

ARTICLES OF INCORPORATION



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OREGON SECRETARY OF STATE

REGISTRY NUMBER

93888296

TYPE

DOMESTIC NONPROFIT CORPORATION

1. ENTITY NAME

PACIFIC NORTH WEST TOOL COLLECTORS

2. MAILING ADDRESS

P O BOX 768
BEAVERTON OR 97075 USA

3. NAME & ADDRESS OF REGISTERED AGENT

DOUGLAS SIEMENS

1920 NE 226TH AVE
FAIRVIEW OR 97024 USA

4. INCORPORATORS

DOUGLAS SIEMENS

P O BOX 768
BEAVERTON OR 97075 USA

5. TYPE OF NONPROFIT CORPORATION

Public Benefit

6. MEMBERS?

Yes

7. DISTRIBUTION OF ASSETS

Said organization is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by any organization exempt from federal income tax under section 501 (c) (3) of the Internal Revenue Code, corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170 (c) (2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Upon the dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c) (3) of the Internal Revenue Code, or corresponding section of any future federal tax

Attachment 2, Bylaws

ARTICLE I – NAME, PURPOSE

Section 1: The name of the organization shall be Pacific North West Tool Collectors.

Section 2: The Organization is organized exclusively for religious, charitable, scientific and educational purposes.

ARTICLE II – MEMBERS

The Organization shall have members.

ARTICLE III - ANNUAL MEETING

Section 1: Annual Meeting. The date of the regular annual meeting shall be set by the Board of Directors who shall also set the time and place.

Section 2: Special Meetings. Special meetings may be called by the President.

Section 3: Notice. Notice of each meeting shall be given to each board member, by mail or email, not less than ten days before the meeting.

ARTICLE IV - BOARD OF DIRECTORS

Section 1: Board Role, Size, Compensation. The Board is responsible for overall policy and direction of the Organization, and delegates' responsibility for day-to-day operations to the Officers. The Board shall have up to 9 and not fewer than 3 members. The board may receive a reasonable compensation.

Section 2: Meetings. The Board shall meet at least quarterly, at an agreed upon time and place.

Section 3: Board Elections. Election of new directors or election of current directors to a second term will occur as the first item of business at the annual meeting of the corporation. Directors will be elected by a majority vote of the current directors.

Section 4: Terms. All Board members shall serve 3 year terms, but are eligible for re-election.

Section 5: Quorum. A quorum must be attended by at least 51% percent of the Board members before business can be transacted or motions made or passed.

Section 6: Notice. An official Board meeting requires that each Board member have written notice ten days in advance.



code, or shall be distributed to the federal government, or to a state or local government, for the public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for the purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

8. OPTIONAL PROVISIONS

The corporation elects to indemnify its directors, officers, employees, agents for liability and related expenses under ORS 65.387 to 65.414.

By my signature, I declare as an authorized authority, that this filing has been examined by me and is, to the best of my knowledge and belief, true, correct, and complete. Making false statements in this document is against the law and may be penalized by fines, imprisonment, or both.

By typing my name in the electronic signature field, I am agreeing to conduct business electronically with the State of Oregon. I understand that transactions and/or signatures in records may not be denied legal effect solely because they are conducted, executed, or prepared in electronic form and that if a law requires a record or signature to be in writing, an electronic record or signature satisfies that requirement.

ELECTRONIC SIGNATURE

DOUGLAS SIEMENS

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Section 7. Officers and Duties. There shall be four officers of the Board consisting of a President, Vice President, Treasurer, and Secretary. Their duties are as follows:

The President shall convene regularly scheduled Board meetings, shall preside or arrange for other members to preside at each meeting.

The Vice President shall be responsible for running meetings and other issues when the President is unavailable to do so, and other duties as assigned.

The Secretary shall be responsible for keeping records of Board actions, including overseeing the taking of minutes at all board meetings, sending out meeting announcements, distributing copies of minutes and the agenda to each Board members, and assuring that corporate records are maintained.

The Treasurer shall make a report at each Board meeting. Treasurer shall chair the finance committee, assist in the preparation of the budget, help develop fundraising plans, and make financial information available to Board members and the public.

Section 8: Vacancies. When a vacancy on the Board exists, nominations for new members may be received from present Board members by the Secretary two weeks in advance of a Board meeting. These nominations shall be sent out to Board members with the regular Board meeting announcement, to be voted upon at the next Board meeting. These vacancies will be filled only to the end of the particular Board member's term.

Section 9: Resignation, Termination and Absences. Resignation from the Board must be in writing and received by the Secretary. A Board member shall be dropped for excess absences from the Board if s/he has three unexcused absences from Board meetings in a year. A Board member may be removed for other reasons by a three-fourths vote of the remaining directors.

Section 10: Special Meetings. Special meetings of the Board shall be called upon the request of the President or one-third of the Board. Notices of special meetings shall be sent out by the Secretary to each Board member postmarked two weeks in advance.

ARTICLE V - COMMITTEES

Section 1: The Board may create committees as needed.

Section 2: The four officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all of the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors, subject to the direction and control of the Board of Directors.

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ARTICLE VI – AMENDMENTS

These Bylaws may be amended when necessary by a two-thirds majority of the Board of Directors. Proposed amendments must be submitted to the Secretary to be sent out with regular Board announcements.

ARTICLE VII – ADOPTION

These bylaws were approved and adopted at a meeting of the Board of Directors on June 3, 2013.

Attachment 3, Conflict of Interest Policy

This Conflict of Interest Policy was adopted June 3, 2013 by resolution of The Board of Directors.

Article I

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization 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.

Article II

Definitions

1. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

2. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

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 Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III

Procedures

1. 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 and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. 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/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. Procedures for Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization 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.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Article IV

Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V

Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Article VI

Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Article VII

Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII

Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

Attachment 4, Appendix to Form 1023

Part I-7

Name of Authorized Representative is:

Floyd Green, Jr.

Floyd Green CPA, PC

3114 Mercer University Dr., Ste 200

Atlanta, GA 30341

Phone: 770-457-2550

Fax: 877-880-0651

Part IV

The following programs will be used to enable our organization to achieve its planned purpose.

1. Educational Workshops

The organization will offer monthly educational workshops to individuals, interested in learning about antique tools. During our workshops we will provide presentation of new and old techniques, traditional equipment, and experience and knowledge exchange among individuals attending. Our goal is to educate individuals on various antique tools used in coopering, wheel making, pattern making, metal spinning, turning, carving, blacksmithing, knife making, logging, etc.

Each workshop will be dedicated to a certain trade where attendees can expand their knowledge and learn new things.

We expect to have approximately 80-100 individuals attend each workshop. Anybody is welcome to participate. The organization does not charge admission fees. The organization will have guest presenters (professionals in their trade) come in, and teach the workshops. The organization will have state, as well as national presenters.

Within the program, the organization will make several demonstrations a year at local museums with the goal of exposing and educating general public on various traditional trades and antique tools.

The workshops will be lead by the invited guest presenters, under supervision of the Board of Directors of the organization. The program will take up to 70% of the organization's time. This furthers our exempt purpose as it educates individuals on antique tools used in various trades. We publicize our program through newspapers, colleges, and online. Program will be funded through membership dues, grants and the

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donations. We plan on holding these workshops in Seattle, WA and Greater Portland, OR areas, at rented and donated facilities.

2. Scholarships

The Pacific Northwest Tool Collectors offers a scholarship program to qualified applicants.

Each year the Pacific Northwest Tool Collectors will award a minimum of two \$1500 scholarships to applicants wishing to continue their education beyond high school. The intent is to award scholarships to students pursuing education and training programs that lead to careers that make use of traditional tools. Examples of careers that use traditional tools include: Automotive Mechanic, Boat builder, Cabinet Maker, Machinists, Pattern Maker, Model Maker, and Welder etc. We will accept applications from students throughout the United States. Often time, students who would like to attend a trade school do not have sufficient funds for tuition. Our goals are to help these students attend a school to increase their overall productivity to society.

These students must demonstrate a true interest in the trade they are studying and show the potential to develop the necessary skill. Additional requirements can be found in Attachment 6 and an application form is located in Attachment 7. This program will be lead by the President with significant input from the entire Board of Directors.

We estimate the program will sponsor approximately 2 students per year at an average expense of \$1,500 per student. We will accept applications throughout the school year. We expect this program to take up 30% of the organization's time.

This program furthers our exempt purpose as it provides deserving students with financial resources to help them pursue some form of education, especially those not attending a traditional college. This activity will be funded through grants and contributions.

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Part V – 3a

Bill Racine, President and Director of the organization. President will be responsible for the overall strategy and day to day operations of the organization. President will work approximately 15 hours per month. Resume at Attachment 5.

Mark Balmer, Treasurer and Director of the organization. Treasurer will be responsible for the overall financial management of the organization. Treasurer will work approximately 15 hours per month. Resume at Attachment 5.

Ben Weyhing, Secretary-Washington and Director of the organization. Secretary will be in charge of the administrative functions of the organization in Washington and will work approximately 15 hours per month. Resume at Attachment 5.

Douglas Siemens, Secretary-Oregon and Director of the organization. Secretary will be in charge of the administrative functions of the organization in Oregon and will work approximately 15 hours per month. Resume at Attachment 5.

Walter White, Vice President-Washington and Director of the organization. The VP will be in charge of public relations and membership enrollment in Washington. He will work on average 15 hours a month. Resume at Attachment 5.

Lester Marty, Vice President-Oregon and Director of the organization. The VP will be in charge of public relations and membership enrollment in Oregon. He will work on average 15 hours a month. Resume at Attachment 5.

Part VI- 1a

1a. Our non-profit organization will consist of the programs as discussed in the answer to Part IV of this attachment.

Part VIII – 4a

We will mail letters to businesses and individuals in 50 states to ask for support and contributions.

We do expect to have a place on our website where contributors can donate funds to our organization. At the current time, we have not yet built our website.

Personal solicitations will be focused on individuals and organizations which we have contacted through a letter or phone solicitation and received a positive response. We will then meet with the individual and discuss our services and mission and our fundraising goals.

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We will not have fundraising program designed specifically for acquiring vehicles, boats, planes or similar property. However, we will accept these donations as part of our other fundraising programs.

We will make phone solicitations to individuals and organizations and ask for a meeting in which we can sit down and go over our mission as an organization and our fundraising goals.

Fundraising from foundation and government grants. For obtaining grants, we will research the different types of grants that our organization qualifies for based on its mission. We will then write proposals for those grants we may qualify for. We currently have not obtained any grants.

We will only accept contributions that do not have stipulations or restrictions attached.

Part VIII – 4d

We will conduct our fundraising activities in 50 states. We will do fundraising for our own organization. We will not do fundraising for other organizations. Other organizations will not do fundraising for us.

Part VIII – 11

We will accept contributions of cash, real property, automobiles, boats, planes, other vehicles and publicly traded securities. We will only accept contributions that come with no restrictions or conditions imposed by the donor. There will be no specific agreement with the donor other than that the donation will be used consistently with the general purpose of the organization.

IX – Line 2, Membership

Itemized Listing

2013, 2014, 2015

Membership dues \$6,000

The organization has 400 members, paying on average \$15 annual membership fee.

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1a. We will offer scholarships for individuals pursuing careers that use traditional tools. Examples of such careers include: Automotive Technology, Diesel Technology, Boat Building, Cabinet Making, Machining Technology, Culinary Arts, Patter Making, Model Making, Mill righting, Welding, Heating and Cooling Technology, etc. We will consider any student in the United States.

1b. The purpose of the scholarship will be to cover tuition or a part of tuition at a trade or technical college. Amount of scholarships will be on average \$1,500 each.

1c. Not applicable.

1d. We will mail out information to various trade schools and colleges in the United states. We will also include information on our website to be designed.

1e. None available as of yet. We have not designed the information.

1f. None available yet.

3. We will focus on the following criteria:

1. The applicant's documentation of the NEED for scholarship assistance in continuing their education.
2. The merit of the applicant's achievements to date.
3. Submission of COMPLETE application packets postmarked before June 1. (3 copies required to be considered.)
4. Payment of scholarship funds are good for one year following award of the scholarship and will be made to the institution the student attends.
5. Scholarship winners may re-apply for additional scholarships support the next calendar year.
6. Applications will be scored on the following criteria:
 - o Statement of need
 - o Achievements accomplishments
 - o Clarity of career and educational plan and how it relates to the use of traditional tools
 - o Work and volunteer experience
 - o Letters of recommendation
7. At least one scholarship may be awarded to pursuit of a Technical degree (2 year degree) or occupational certification program. Scholarships may be awarded in pursuit of Associates or Bachelor's Degree Program.

4a. See answer to question 3 above.

4b and c. We will raise money specifically for scholarships. The goal is to raise \$3,000 annually. We will take the money raised and divide it by \$1,500 and determine the number of winners we can have that year. Thus, each winner will receive \$1,500. The

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\$1,500 is the amount that our organization has determined is reasonable and will cover a part of the tuition at many trade schools.

4d. This will be a one year scholarship. Thus there will be no renewal and we will not impose any requirements on the recipients, other than stay in good standing and on a full time status at the school. Students can apply for a second scholarship.

5. We will provide the scholarship funds directly to the schools. We will obtain an official copy of the transcript directly from the school at the end of the first semester. If this student is not in good standing at the end year, she will be eligible to re-apply.

6. The selection committee will consist of the entire Board of Directors of the organization. In order to serve on the committee, one must be a current board member. As the board of directors for the organization change, the same changes will be made to the selection committee. This list of specific individuals can be found on Page 2, Part V of the 1023 application.