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Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

OMB No 1545-0052

2009

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year **2009**, or tax year beginning , **2009**, and ending , **20**

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return
☐ Amended return ☐ Address change ☐ Name change

Use the IRS
label.
Otherwise,
print
or type.
See Specific
Instructions.

Name of foundation

NORTHWEST FUND FOR THE ENVIRONMENT

A Employer identification number

23-7134880

Number and street (or P O box number if mail is not delivered to street address)

Room/suite

1904 THIRD AVENUE

615

City or town, state, and ZIP code

SEATTLE, WA 98101

B Telephone number (see page 10 of the instructions)

() -

C If exemption application is pending, check here ☐

D 1. Foreign organizations, check here ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ☐

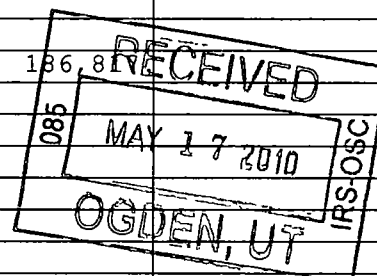
F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation
☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ \$ 5,978,463.
J Accounting method ☐ Cash ☐ Accrual
☒ Other (specify) MOD CASH
(Part I, column (d) must be on cash basis)

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 11 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch B.				
3 Interest on savings and temporary cash investments				
4 Dividends and interest from securities	186,817.	186,817.		ATCH 1
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	-578,690.			
b Gross sales price for all assets on line 6a	5,333,597.			
7 Capital gain net income (from Part IV, line 2)				
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)	1,599,992.			ATCH 2
12 Total. Add lines 1 through 11	1,208,119.	186,817.		
13 Compensation of officers, directors, trustees, etc	0.			
14 Other employee salaries and wages	68,283.	10,242.		58,041.
15 Pension plans, employee benefits	12,168.	1,825.		10,343.
16a Legal fees (attach schedule) ATCH 3	750.	0.	0.	750.
b Accounting fees (attach schedule) ATCH 4	7,287.	3,644.	0.	3,643.
c Other professional fees (attach schedule) *	37,492.	37,470.		22.
17 Interest				
18 Taxes (attach schedule) (see page 14 of the instructions) *	12,178.	4,782.		4,872.
19 Depreciation (attach schedule) and depletion				
20 Occupancy	8,877.	1,332.		7,545.
21 Travel, conferences, and meetings	4,532.	529.		3,853.
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 7	5,485.	811.		4,674.
24 Total operating and administrative expenses. Add lines 13 through 23	157,052.	60,635.	0.	93,743.
25 Contributions, gifts, grants paid	189,500.			189,500.
26 Total expenses and disbursements Add lines 24 and 25	346,552.	60,635.	0.	283,243.
27 Subtract line 26 from line 12	861,567.			
a Excess of revenue over expenses and disbursements		126,182.		
b Net investment income (if negative, enter -0-)				
c Adjusted net income (if negative, enter -0-)			-0-	



SCANNED MAY 20 2010

Operating and Administrative Expenses

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
Assets	1 Cash - non-interest-bearing	4,341.	7,358.	7,358.
	2 Savings and temporary cash investments	542,714.	654,497.	654,497.
	3 Accounts receivable ▶ Less allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10 a Investments - U.S. and state government obligations (attach schedule) **	1,782,021.	0.	0.
	b Investments - corporate stock (attach schedule) <u>ATCH 9</u>	2,741,530.	4,267,635.	4,267,635.
	c Investments - corporate bonds (attach schedule) <u>ATCH 10</u>	0.	1,033,789.	1,033,789.
	11 Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule)			
	12 Investments - mortgage loans			
	13 Investments - other (attach schedule)			
	14 Land, buildings, and equipment basis Less accumulated depreciation (attach schedule)			
15 Other assets (describe ▶ <u>ATCH 11</u>)	44,929.	15,184.	15,184.	
16 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)	5,115,535.	5,978,463.	5,978,463.	
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶ <u>ATCH 12</u>)	6.	1,367.	
23 Total liabilities (add lines 17 through 22)	6.	1,367.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	500,955.	1,362,522.	
	25 Temporarily restricted			
	26 Permanently restricted	4,614,574.	4,614,574.	
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg, and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 Total net assets or fund balances (see page 17 of the instructions)	5,115,529.	5,977,096.	
31 Total liabilities and net assets/fund balances (see page 17 of the instructions)	5,115,535.	5,978,463.		

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	5,115,529.
2 Enter amount from Part I, line 27a	2	861,567.
3 Other increases not included in line 2 (itemize) ▶	3	
4 Add lines 1, 2, and 3	4	5,977,096.
5 Decreases not included in line 2 (itemize) ▶	5	
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	5,977,096.

** ATCH 8

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Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)			(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr)
1a SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss)			2	-578,690.	
<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;"> If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 </div> </div>					
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6)			3		
<div style="display: flex; align-items: center;"> <div style="border-left: 1px solid black; padding-left: 5px;"> If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions) If (loss), enter -0- in Part I, line 8. </div> </div>					

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2008	352,087.	6,276,443.	0.056097
2007	389,426.	7,259,957.	0.053640
2006	385,813.	6,942,244.	0.055575
2005	377,143.	6,761,820.	0.055775
2004	336,147.	6,582,311.	0.051068
2 Total of line 1, column (d)			2 0.272155
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.054431
4 Enter the net value of noncharitable-use assets for 2009 from Part X, line 5			4 5,249,757.
5 Multiply line 4 by line 3			5 285,750.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 1,262.
7 Add lines 5 and 6			7 287,012.
8 Enter qualifying distributions from Part XII, line 4			8 283,243.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1 Date of ruling or determination letter _____ (attach copy of ruling letter if necessary - see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b		1	2,524.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	
3 Add lines 1 and 2		3	2,524.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-		5	2,524.
6 Credits/Payments			
a 2009 estimated tax payments and 2008 overpayment credited to 2009	6 a	1,600.	
b Exempt foreign organizations-tax withheld at source	6 b	0.	
c Tax paid with application for extension of time to file (Form 8868)	6 c	0.	
d Backup withholding erroneously withheld	6 d		
7 Total credits and payments. Add lines 6a through 6d	7	1,600.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9	924.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be Credited to 2010 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11		

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year (1) On the foundation <input type="checkbox"/> \$ _____ (2) On foundation managers <input type="checkbox"/> \$ _____		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers <input type="checkbox"/> \$ _____		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes. ATTCH 13	X	
4 a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) <input type="checkbox"/> WA,		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2009 or the taxable year beginning in 2009 (see instructions for Part XIV on page 27)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		X

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Part VII-A Statements Regarding Activities (continued)

11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see page 20 of the instructions)	11		X
12	Did the foundation acquire a direct or indirect interest in any applicable insurance contract before August 17, 2008?	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	
Website address <input type="checkbox"/> N/A				
14	The books are in care of <input type="checkbox"/> ZOE ROTHCHILD Telephone no <input type="checkbox"/> (206) 386-7220			
Located at <input type="checkbox"/> 1904 3RD AVE., SUITE 615 SEATTLE, WA		ZIP + 4 <input type="checkbox"/> 98101		
15	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here	N/A <input type="checkbox"/>		
and enter the amount of tax-exempt interest received or accrued during the year		<input type="checkbox"/> 15		

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly):		
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	<input type="checkbox"/>	X
Organizations relying on a current notice regarding disaster assistance check here	<input type="checkbox"/>	
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2009?		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))		
a At the end of tax year 2009, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2009?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes," list the years <input type="checkbox"/>		
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 20 of the instructions)		N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here <input type="checkbox"/>		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2009 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2009)		N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2009?		X

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Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes? ☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) ☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? ☐ Yes ☒ No
Organizations relying on a current notice regarding disaster assistance check here ☐

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☒ No
If "Yes," attach the statement required by Regulations section 53.4945-5(d). **N/A**

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☒ No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No
If "Yes" to 6b, file Form 8870. **6b** **X**

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? ☐ Yes ☒ No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? ☐ Yes ☒ No **7b** **N/A**

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**1 List all officers, directors, trustees, foundation managers and their compensation (see page 22 of the instructions).**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATTACHMENT 14		0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ☐

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3. Five highest-paid independent contractors for professional services** (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 23 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

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Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	5,288,058.
b	Average of monthly cash balances	1b	38,995.
c	Fair market value of all other assets (see page 24 of the instructions)	1c	2,650.
d	Total (add lines 1a, b, and c)	1d	5,329,703.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	5,329,703.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	79,946.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	5,249,757.
6	Minimum investment return. Enter 5% of line 5	6	262,488.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	262,488.
2a	Tax on investment income for 2009 from Part VI, line 5	2a	2,524.
b	Income tax for 2009 (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	2,524.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	259,964.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	259,964.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	259,964.

Part XII Qualifying Distributions (see page 25 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	283,243.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0.
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	0.
b	Cash distribution test (attach the required schedule)	3b	0.
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	283,243.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	N/A
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	283,243.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2008	(c) 2008	(d) 2009
1 Distributable amount for 2009 from Part XI, line 7				259,964.
2 Undistributed income, if any, as of the end of 2009				
a Enter amount for 2008 only				
b Total for prior years 20 <u>07</u> , 20 <u>06</u> , 20 <u>05</u>				
3 Excess distributions carryover, if any, to 2009				
a From 2004 22,556.				
b From 2005 43,060.				
c From 2006 50,922.				
d From 2007 40,479.				
e From 2008 40,855.				
f Total of lines 3a through e	197,872.			
4 Qualifying distributions for 2009 from Part XII, line 4 ► \$ <u>283,243.</u>				
a Applied to 2008, but not more than line 2a				
b Applied to undistributed income of prior years (Election required - see page 26 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 26 of the instructions)				
d Applied to 2009 distributable amount				259,964.
e Remaining amount distributed out of corpus	23,279.			
5 Excess distributions carryover applied to 2009. (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	221,151.			
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see page 27 of the instructions				
e Undistributed income for 2008. Subtract line 4a from line 2a Taxable amount - see page 27 of the instructions				
f Undistributed income for 2009 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2010.				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2004 not applied on line 5 or line 7 (see page 27 of the instructions)	22,556.			
9 Excess distributions carryover to 2010. Subtract lines 7 and 8 from line 6a	198,595.			
10 Analysis of line 9				
a Excess from 2005 43,060.				
b Excess from 2006 50,922.				
c Excess from 2007 40,479.				
d Excess from 2008 40,855.				
e Excess from 2009 23,279.				

Form 990-PF (2009)

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2009, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or

4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Tax year	Prior 3 years				(e) Total
	(a) 2009	(b) 2008	(c) 2007	(d) 2006	
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon					
a "Assets" alternative test - enter					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i).					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties).					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii).					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)**1 Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000) (See section 507(d)(2).)

HELLMUT GOLDE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see page 28 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

ATTACHMENT 15

b The form in which applications should be submitted and information and materials they should include

ATTACHMENT 15

c Any submission deadlines

ATTACHMENT 15

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

ATTACHMENT 16

Part XV Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

<div>Recipient</div> <div>Name and address (home or business)</div>	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year ATTACHMENT 17				
Total. ▶ 3a				189,500.
b Approved for future payment NONE				0.
Total. ▶ 3b				0.

Form 990-PF (2009)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations



1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?		Yes	No
a Transfers from the reporting foundation to a noncharitable exempt organization of			
(1) Cash			X
(2) Other assets			X
b Other transactions:			
(1) Sales of assets to a noncharitable exempt organization			X
(2) Purchases of assets from a noncharitable exempt organization			X
(3) Rental of facilities, equipment, or other assets			X
(4) Reimbursement arrangements			X
(5) Loans or loan guarantees			X
(6) Performance of services or membership or fundraising solicitations			X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees			X
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.			

[illegible]

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer or fiduciary) is based on all information of which preparer has any knowledge.			
	Signature of officer or trustee 		Date 5/13/2010	
Paid Preparer's Use Only	Title Treasurer			
	Preparer's signature 		Date MAY 11 2010	Check if self-employed <input type="checkbox"/>
Firm's name (or yours if self-employed), address, and ZIP code KING & OLIASON, P.S. 514 SECOND AVE. WEST SEATTLE, WA 98119-3928		Preparer's identifying number (See Signature on page 30 of the instructions) P00285509		
		EIN 91-1584718 Phone no 206-285-7242		

FORM 990-PF - PART IV**CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
5,333,597.		PUBLICLY TRADED SECURITIES PROPERTY TYPE: SECURITIES 5,912,287.				P	VARIOUS -578,690.	VARIOUS
TOTAL GAIN (LOSS)					<u>-578,690.</u>	

ATTACHMENT 1FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
DIVIDENDS	103,298.	103,298.
INTEREST	83,519.	83,519.
TOTAL	<u>186,817.</u>	<u>186,817.</u>

ATTACHMENT 2FORM 990PF, PART I - OTHER INCOME

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
UNREALIZED GAINS (LOSSES)	<u>1,599,992.</u>
TOTALS	<u><u>1,599,992.</u></u>

ATTACHMENT 3FORM 990PF, PART I - LEGAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
LEGAL FEES	750.			750.
TOTALS	<u>750.</u>	<u>0.</u>	<u>0.</u>	<u>750.</u>

ATTACHMENT 4FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	7,287.	3,644.		3,643.
TOTALS	<u>7,287.</u>	<u>3,644.</u>	<u>0.</u>	<u>3,643.</u>

ATTACHMENT 5FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
INVESTMENT MANAGEMENT FEES	37,466.	37,466.	
OTHER PROFESSIONAL FEES	26.	4.	22.
TOTALS	<u>37,492.</u>	<u>37,470.</u>	<u>22.</u>

ATTACHMENT 6FORM 990PF, PART I - TAXES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>CHARITABLE PURPOSES</u>
PAYROLL TAXES	5,732.	860.	4,872.
FEDERAL EXCISE TAXES	2,524.		
FOREIGN TAXES	3,922.	3,922.	
TOTALS	<u>12,178.</u>	<u>4,782.</u>	<u>4,872.</u>

ATTACHMENT 7FORM 990PF, PART I - OTHER EXPENSES

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	CHARITABLE PURPOSES
BANK SERVICE CHARGES	64.	10.	54.
DUES & SUBSCRIPTIONS	545.	82.	463.
INSURANCE	1,662.	249.	1,413.
LICENSE & FEES	80.		80.
POSTAGE	54.	8.	46.
SUPPLIES	99.	15.	84.
TELEPHONE	2,479.	372.	2,107.
VOLUNTEER EXPENSES	22.	3.	19.
INTERNET	480.	72.	408.
TOTALS	5,485.	811.	4,674.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

ATTACHMENT 8

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SMITH BARNEY - US GOVT & AGENCY OBLIGATIONS	0.	0.
US OBLIGATIONS TOTAL	<u>0.</u>	<u>0.</u>

FORM 990PF, PART II - CORPORATE STOCKATTACHMENT 9

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
SMITH BARNEY - CORPORATE STOCKS	0.	0.
MERRILL LYNCH - CORPORATE STOCKS	4,267,635.	4,267,635.
TOTALS	<u>4,267,635.</u>	<u>4,267,635.</u>

FORM 990PF, PART II - CORPORATE BONDS

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
MERRILL LYNCH - CORPORATE BONDS	1,033,789.	1,033,789.
TOTALS	<u>1,033,789.</u>	<u>1,033,789.</u>

ATTACHMENT 10

FORM 990PF, PART II - OTHER ASSETSATTACHMENT 11

<u>DESCRIPTION</u>	<u>ENDING BOOK VALUE</u>	<u>ENDING FMV</u>
EXCISE TAX RECEIVABLE	-924.	-924.
SMITH BARNEY -		
ACCRUED INTEREST	0.	0.
PROCEEDS RECEIVABLE	0.	0.
MERRILL LYNCH -		
ACCRUED INTEREST	13,895.	13,895.
PROCEEDS RECEIVABLE	2,213.	2,213.
TOTALS	<u>15,184.</u>	<u>15,184.</u>

FORM 990PF, PART II - OTHER LIABILITIESATTACHMENT 12DESCRIPTIONENDING
BOOK VALUE

PAYROLL TAXES

1,367.

TOTALS

1,367.

FORM 990PF, PART VII-A, LINE 3 - CONFORMED COPY OF THE CHANGES

BYLAWS WERE AMENDED AS OF JUNE 1, 2009. COPY ATTACHED.

NORTHWEST FUND FOR THE ENVIRONMENT

23-7134880

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 14

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
MIKE FRAIDENBURG 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0.	0.
DAVID MANN 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	PRESIDENT 2.00	0.	0.	0.
DAVID HARRISON 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	SECRETARY 2.00	0.	0.	0.
DOUG LAWRENCE 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TRUSTEE 2.00	0.	0.	0.
ANN GRODNIK 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0.	0.
SANDRA D. MOORE 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	VICE-PRESIDENT 2.00	0.	0.	0.

NORTHWEST FUND FOR THE ENVIRONMENT

23-7134880

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEESATTACHMENT 14 (CONT'D)

<u>NAME AND ADDRESS</u>	<u>TITLE AND AVERAGE HOURS PER WEEK DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCT AND OTHER ALLOWANCES</u>
JAMES HARLESS 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TREASURER 2.00	0.	0.	0.
HELLMUT GOLDE 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0.	0.
CAROL BERNTHAL (RESIGNED 11/2009) 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0.	0.
JENNIFER DOLD 1904 THIRD AVENUE, SUITE 615 SEATTLE, WA 98101	TRUSTEE 1.00	0.	0.	0.
GRAND TOTALS		0.	0.	0.

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS

SEE FOUNDATION'S WEBSITE AT
WWW.NWFUND.ORG FOR UPDATED GRANT
GUIDELINES

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS

QUALIFIED 501(C)(3) ENTITIES WHOSE PRINCIPAL FOCUS IS ON PRESERVATION
OF THE WASHINGTON STATE ENVIRONMENT.

FORM 990PE, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 17

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

RECIPIENT NAME AND ADDRESS

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

SEE SCHEDULE 1

ADDRESSES AVAILABLE UPON REQUEST

189,500.

TOTAL CONTRIBUTIONS PAID

189,500

2009 grants

Recipient Name	Relationship to substantial contributor and foundation status	Amount	Purpose of Grant
American Farmland Trust	Public Charity	\$7,500.00	Protect and restore environment of the Northwest
American Rivers	Public Charity	\$15,000.00	Protect and restore environment of the Northwest
Beam Reach Marine Science and Sustainability School	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Center For Justice	Public Charity	\$12,500.00	Protect and restore environment of the Northwest
Columbia Riverkeeper	Public Charity	\$20,000.00	Protect and restore environment of the Northwest
Executive Service Corps	Public Charity	\$2,500.00	Protect and restore environment of the Northwest
Friends of the Earth	Public Charity	\$15,000.00	Protect and restore environment of the Northwest
Futurewise	Public Charity	\$20,000.00	Protect and restore environment of the Northwest
Futurewise	Public Charity	\$25,000.00	Protect and restore environment of the Northwest
Gifford Pinchot Task Force	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Kooskooskie Commons	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
National Wildlife Federation	Public Charity	\$10,000.00	Protect and restore environment of the Northwest
Northwest Coalition for Alternatives to Pesticides	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Puget Soundkeeper Alliance	Public Charity	\$20,000.00	Protect and restore environment of the Northwest
RIDGE	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Rosemere Neighborhood Association	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Surfrider Foundation	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
The Lands Council	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Warm Beach Stewards	Public Charity	\$3,000.00	Protect and restore environment of the Northwest
Washington Environmental Council	Public Charity	\$15,000.00	Protect and restore environment of the Northwest
Total		\$189,500.00	

SCHEDULE I

NORTHWEST FUND FOR THE ENVIRONMENT
23-7134880

12/31/09

**PURSUANT TO IRC SECTION 171(c), THE TAXPAYER HEREBY ELECTS TO AMORTIZE BOND
PREMIUM FOR THE TAX YEAR ENDED DECEMBER 31, 2009 AND SUBSEQUENT TAX YEARS.**

ATTACHMENT B

BYLAWS
OF
THE NORTHWEST FUND FOR THE ENVIRONMENT

(Amended as of June 1, 2009)

ARTICLE 1

Board of Trustees

1.1 Powers and Qualifications. The affairs of the corporation shall be managed by the Board of Trustees at least one of whom shall at all times be a member of the family of Helen May Marcy Johnson, as that family may designate. Trustees shall receive no compensation for so serving.

1.2 Number. The number of trustees of the corporation shall be ten. The Board of Trustees by amendment of these bylaws may increase or decrease the number of trustees, provided that no decrease in number shall have the effect of shortening the term of any incumbent, or reducing the number of trustees to less than three. Trustees shall be divided into separate classes with staggered three year terms. Each such trustee shall hold office for the term for which he or she is elected and until his or her successor shall have been elected and qualified.

1.3 Executive Committee. The Board of Trustees by resolution adopted by a majority of the trustees in office may designate and appoint an executive committee which shall consist of two (2) or more trustees and which shall have and exercise such authority of the Board of Trustees in the management of the corporation as may be specified in said resolution; provided, that no such committee shall have the authority of the Board of Trustees in reference to amending, altering or repealing the bylaws; electing, appointing or removing any member of any such committee or any trustee or officer of the corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; authorizing the voluntary dissolution of the corporation or revoking proceedings therefor; adopting a plan for distribution of the assets of the corporation; or amending, altering or repealing any resolution of the Board of Trustees which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation thereto of authority shall not operate to relieve the Board of Trustees of any individual trustee of any responsibility imposed upon it or him by law.

1.4 Election and Term. The member or members of one class of trustees shall be elected at each annual meeting, to hold office until the expiration of the term of office of the class of trustees into which elected, and until their respective successors are elected and qualified. No trustee may serve for more than three consecutive full terms, but

without limitation on the aggregate number of terms he or she may serve. Serving one and one-half (1½) years or more of vacated term shall constitute a “full” term for these purposes. Having served three full terms, no trustee may serve again for a period of one (1) year.

1.5 Vacancies. The Board of Trustees shall have power to fill any vacancy occurring in the Board and any trusteeship to be filled by reason of an increase in the number of trustees by amendment to these bylaws. The trustee appointed or elected, as the case may be, to fill a vacancy, shall be elected or appointed for the unexpired term of his predecessor in office. Any trustee appointed by the Board by reason of an increase in the size of the Board shall stand for election for the remainder of the specified term for such position at the next annual membership meeting.

ARTICLE II.

Meetings of the Board of Trustees

2.1 Grantmaking and Annual Meetings. The Board shall meet annually during the month of November for the purpose of electing trustees, approving the budget for the forthcoming year, reviewing the year’s grantmaking activities and grantee accomplishments, and reviewing the corporation’s policies, procedures and guidelines. Additionally, there shall be periodic other meetings each year as the Executive Committee determines desirable for the primary purpose of reviewing grant requests and making distributions

2.2 Special Meetings. Special meetings of the Board of Trustees may be held at any place, at any time, whenever called by the president or secretary, or any two (2) or more trustees.

2.3 Notice of Meetings. Notice of the time, purpose and place of the annual and other quarterly meetings of the Board shall be given by the secretary and delivered to the members not less than ten (10) days nor more than thirty (30) days before the meeting. Notice of the time, purpose, and the place of any special meetings of the Board of Trustees shall be given by the secretary, or by the person or persons call the meeting, by mail, fax, telephone or otherwise, to be received, or delivered to the member’s address of record at least three (3) days prior to the date on which the meeting is to be held. Attendance of a trustee at any meeting shall constitute a waiver of notice of such meeting, except where the trustee attends a meeting for the purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

2.4 Quorum. A majority of the Board of Trustees shall constitute a quorum for the transaction of business. The act of the majority of trustees present at a meeting at which a quorum is present, shall be the act of the Board of Trustees. At any meeting of

the Board of Trustees at which a quorum is present, any business may be transacted, and the Board may exercise all of its powers.

ARTICLE III.

Actions by Written Consent

Any corporate action required or permitted by the articles of incorporation or bylaws, or by the laws of the State of Washington, to be taken at a meeting of the trustees of the corporation, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the trustees entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote, and may be described as such.

ARTICLE IV.

Waiver of Notice

Whenever any notice is required to be given to any trustee of the corporation by the articles of incorporation or bylaws, or by the laws of the State Washington, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

ARTICLE V.

Indemnification of Trustees and Officers

Each trustee or officer now or hereafter serving the corporation and each person who at the request of or on behalf of the corporation is now serving or hereafter serves as a trustee, director or officer or any other corporation, whether for profit, or not for profit, and his respective heirs, executors, and personal representatives, shall be indemnified by the corporation against expenses actually and necessarily incurred by him in connection with the defense of any action, suit or proceeding in which he is made a party by reason of being or having been a trustee or officer, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for negligence or misconduct in the performance of duties; but such indemnification shall not be deemed exclusive of any rights to which such person may be entitled under any bylaw, agreement, vote of Board of Trustees, or otherwise.

ARTICLE VI

Officers

6.1 Officers Enumerated. The officers of the corporation shall be a president, one or more vice presidents, a secretary, a treasurer, and such other officers and assistant officers as may be deemed necessary by the Board of Trustees, each of whom shall be annually elected by the Board of Trustees, and shall serve until their successors are duly elected and qualified. Any two or more offices may be held by the same person, except the offices of president and secretary. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Board of Trustees may prescribe.

6.2 The President. The president must be a trustee of the corporation. He shall exercise the usual executive powers pertaining to the office of president. He shall preside at meetings of the Board of Trustees and of the membership.

6.3 The Vice President. In the absence or disability of the president, the vice president shall act as president.

6.4 The Secretary. It shall be the duty of the secretary to keep records of the proceedings of the Board of Trustees, and when requested by the president to do so, to sign and execute with the president all deeds, bonds, contracts, and other obligations, or instruments, in the name of the corporation, to keep the corporate seal, and to affix the same to proper documents.

6.5 The 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. He shall cause to be deposited all funds and other valuable effects in the name of the corporation in such depositories as may be designated by the Board of Trustees. In general, he shall perform all of the duties incident to the office of treasurer.

6.6 Vacancies. Vacancies in any office arising from any cause may be filled by the Board of Trustees at any regular or special meeting.

6.7 Salaries. The salaries of all officers and agents of the corporation shall be fixed by the Board of Trustees.

6.8 Removal. Any officer elected or appointed may be removed by the Board of Trustees whenever in its judgment the best interests of the corporation will be served thereby. The removal of an officer shall be without prejudice to the contract rights, if any, of the officer so removed; provided, that election of appointment of an officer or agent shall not of itself create contract rights.

ARTICLE VII.

Administrative and Financial Provision

7.1 Fiscal Year. The fiscal year of the corporation shall be January 1 to December 31.

7.2 Loans Prohibited. No loans shall be made by the corporation to any officer or to any trustee.

7.3 Corporation Seal. The corporation shall have no seal.

7.4 Books and Records. The corporation shall keep current and complete books and record of account and shall keep minutes of the proceedings of its Board of Trustees, and committees having any of the authority of the Board of Trustees.

7.5 Amendment of Bylaws. These bylaws may be altered, amended or repealed by the affirmative vote of a majority of the Board of Trustees at any annual or special meeting of the Board.

7.6 Rules of Procedure. The rules of procedure at meetings of the Board of Trustees of the corporation shall be the rules contained in Roberts' Rules of Order on Parliamentary Procedure, as amended, so far as applicable and when not inconsistent with these bylaws, the articles of incorporation or with any resolution of the Board of Trustees.

7.7 Conflict of Interest. Any trustee or staff member participating in the review of a grant proposal from an organization in which he or she is in a position to influence decisions or policy within the organization, or regarding the proposed activities in the grant proposal, or is determined to be a disqualified person under the guidelines established by the IRS, shall disclose the potential conflict and physically remove her/himself from the deliberation. Unless directly requested by the chair of the board or relevant committee to provide factual information or answer factual questions that may assist the board or committee in making a wise decision, the person with the conflict may not participate in the deliberation. In no case shall that person vote on such matter or attempt to exert personal influence in connection therewith.

7.8 Gift Policy. Both Trustees and Staff should not accept free tickets to events, meals, gifts or gratuities from grantees or prospective grantees. A free meal may be accepted if it is part of a professional education/or training opportunity (such as funder briefings).

7.9 Self-dealing. Staff members of grantee organizations or applicant organizations may not serve as Trustees of the Northwest Fund for the Environment.

ARTICLE VIII.

Special Committees

8.1 Finance Committee. The President shall appoint a Finance Committee, consisting of three or more members of the Board, subject to confirmation by the vote of a majority of the Trustees in office, to serve for terms of one year or until their successors are appointed. The Committee shall be primarily responsible for overseeing investment and CPA performance, overseeing the corporation's financial management generally, meeting at least annually with the corporation's investment managers, and periodically making recommendations to the Board on these and such other matters as it deems appropriate or as may be requested by the Board.

8.2 Additional Committees. Other committees, not exercising the authority of the Board of Trustees and the management of the corporation, may be appointed by the President, as may from time to time be deemed desirable, which appointments shall be promptly reported to the Board.