office.
- Section 10. **Compensation.** The directors will receive no compensation for their service as directors but may receive

reimbursement for approved expenditures incurred on behalf of the Corporation. Nothing in these bylaws will be construed to preclude a director from being employed by the Corporation in another capacity and receiving reasonable compensation for those services.

ARTICLE 6. MEETINGS OF DIRECTORS

- Section 1. **Regular Meetings.** The board will have at least 6 regular meetings per year for the purposes of transacting such business as may properly come before the board. Regular meetings will be held at the principal office of the Corporation, or at any other such place as the board may designate. A schedule of regular meetings shall be provided to the board in January of each year.
- Section 2. **Special Meetings.** Special meetings of the board, or any committee designated and appointed by the board, may be called by the President or any two directors, or in the case of a committee meeting, by the Chairman of the committee. The person or persons authorized to call special meetings shall fix the time and place of the meeting and shall provide notice of the meeting as specified in these bylaws.
- Section 3. **Meetings by Telephone.** Members of the board, or any committee designated by the board, may participate in any meeting via teleconference or other similar communications equipment through which all persons participating in the meeting can hear each other at the same time. Participation by such means constitutes presence in person at a meeting.
- Section 4. **Notice of Meetings.**
- a. **Timing and Content of Notice.**
 - i. **Regular Meetings.** Notice of regular meetings must be provided to directors no less than 5 and no more than 30 days prior to the date of the meeting. Notice of regular meetings must specify the date, time, and place of the meeting, and shall include an agenda for the meeting.
 - ii. **Special Meetings.** Notice of special meetings must be provided to directors no less than 3 and no more than 30 days prior to the date of the meeting. Notices must specify the date, time, place, and business to be transacted at the meeting.
 - b. **Delivery of Notice.**
 - i. **Tangible Means.** Notices may be transmitted by mail, private carrier, personal delivery, or fax. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage prepaid. Other forms of notice in a tangible medium described in this subsection are effective when received.
 - ii. **Electronic Transmission.** Notices may be provided via electronic transmission, such as email, to directors who have consented in writing to receive electronic notices. Consents must include the address, location, or system to which notices may be sent as well as the recipient's preferred message format. A director may revoke consent by delivering a written revocation to the Corporation. Furthermore, the consent is automatically revoked if the Corporation is unable to transmit two consecutive electronic notices, and this inability becomes known to the person responsible for giving notice. Notice provided in electronic format is effective when it is transmitted to the address, location, or number provided by the recipient for that purpose.
 - c. **Waiver of Notice.**
 - i. **By Record.** Any director may waive his or her right to notice of meetings by providing the Corporation with a written record (including, but not limited to, an electronic transmission) of such waiver. The waiver may be provided either before or after the time stated in the notice and will be equivalent to the giving of notice. Neither the business to be transacted at nor the purpose of the meeting of the board need be specified in the waiver.
 - ii. **By Attendance.** The attendance of a director at a meeting will constitute a waiver of notice of that meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
- Section 5. **Quorum.** A majority of directors will constitute a quorum for the transaction of business at any meeting of the board. Once the quorum is met, it is not broken by the subsequent withdrawal of any director. If a quorum is not present at a meeting, a majority of the directors present may adjourn the meeting without further notice.
- Section 6. **Voting.**

- a. **No Electronic Voting.** Directors are not permitted to formally vote on actions by electronic means such as email or fax. Discussions about potential actions may be conducted by electronic means, as long as all directors are cc'd.
- b. **Majority Vote.** Unless otherwise required by these bylaws, the articles of incorporation, or applicable Washington law, an affirmative vote of the majority of directors present at a meeting at which there is a quorum is required to approve any action.
- c. **Presumption of Assent.** A director who is present at a meeting at which an action is taken will be presumed to have assented to the action unless:
 - i. The director's dissent or abstention is entered into the minutes of the meeting; or
 - ii. The director files a written dissent or abstention to such action with the person acting as the Secretary of the meeting before the adjournment of the meeting, or forwards such dissent or abstention by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting.
- d. **Action Without a Meeting.**
 - i. **Unanimous Consent Required.** Any action that can be approved at a board meeting may be approved without a meeting by the unanimous written consent of all of the directors.
 - ii. **Content of Unanimous Consents.** Each unanimous consent must:
 - A. Be signed by each director either before or after the corporate action becomes effective;
 - B. Describe the action being approved; and
 - C. Be filed with the corporate records or included in the corporate minutes.
 - iii. **Counterparts.** Unanimous consents may be executed in a single document or in multiple counterparts.
 - iv. **Consent by Electronic Means.** Those directors who have consented in writing to receive electronic notices under Section (5)(b)(iii) of this Article may receive unanimous written consents and may return signed consents to the Corporation by electronic means.

ARTICLE 7. BOARD COMMITTEES

Section 1. **Standing Committees.** There shall be 4 standing committees, each of which shall consist of 2 or more members:

- a. **Executive Committee.** The Executive committee shall include the President, Vice-President(s), Secretary, and Treasurer. Committee responsibilities include but are not limited to helping the Executive Director develop and present the strategic plan; preparing the annual performance review of the Executive Director; spearheading Executive Director searches; and time-critical interim decision-making.
- b. **Governance Committee.** The governance committee shall be open to any sitting director and the Executive Director (as a non-voting member). Committee responsibilities include but are not limited to new director recruitment, nomination, and orientation; board education and development; annual retreat planning; consideration of ethics and conflict of interest matters; board evaluation; and the review and maintenance of all corporate governing documents.
- c. **Finance Committee.** The finance committee shall be open to any sitting director and any member in good standing, and must include the Treasurer. Committee responsibilities include but are not limited to budget development and oversight; reviewing and reporting on any budgetary concerns or opportunities; the auditor annual audit or financial review; developing financial and gift policies and procedures; and reviewing the short- and long-term financial strategy of the Corporation.
- d. **Development Committee.** The development committee shall be open to any sitting director and member in good standing. Committee responsibilities include but are not limited to overseeing fundraising activity; donor stewardship; identifying potential donors and sources of funding and working with staff to solicit funds from external sources of support.

Section 2. **Temporary Committees.** The board may designate and appoint one or more temporary committees, each of which will consist of 2 or more directors. These committees will have and exercise the authority of the directors in the management of the Corporation, subject to whatever limitations are prescribed by the board in the resolution.

Section 3. **Limitations.** No committee shall have the authority to:

- a. Amend the articles of incorporation;
- b. Amend, alter, or repeal these bylaws;
- c. Elect, appoint, or remove any director or officer of the Corporation, or any member of another committee;
- d. Adopt a plan of merger or consolidation with another corporation;
- e. Authorize the sale, lease, or exchange of all or substantially all of the property and assets of the Corporation not in the ordinary course of the committee's business;
- f. Authorize the voluntary dissolution of the Corporation or revoke dissolution proceedings;
- g. Adopt a plan for the distribution of the assets of the Corporation; or
- h. Amend, alter, or repeal any resolution of the board that by its terms provides that it will not be amended, altered, or repealed by a committee.

Section 4. **Quorum; Manner of Acting.** A majority of members composing any committee will constitute a quorum, and the act of a majority of the members of a committee present at a meeting at which a quorum is present will be the act of the committee.

Section 5. **Resignation.** At any time, a member of a committee may resign by giving written notice to the President, the Secretary, or the chairperson of the committee, or by giving verbal or written notice at any meeting of the committee. This section notwithstanding, a member of the executive committee may not resign from the executive committee unless he or she also resigns his or her officer position.

Section 6. **Removal.** A committee member may be removed from a committee, with or without cause, by an affirmative vote of 2/3 of the committee. This section notwithstanding, a member of the executive committee may only be removed from that committee if he or she is removed from their officer position. Conversely, if an officer resigns or is removed from his or her position as an officer, he or she must resign.

Section 7. **Resignation or Removal of Executive Committee Members.** The above sections notwithstanding, a member of the executive committee may not resign or be removed from the executive committee unless he or she resigns or is removed from office. In addition, if an officer resigns or is removed from office, he or she is automatically deemed to resign from the Executive Committee.

ARTICLE 8. OFFICERS OF THE CORPORATION

Section 1. **Officers of the Corporation.** The Corporation will have a President, one or more Vice-Presidents, a Secretary, and a Treasurer. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. **Election and Term of Office.** The officers of this Corporation shall be elected by the board at the first regular board meeting after the annual meeting of the members. Unless an officer dies, resigns, or is removed from office, he or she shall hold office for 1 year. Officers may serve a maximum of 6 terms.

Section 3. **Officer Positions.**

a. **President.** The duties of the President are as follows:

- i.* Preside over board, executive committee, and annual member meetings;
- ii.* Assist the Executive Director in preparing and disseminating the agenda for meetings;
- iii.* Oversee the search for a new Executive Director and coordinate and present the Executive Director's annual performance review;
- iv.* Sign checks, deeds, contracts, and other documents as necessary;
- v.* Act as a spokesperson for the Corporation; and
- vi.* Perform other duties as directed by the board of directors.

b. **Vice President(s).** The duties of the Vice-President(s) are as follows:

- i.* Serve on the Executive Committee;
- ii.* In the absence of the President, perform the duties of the President with all the powers of and subject to all the restrictions upon the President. In the event that there is more than one Vice President, the President shall designate his or her successor in office. If no Vice President has been designated, the Vice President whose name first appears in the record of the officer vote will be the designated successor; and

iii. Perform other duties as directed by the President or the board of directors.

c. **Secretary.** The duties of the Secretary are as follows:

i. Serve on the Executive Committee;

ii. Oversee the taking of minutes at all board and executive committee meetings and a review of any minutes that may be maintained by committees. At a minimum, minutes must include the names of all those present; a record of all motions and votes taken; and a brief summary of issues discussed;

iii. Oversee the distribution of meeting minutes to the board for approval and permanent filing;

iv. Oversee the maintenance, accuracy, and safety of all corporate records, including the articles of incorporation, bylaws, minutes, and records of board action;

v. Ensure that all notices are given in accordance with these bylaws or as required by law; and

vi. Perform other duties as directed by the President or the board of directors.

d. **Treasurer.** The duties of Treasurer are as follows:

i. Serve on the executive committee and chair the Finance Committee;

ii. With Executive Director, ensure that appropriate financial reports are made available to the board on a timely basis;

iii. With the finance committee, assist the Executive Director in preparing the annual budget and presenting the budget to the board for approval;

iv. Review the annual audit and answer board members' questions about the audit; and

v. Perform other duties as directed by the President or the board of directors.

Section 4. **Compensation of Officers.** Officers may not receive any compensation for their service as officers but may receive reimbursement for reasonable expenditures incurred on behalf of the Corporation. Nothing in these bylaws shall be construed to preclude an officer from being employed by the Corporation in another capacity and receiving reasonable compensation for those services.

Section 5. **Resignation.** At any time, an officer of the Corporation may resign by giving written notice to the board of directors. Any such resignation is effective when the notice is delivered, unless the notice specifies a later date, and will be without prejudice to the contract rights, if any, of the resigning officer.

Section 6. **Removal.** An officer, or any other agent elected or appointed by the board of directors, may be removed by the board at any time, with or without cause, by an affirmative vote of the whole board. Such removal, however, will be without prejudice to the contract rights, if any, of the person so removed.

Section 7. **Vacancies.** A vacancy in any office created by the death, resignation, removal, disqualification, creation of a new office, or any other cause may be filled by the board for the unexpired portion of the term, or for a new term established by the board.

ARTICLE 9. EXECUTIVE DIRECTOR

The Corporation shall employ an Executive Director who will be appointed, employed, and discharged by the board. The Executive Director will manage the daily affairs of the Corporation according to the policies, principles, practices, and budget established and authorized by the board, and will be responsible for hiring, training, disciplining, and discharging staff. The Executive Director shall report in writing to the board of directors on a regular basis and shall participate in the meetings of the board of directors and the Executive Committee, but shall not be entitled to vote.

ARTICLE 10. ADVISORY COUNCIL

The board of directors may appoint an advisory council of two or more persons to provide advice and assistance to the board and Executive Director. Members of the advisory council may be invited to meetings of the board, but will not be entitled to vote or exercise other powers of a director of the Corporation; provided, however, that to the extent permitted by law, members of the advisory council will be entitled to the same limitations on liability and rights to indemnification as directors of the Corporation. The board of directors shall determine the operational rules that will govern the advisory council.

**ARTICLE 11.
CONFLICTS OF INTEREST**

Section 1. **Purpose.** The purpose of this conflict of interest policy is to protect the interests of Corporation when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director, officer, or employee, or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2. **Definitions.**

- a. **Interested Person.** Any director, officer, or employee who has a direct or indirect financial interest, as defined below, is an interested person.
- b. **Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - i. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
 - ii. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
 - iii. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. For the purposes of this section, "compensation" includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under this Article, a person who has a financial interest has a conflict of interest only if the board decides that a conflict of interest exists.

Section 3. **Procedures.**

- a. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors considering the proposed transaction or arrangement.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she will leave the board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining directors will decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest.**
 - i. An interested person may make a presentation at the board meeting, but after the presentation, he or she will leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 - ii. If appropriate, the board will appoint a disinterested person to investigate alternatives to the proposed transaction or arrangement.
 - iii. After exercising due diligence, the board will determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - iv. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the board will determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest and whether it is fair and reasonable. In conformity with the above determination, it will make its decision as to whether to enter into the transaction or arrangement.
- d. **Violations of the Conflicts of Interest Policy.**
 - i. If the board has reasonable cause to believe a director, officer, or employee ("potentially interested person") has failed to disclose actual or possible conflicts of interest, it will inform the potentially interested person of the basis for such belief and afford him or her an opportunity to explain the alleged failure to disclose.
 - ii. If, after hearing potentially interested person's response and after making further investigation as warranted by the circumstances, the board determines the potentially interested person has failed to disclose an actual or possible conflict of interest, it will take appropriate disciplinary and corrective action.

Section 4. **Records of Proceedings.**

a. **Persons with Potential or Actual Financial Interests.** The board will maintain a written record of any person who discloses, or is otherwise found to have, a financial interest that is actually or potentially in conflict with the Corporation's interests. The following information will be recorded in the minutes of the corporate record book:

- i. The name of the interested person;
- ii. The nature of the financial interest;
- iii. What, if any, action was recommended or taken by the board to determine whether an actual conflict of interest exists;
- iv. The board's final decision as whether a conflict of interest existed;
- v. The outcome of that decision.

b. **Board Deliberations and Votes.** The governing board will maintain a written record of all discussions and votes relating to transactions or arrangements that present potential conflicts of interest. In such cases, the following information will be recorded in the minutes of the corporate record book:

- i. The names of the persons present at the discussions;
- ii. The content of the discussion, including any alternatives to the proposed transaction or arrangement; and
- iii. A record of any votes taken in connection with the proceedings.

Section 5. **Voting on Compensation.** A director, who receives compensation from the Corporation for services, either directly or indirectly, is precluded from voting on matters pertaining to that director's compensation.

Section 6. **Annual Statements.** Each director, officer, and employee will annually sign a statement which affirms the following:

- a. That the director, officer, or employee has received a written copy of the conflict of interest policy;
- b. Has read and understands the Policy;
- c. Agrees to comply with the Policy; and
- d. Understands that the Corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish its tax-exempt purposes.

Section 7. **Periodic Reviews.** To ensure that the Corporation operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews will be conducted.

a. **Timing and Content.** At a minimum, reviews will occur annually, and will include:

- i. A determination as to whether compensation arrangements and benefits are reasonable based on a comparable organizations;
- ii. A determination as to whether outside business arrangements reflect reasonable investments or payments for goods and services, further charitable purposes, and do not result in an excess benefit transaction; and
- iii. A plan to remedy any compensation or compensation or business arrangements that are determined to be unreasonable, that do not further the Corporation's charitable purposes, or that result in an excess benefit transaction.

b. **Use of Outside Experts.** When conducting the periodic reviews as provided for in this Section, the Corporation may, but is not required to, use outside advisors. If outside experts are used, their use will not relieve the board of its responsibility for ensuring periodic reviews are conducted.

**ARTICLE 12.
ADMINISTRATIVE AND FINANCIAL PROVISIONS**

Section 1. **Loans and Contracts.**

a. **Board Approval Required.** No loans or contracts will be entered into in the name of the Corporation unless authorized by the board of directors.

b. **Authority to Sign.** The board may authorize any officer(s) or agent(s) to take out loans, enter into

contracts, or to execute and deliver instruments on behalf of the Corporation. This authority may be general or confined to specific instances.

Section 2. **Loans or Extensions of Credit to Officers and Directors.** No loans will be made and no credit will be extended by the Corporation to directors, officers, or employees.

Section 3. **Banking.**

a. **Deposits.** All funds of the Corporation not otherwise employed will be deposited to the credit of the Corporation in those banks, trust companies, or other depositories that the board selects.

b. **Checks, Drafts, Etc.** The board shall designate the director(s), officer(s), agent(s), or other individual(s) who are authorized to sign all checks, drafts, notes, or other orders for the payment of money issued in the name of the Corporation.

Section 4. **Acceptance of Gifts.** The board may accept on behalf of the Corporation any cash contribution, donation, gift, bequest, or devise (collectively, "cash gift") for general or any special purposes of the Corporation. The board may accept any non-cash contribution, gift, bequest, or devise (collectively, "non-cash gift"), provided that, prior to acceptance, the board determines that the non-cash gift, is consistent with the purposes of the Corporation and falls within the Corporation's gift acceptance policy (if any).

Section 5. **Exempt Activities.** Notwithstanding any other provision of these bylaws, no director, officer, employee, or representative of the Corporation will take any action on behalf of the Corporation which is not permitted to be taken by an organization exempt from federal income taxation under sections 501(a) and 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may be amended in the future.

Section 6. **Books and Records.**

a. **Required Records.** The Corporation shall maintain a copy of the following records at its principal office:

i. The current articles of incorporation and bylaws;

ii. A list of members, including names, addresses, and classes of membership;

iii. Correct and adequate statements of accounts and finances;

iv. A list of officers' and directors' names and addresses;

v. Minutes of the proceedings of the members (if any), the board, and any minutes that may be maintained by committees of the board.

b. **Member Access to Records.** The corporate records shall be open at any reasonable time to inspection by any member of more than three months standing or a representative of more than 5% of the membership. For the purposes of this Section, "reasonable time" shall mean business hours during which the Executive Director is present. Members desiring to inspect corporate records must have a purpose for inspection reasonably related to membership interests and must provide the Executive Director at least 3 business days' notice.

c. **Copying.** Cost of inspecting or copying shall be borne by such member except for costs for copies of articles or bylaws. Use or sale of members' lists by any member if obtained by inspection is prohibited.

Section 7. **Fiscal Year.** The fiscal year of the Corporation shall be January 1 through December 31, unless changed by resolution of the board of directors.

Section 8. **Independence.** NAMI Seattle shall be independent of other agencies and advocacy groups not affiliated with NAMI, and shall not share bylaws, articles of incorporation, or boards of directors with such other groups.

ARTICLE 13. AMENDMENTS TO THE BYLAWS

These bylaws may be amended by a 2/3 vote of the board of directors at a regular meeting following notice to members and consideration of comments received from members during an open comment period of no less than 30 days.

ARTICLE 14. GENERAL PROVISIONS

Section 1. **Severability.** If any provision of these bylaws is found to be invalid under applicable Washington law, that invalidity will not affect the remaining provisions of these bylaws.

Section 2. **Headings.** Section numbers and headings are included for purposes of convenience only, and shall not affect the construction or interpretation of any provisions.

I, the undersigned Secretary of the Corporation, certify that these bylaws were adopted by the board of directors on _____ of _____, 2016.

Secretary

Date