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A For the 2009 calendar year, or tax year beginning 01-01-2009 , and ending 12-31-2009				
B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization NORTHWEST INSURANCE COUNCIL		D Employer identification number 91-0842783
		Number and street (or P O box, if mail is not delivered to street address) 101 ELLIOTT AVENUE WEST No 520	Room/suite	E Telephone number (206) 624-3330
		City or town, state or country, and ZIP + 4 SEATTLE, WA 98119		F Group Exemption Number

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).		G Accounting method ☐ Cash ☒ Accrual Other (specify) ☐	
I Website: WWW.NWINSURANCE.ORG		H Check ☒ if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)	
J Tax-Exempt status (check only one)—☒ 501(c)(6) ☐ (insert no.) ☐ 4947(a)(1) or ☐ 527			

K Check ☐ If the organization is not a section 509(a)(3) supporting organization **and** its gross receipts are normally **not** more than \$25,000, A Form 990-EZ or Form 990 return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts, if \$500,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ 239,167

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions for Part I)										
Revenue	1	Contributions, gifts, grants, and similar amounts received							1	
	2	Program service revenue including government fees and contracts							2	4,695
	3	Membership dues and assessments							3	234,375
	4	Investment income							4	97
	5a	Gross amount from sale of assets other than inventory					5a		5c	
	b	Less cost or other basis and sales expenses					5b			
	c	Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a)					5c			
	6	Special events and activities (complete applicable parts of Schedule G) If any amount is from gaming, check here								
	a	Gross revenue (not including \$ _ of contributions reported on line 1)					6a		6c	
	b	Less direct expenses other than fundraising expenses					6b			
c	Net income or (loss) from special events and activities (Subtract line 6b from line 6a)					6c				
7a	Gross sales of inventory, less returns and allowances					7a		7c		
b	Less cost of goods sold					7b				
c	Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a)					7c				
8	Other revenue (describe _____)							8		
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8							9	239,167	
Expenses	10	Grants and similar amounts paid (attach schedule)							10	
	11	Benefits paid to or for members							11	
	12	Salaries, other compensation, and employee benefits							12	268,410
	13	Professional fees and other payments to independent contractors							13	4,598
	14	Occupancy, rent, utilities, and maintenance							14	41,161
	15	Printing, publications, postage, and shipping							15	4,477
	16	Other expenses (describe _____)							16	69,300
17	Total expenses. Add lines 10 through 16							17	387,946	
Net Assets	18	Excess or (deficit) for the year (Subtract line 17 from line 9)							18	-148,779
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)							19	343,937
	20	Other changes in net assets or fund balances (attach explanation)							20	
	21	Net assets or fund balances at end of year Combine lines 18 through 20							21	195,158

Part II Balance Sheets —If Total assets on line 25, column (B) are \$1,250,000 or more, file Form 990 instead of Form 990-EZ		
(See the instructions for Part II)		
	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	336,591	22 193,605
23 Land and buildings		23
24 Other assets (describe)	7,500	24 3,043
25 Total assets	344,091	25 196,648
26 Total liabilities (describe)	154	26 1,490
27 Net assets or fund balances (line 27 of column (B) must agree with line 21) .	343,937	27 195,158

Part III Statement of Program Service Accomplishments (See the instructions for Part III)		Expenses (Required for section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts, optional for others)	
What is the organization's primary exempt purpose? PROMOTE THE INSURANCE INDUSTRY INTERESTS THROUGH GOVERNMENT AND CONSUMER EDUCATION AND INFORMATION DISSEMINATION			
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title			
28 See Additional Data Table			
(Grants \$)	If this amount includes foreign grants, check here . . . ☐	28a	
29			
(Grants \$)	If this amount includes foreign grants, check here . . . ☐	29a	
30			
(Grants \$)	If this amount includes foreign grants, check here . . . ☐	30a	
31 Other program services (attach schedule)			
(Grants \$)	If this amount includes foreign grants, check here . . . ☐	31a	
32 Total program service expenses (add lines 28a through 31a)		32	

Part IV List of Officers, Directors, Trustees, and Key Employees. List each one even if not compensated (See the instructions for Part IV)				
(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 & deferred compensation	(e) Expense account and other allowances

Part V Other Information (Note the statement requirements in the instructions for Part V.)		Yes	No		
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	33	No		
34	Were any changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the changes 	34	Yes		
35	If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining why the organization did not report the income on Form 990-T				
a	Did the organization have unrelated business gross income of \$1,000 or more or was it subject to section 6033 (e) notice, reporting, and proxy tax requirements?	35a	No		
b	If "Yes," has it filed a tax return on Form 990-T for this year?	35b			
36	Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N	36	No		
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions  <table><tr><td>37a</td><td>0</td></tr></table>	37a	0		
37a	0				
b	Did the organization file Form 1120-POL for this year?	37b			
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still outstanding at the end of the period covered by this return? . . .	38a	No		
b	If "Yes," complete Schedule L, Part II and enter the total amount involved .	38b			
39	Section 501(c)(7) organizations. Enter				
a	Initiation fees and capital contributions included on line 9	39a			
b	Gross receipts, included on line 9, for public use of club facilities	39b			
40a	Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under section 4911  , section 4912  , section 4955 				
b	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or is it aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b			
c	Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . 				
d	Section 501(c)(3) and 501(c)(4) organizations Enter amount of tax on line 40c reimbursed by the organization 				
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	No		
41	List the states with which a copy of this return is filed 				
42a	The organization's books are in care of  OFFICE MGR NW INSURANCE COUNCIL Telephone no  (206) 624-3330 101 ELLIOTT AVENUE W SUITE 520 Located at  SEATTLE, WA ZIP + 4  98119				
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country  See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .	42b	No		
c	At any time during the calendar year, did the organization maintain an office outside of the U S ? If "Yes," enter the name of the foreign country 	42c	No		
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here  and enter the amount of tax-exempt interest received or accrued during the tax year  <table><tr><td>43</td><td></td></tr></table>	43			
43					
44	Did the organization maintain any donor advised funds? <i>If "Yes", Form 990 must be completed instead of Form 990-EZ.</i>	44	No		
45	Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? <i>If "Yes", Form 990 must be completed instead of Form 990-EZ.</i>	45	No		

Part VI

Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts only.
All section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts must answer questions 46-49b and complete the tables for lines 50 and 51.

46	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	Yes	No
47	Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II		
48	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		
49a	Did the organization make any transfers to an exempt non-charitable related organization?		
49b	If "Yes," was the related organization a section 527 organization?		

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None "

(a) Name and address of each employee paid more than \$100,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances

50(f) Total number of other employees paid over \$100,000

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None "

(a) Name and address of each independent contractor paid more than \$100,000	(b) Type of service	(c) Compensation

51(d) Total number of other independent contractors each receiving over \$100,000

Please 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 officer) is based on all information of which preparer has any knowledge.			
	***** Signature of officer		2010-07-09 Date	
Paid Preparer's Use Only	KARL NEWMAN PRESIDENT Type or print name and title			
	Preparer's signature	THE MYERS ASSOCIATES PC	Date	Check if self-employed ☐
	Firm's name (or yours if self-employed), address, and ZIP + 4			Preparer's identifying number (See instructions)
	THE MYERS ASSOCIATES PC 520 PIKE ST STE 1040 SEATTLE, WA 981012397			EIN Phone no (206) 623-6116
May the IRS discuss this return with the preparer shown above? See instructions ☒ Yes ☐ No				

Additional Data

Software ID:

Software Version:

EIN: 91-0842783

Name: NORTHWEST INSURANCE COUNCIL

Form 990EZ, Part III - Statement of Program Service Accomplishments

Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title.	Expenses (Required for 501(c)(3) and 501(c)(4) organizations and 4947(a)(1) trusts; optional for others.)	
28 INDUSTRY RELATIONS - PRINT AND MAIL NEWSLETTERS TO MEMBERS AND MEDIA ON INSURANCE COUNCIL PROGRAMS AND INDUSTRY DEVELOPMENTS (Grants \$ 0) If this amount includes foreign grants, check here . . . ☐	28a	0
29 ARSON ALARM - EDUCATE THE COMMUNITY REGARDING AN "ARSON ALARM" REWARD FOR REPORTING ARSON (Grants \$ 0) If this amount includes foreign grants, check here . . . ☐	29a	0
30 SPEAKERS' BUREAU, CONSUMER INFORMATION - PROVIDE KNOWLEDGEABLE SPEAKERS AND ACCURATE INFORMATION TO INDUSTRY, CONSUMERS AND MEDIA (Grants \$ 0) If this amount includes foreign grants, check here . . . ☐	30a	0
WEB PAGE - PROVIDE INFORMATION AND EDUCATION ON GENERAL INSURANCE TOPICS (Grants \$ 0) If this amount includes foreign grants, check here . . . ☐		0

Form 990EZ, Part IV - List of Officers, Directors, Trustees, and Key Employees

(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 & deferred compensation	(E) Expense account and other allowances
JOHN E JOLLIFF 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	CHAIR 1 00	0	0	0
LAURIE WALLACE 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	SECRETARY 1 00	0	0	0
BOB HORN 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TREASURER 1 00	0	0	0
RYAN DUDLEY 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	VICE CHAIR 1 00	0	0	0
STAN MCNAUGHTON 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	VICE CHAIR 1 00	0	0	0
ARNE CHATTERTON 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	VICE CHAIR 1 00	0	0	0
BILL CLUMPNER 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TRUSTEE 1 00	0	0	0
JEFFREY KUSCH 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TRUSTEE 1 00	0	0	0
ATHAN SHINAS 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TRUSTEE 1 00	0	0	0
C ROBERT OGDEN 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TRUSTEE 1 00	0	0	0
ANDY TROWER 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TRUSTEE 1 00	0	0	0
JOHN LOUIS SIMS JR 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	TRUSTEE 1 00	0	0	0
KARL NEWMAN 101 ELLIOTT AVE W SUITE 520 SEATTLE,WA 98119	PRESIDENT 35 00	142,720	0	23,535

TY 2009 Other Assets Schedule

Name: NORTHWEST INSURANCE COUNCIL

EIN: 91-0842783

Description	Beginning of Year Amount	End of Year Amount
PREPAID RENT	3,150	0
Other Depreciable Assets	4,350	3,043

TY 2009 Other Expenses Schedule**Name:** NORTHWEST INSURANCE COUNCIL**EIN:** 91-0842783

Description	Amount
COMMUNICATIONS ACTIVITIES	7,168
COMPUTER EXPENSE	1,888
PAYROLL PROCESSING FEES	2,293
PARKING EXPENSE	6,964
INSURANCE	917
TAXES & LICENSES	70
PAYROLL TAXES	15,910
SUPPLIES	2,688
TRAVEL	7,728
CONFERENCES, CONVENTIONS, MEETINGS	10,170
TELEPHONE	12,137
BANK FEES	60
Depreciation	1,307

TY 2009 Other Liabilities Schedule

Name: NORTHWEST INSURANCE COUNCIL

EIN: 91-0842783

Description	Beginning of Year Amount	End of Year Amount
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	154	1,490

TY 2009 Transfers Personal Benefits Contracts Declaration

Name: NORTHWEST INSURANCE COUNCIL

EIN: 91-0842783

Declaration: The organization did not, during the year, receive any funds, directly,or indirectly, to pay premiums on a personal benefit contract.The organization, did not, during the year, pay any premiums, directly,or indirectly, on a personal benefit contract.

Bylaws of the Northwest Insurance Council

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Bylaws of the Northwest Insurance Council

Article I

Name

The name of the Corporation is the Northwest Insurance Council

Article II

Membership

- Section 1. There shall be four classes of membership in the Corporation, full Members (hereafter “Members”), Associate Members (hereafter “Associates”), Contributing Members, and Honorary Members.
- Section 2. An insurer, other than a title insurer, licensed and writing insurance in the states of Washington, Oregon and/or Idaho may become a Member by approval of a majority of the Board of Trustees. Only Members have seats on the Board of Trustees and voting rights.
- Section 3. The following may become an Associate by approval of a majority of the Board of Trustees:
- An insurance-related organization that shares common interest with the Corporation and/or complements the Corporation’s activities.
 - An association of insurance professionals operating in the states of Washington, Oregon and/or Idaho.
- Section 4. The following may become a Contributing Member by making a voluntary donation to the Corporation. Contributing Members shall have an opportunity to renew membership by making a voluntary donation annually. The following are eligible for Contributing Membership.
- An association of insurance producers or production managers licensed and writing insurance in the states of Washington, Oregon and/or Idaho.

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- b. A managing general agency doing business in the states of Washington, Oregon and/or Idaho.
- c. A brokerage firm doing business in the states of Washington, Oregon and/or Idaho.
- d. An insurance agent, insurance broker, or insurance adjuster having a residence license in the states of Washington, Oregon and/or Idaho; and
- e. Any other person, association, partnership or corporation with a demonstrated history of, and intent to continue, furthering the purposes of the Corporation.

Section 4. The Board of Trustees, on motion of any Member and by approval of a majority of the Board of Trustees, may approve Honorary Membership for any retired employee of a Member Company or Group of Members as defined in Article III, Section 1 (c), who has previously served as Chair or other officer of the Corporation. There shall be no fee charged such Honorary Member for membership.

Section 6. In considering applications for membership, the Board of Trustees shall give due consideration to the applicant's integrity, general reputation for fair dealing with the public, and demonstrated history of, and intent to continue, furthering the purposes of the Corporation.

Section 7. Forfeiture of membership in the Corporation shall be effected by the affirmative vote of two-thirds of the Members of the Board of Trustees, after written notice of charges and an opportunity to be heard shall have first been given to the alleged offender, who shall have the right to appeal under such procedure as may be prescribed by the Board of Trustees.

Section 8. Any Member or Associate whose dues are in arrears 180 days shall have its membership terminated by the Corporation on written notice to the Member or Associate, unless such time is extended by the Board of Trustees.

Article III

Dues

Section 1. For the purposes of this Article, the following terms have these meanings:

- a. **"Washington, Oregon and Idaho Premiums"**
For Property/Casualty Insurers direct premiums written minus dividends as reported by A.M. Best Company.
For Life Insurers direct premiums written minus dividends as reported by A.M. Best Company including Life, Accident and Annuity premiums.
- b. **"Budget"** the amount projected by the Board of Trustees as necessary for the Corporation's activities during the ensuing fiscal year.
- c. **"Group of Members"** – two or more insurer Members substantially owning, owned by, or under common ownership or common management with each other.

Section 2. Each Member or Associate shall pay regular dues to the Corporation annually upon invoice. All dues are deemed fully earned when paid and no refunds of dues shall be made when membership terminates for any reason.

Section 3. Members' regular dues shall be indexed to a graduated scale based on that Member's (or if that Member is part of a Group of Members, then that Group of Members') annual Washington, Oregon and Idaho premiums. The graduated scale may be adjusted by a 2/3 vote of the Board of Trustees. Associate Members' dues shall be \$250 per year per state in which the Associate Member does business and may be changed by a 2/3 vote of the Board of Trustees. Dues for an Associate

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Member may be waived by approval of a majority of the Board of Trustees if the Associate Member provides the Northwest Insurance Council with a similar level of membership in that organization at no charge and the Board of Trustees determines that reciprocal membership has value in furthering the activities of the Corporation.

- Section 4. Special assessments may be levied at any time by approval of three-quarters of all Members. Any such special assessment shall be a uniform percentage amount of each Member's and Associate's last assessed annual dues.
- Section 5. To the extent of the Corporation's contributions to the Insurance Fund Foundation (IFF), Members may credit their contributions to the Insurance Fund Foundation (IFF) toward their dues or assessment to the Corporation, and the Corporation's contribution to IFF shall be reduced in an equivalent amount. Members desiring to use this option shall advise the President within 30 days of receipt of billing for the current year's dues or assessment. Members are encouraged to make additional contributions to IFF. However, the amount of such contributions deducted from regular dues shall not exceed the percentage of the Corporation's annual Budget represented by its budgeted contribution to IFF.
- Section 6. Dues for new Members joining the organization may be reduced or pro-rated to allow for a trial membership period, as agreed upon by the new Member, the Chair, and the President.

Article IV

Officers and Employees

- Section 1. The elected officers of the Corporation shall be a Chair of the Board, one or more Vice Chairs, a Secretary, a Treasurer, and such assistant officers as may be deemed necessary by the Board of Trustees. One person may hold any two or more offices, except that one person cannot be both Chair and Secretary.
- Section 2. The elected officers shall be elected for two-year terms by the Board of Trustees at the annual meeting and shall take office immediately upon the adjournment of the meeting at which they were elected. The Chair and Vice Chair or Vice Chairs shall be selected from among Members of the Board of Trustees.
- Section 3. The Chair of the Board of Trustees shall preside at all meetings of the Board and the Corporation, shall have the authority to see that the actions of the Board are carried out and shall perform other duties usually inherent in such office.
- Section 4. The Vice Chair or Vice Chairs shall act for the Chair in his or her absence and perform such other duties as the Chair may direct.
- Section 5. The Secretary shall keep all records of the Corporation and shall perform such other actions as the Chair may direct.
- Section 6. The Treasurer shall be accountable for all funds belonging to the Corporation, shall pay all obligations incurred by the Corporation when payment is authorized by the Board of Trustees, shall maintain bank accounts in depositories designated by the Board of Trustees, shall render periodic financial reports and shall perform such other duties as the Chair may direct.
- Section 7. The Board of Trustees may retain or employ such administrative, professional, technical, or clerical help as it deems necessary to carry out the purposes of the Corporation. The Board of Trustees shall designate a President who shall serve as principal operating officer of the Corporation. The Board of Trustees, at its discretion, may designate one or more Vice Presidents whose functions shall be determined by the Board. The President and Vice Presidents shall not be a

Bylaws of the Northwest Insurance Council

Member of the Board of Trustees. The President shall serve as a non-voting officer of the corporation.

Section 8. Any officer may be removed by a 2/3 vote of the Board of Trustees whenever, in the judgment of the Board of Trustees, the best interest of the Corporation would be served thereby.

Section 9. All Member representatives, Officers of the Corporation and staff, by voluntary association with the Corporation, are inherently committed to following all applicable Federal, State and local laws, including anti-trust regulations.

Article V

Board of Trustees

Section 1. The Board of Trustees shall consist of one seat for each “represented organization” as defined in Section 2 of this Article, by resolution of the Board of Trustees. Each person holding the seat of a represented organization must be either the highest-ranking regional representative of the entity he or she represents or a representative of such entity designated by the highest-ranking regional representative.

Section 2. For the purposes of this Article, “represented organization” shall mean:

a. A “Group of Members” as defined in Article III, Section 1 (c) of these Bylaws.

b. A Member, which is not part of a Group of Members.

Section 3. A majority of the Members of the Board of Trustees then in office shall constitute a quorum.

Section 4. The annual meeting of the Board of Trustees shall be held at the same place and the same day as the annual meeting of the Corporation. The Board of Trustees shall meet three times each year at a date and time agreeable to a majority of the Members. Special meetings of the Board of Trustees may be called within or without this state on three days written or oral notice to staff and all Members by the Chair or by any three persons on the Board of Trustees.

Attendance of a person on the Board of Trustees at any meeting shall constitute a waiver of notice of such meeting except where that person attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Article VI

Indemnification

Such person who serves or has served as a Member of the Board of Trustees or officer of the Corporation, shall be indemnified and held harmless by the Corporation, against and from any settlement, loss or liability, including the reasonable amount of costs, expenses, fees, fines or penalties incurred in connection with any claimed liability, civil, criminal, or administrative, incurred by or asserted against such person by reason of the fact of such services; provided, however, (a) in the case of claimed liability brought by or in the right of the Corporation to procure a judgment in its favor that the Board of Trustees, Member, or officer has not been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation and in no event shall indemnity include any amount payable to the Corporation in

Bylaws of the Northwest Insurance Council

satisfaction of any judgment or settlement; and (b) in the case of a claimed liability not covered by clause (a), that the Board of Trustees Member or officer acted in good faith for a purpose which he or she reasonably believed to be in the best interest of the Corporation and, in addition, in a criminal proceeding had no reasonable cause to believe that his or her conduct was unlawful. This Bylaw shall not abrogate or curtail any right or privilege which said person might otherwise have. The Board of Trustees acting by quorum consisting of its Members who are not parties to any such claimed liability is hereby vested with full authority to determine or to provide for the determination of questions, matters, and things hereunder.

The termination of any claim, action, settlement (whether with or without court approval), or conviction or upon a plea of guilty or of nolo contendere, or its equivalent, shall not create a presumption that such a person did not meet the standard of conduct set forth in this Article.

Article VII

Meetings of the Corporation

- Section 1. The annual meeting of the Corporation shall be held during the month of January at such time and place as specified by the President in the notice of the meeting. Special meetings may be called by the Chair, by the Board of Trustees, or by the Secretary, when so requested by Members having one-fifth of the votes entitled to be cast at such meetings.
- Section 2. Written or printed notice stating the place, day and hour of the meeting and, in the case of a special meeting, the 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, either personally, by U.S. mail or by e-mail, by or at the direction of the Chair, or the Secretary, or the officers or persons calling the meeting. 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 thereon prepaid or when sent via e-mail to the address as it appears on the records of the Corporation.
- Section 3. Every Member shall be entitled to be represented at a meeting by as many delegates as it might desire. However, only Members shall vote, and each Member shall have only one vote. Voting shall be via voice, unless any Member shall demand a vote by ballot. Votes shall be cast only by the highest-ranking regional representative or by a representative designated by such highest-ranking regional representative.
- Section 4. The nominating committee shall prepare and submit at the annual meeting a list of the names of candidates sufficient to fill all positions on the Board of Trustees. Other nominations will be received from the floor of the meeting. Each Member shall have one vote for each position to be filled, but there shall be no cumulative voting. The candidates receiving the highest number of votes will be deemed elected.

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Article VIII

Finances

- Section 1. The fiscal year of the Corporation shall run from January 1 through December 31. At or before the annual meeting, the President shall prepare and submit to the membership a recommended Budget for the next fiscal year.
- Section 2. The funds of the Corporation shall be disbursed by check on the signature of the Chair, a Vice Chair, the Secretary or the Treasurer. Staff may be given signing authority as approved by the Board of Trustees. Expenditures for purposes that are not provided for in the Budget must be approved by the Chair or Board of Trustees prior to payment. The Treasurer shall submit a summary financial report to the Board of Trustees at each regular meeting and shall provide a detailed statement of all disbursements on request by any Member.
- Section 3. Funds of the Corporation may be invested (a) in securities or obligations issued or guaranteed by the United States Government, (b) bank accounts or savings and loan accounts which are insured by the Federal Deposit Insurance Corporation, (c) in any other instrument issued by a bank or savings and loan association which the Board of Trustees determines presents no greater risk than the investments described in (d) of this Section, or (d) in shares of any registered investment company whose investments objective is to seek a high level of current income.
- Section 4. Within 90 days after the end of the fiscal year, the audit committee may audit the Corporation's records and accounts, and shall make a written report of its findings to the Board of Trustees. Copies of each audit report shall be sent to all Members and shall be made available to Associates upon request.

Article IX

Committees

The Chair, Vice Chairs, Treasurer and Secretary shall constitute the Executive Committee. The Executive Committee shall have full authority to act on behalf of the Board of Trustees ad interim. The Executive Committee shall function as the nominating committee and the audit committee. Other Members may be appointed at the discretion of the Chair. The Board of Trustees shall appoint and disband other Member committees as deemed necessary and appropriate for the proper conduct of the Corporation's business.

Article X

Confidentiality

It is understood that any data or information collected from one Member shall not be disclosed or distributed to the public or to any other Member, except in a format that consolidates all Members' information and does not identify any individual company, except when express permission is given in advance. Such data or information may be shared among employees of the Corporation provided that a valid business purpose exists for so doing.

Bylaws of the Northwest Insurance Council

Article XI

Amendments

The Board of Trustees shall have the power to make, alter, amend, and repeal the Bylaws of the Corporation by affirmative vote of a majority of the Board of Trustees, provided, however, that the action is proposed at a subsequent regular meeting, except as otherwise provided by law.