

BYLAWS OF ICELANDIC AMERICAN ASSOCIATION OF MINNESOTA

(Approved by the Board of Directors on June 10, 2010; amended on November 19, 2010 and August 16, 2012)

Article I—Name and Purpose

Section 1—Name: The name of this organization is Icelandic American Association of Minnesota (IAAMN). It shall be a nonprofit organization incorporated under the laws of the state of Minnesota.

Section 2—Purpose: Icelandic American Association of Minnesota is organized exclusively for charitable and education purposes, under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code. The purpose of IAAMN is to promote Icelandic culture, past and present, to support events that celebrate Icelandic culture and strengthen appreciation of Icelandic heritage, as well as to provide an organization for anyone interested in Iceland.

Article II—Membership

Section 1—Eligibility for membership: Anyone 16 years of age and older who is interested in the culture of Iceland and promoting it in Minnesota is eligible for membership.

Section 2—Annual Dues: The amount required for annual dues shall be determined by the board.

Section 3—Rights of members: Each member shall be eligible to vote in association elections. A member is defined as a person who has paid their current-year dues prior to the annual meeting.

Section 4 – Honorary Membership: The Board of Directors, annually, may confer honorary lifetime memberships.

Section 5—Resignation and termination: Any member may resign by notifying the secretary. Non-payment of annual dues for a period of twelve months constitutes voluntary termination of membership.

Article III—Meetings of Members

Section 1—Annual meetings: An annual meeting of the membership shall take place in the month of November, the specific date, time and location of which shall be designated

by the chair. At the annual meeting the membership shall elect directors and officers, receive a financial report and reports on other activities of the association, and determine the direction of the association for the coming year.

Section 2—Special meetings: Special meetings will be called by the chair, the Executive Committee, or a simple majority of the board of directors.

Section 3—Notice of meetings: Notice of each meeting shall be given to each member by printed notice, by USPS mail, e-mail, or on the IAAMN website, not less than two weeks prior to the meeting.

Section 4—Quorum: A quorum at membership meetings shall simply be the number of members present either physically or via conference telephone call.

Section 5—Voting: All issues voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place. Issues and election slates will be provided to the voting members with the meeting notice.

Article IV—Board of Directors

Section 1—Board role, size and compensation: The board is responsible for the overall policy and direction of the association, and delegates day-to-day responsibility to the committees. The board shall have a minimum of 9 members. The board receives no compensation other than reasonable expenses.

Section 2—Terms: All board members shall serve three-year terms, but are eligible for re-election. Terms will be staggered with one-third of the Board elected each year.

Section 3—Meetings and notice: The board shall meet at least quarterly at an agreed upon time and place. An official board meeting requires that each board member receive prior notice at least two weeks in advance. Notice shall be written or by e-mail.

Section 4—Board elections: New directors and current directors shall be elected or re-elected by the voting representatives of members at the annual meeting. Directors will be elected by a simple majority of members present at the annual meeting.

Section 5—Election procedures: The board of directors will nominate a slate of prospective board members and officers. In addition, any member can nominate a candidate to the slate of nominees. All members are eligible to vote for the board of directors.

Section 6—Quorum: Fifty percent plus one of the directors currently serving on the Board shall constitute a quorum for the purpose of conducting transactions and passing motions..

Section 7—Officers and duties: There shall be five officers of the board, consisting of a President, Vice President, Secretary, Treasurer, and Past President. Their duties are as follows:

President—Convene regularly scheduled board meetings, preside or arrange for members of the Executive Committee to preside at each meeting.

Vice president—Chair committees on special subjects designated by the board, act as the president at times that the president is unable to perform the duties of the president.

Secretary—Responsible for keeping records of board actions, including overseeing the taking of minutes at all board meetings and annual meetings, sending out meeting announcements, distributing copies of minutes of meetings and agendas to all board members, and keeping the corporate record.

Treasurer—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. The treasurer shall make a report at each board meeting.

Additional Members of the Board—Additional members of the board may include Membership Director and Hekla Club President or designee. The representative from the local Icelandic consulate may be a non-voting member. The Hekla Club member on the Board will be a liaison with no voting rights. The Hekla Club member's role on the Board is strictly to observe and report back the Hekla Club.

Section 8—Vacancies: When a vacancy on the board exists mid-term, the secretary must receive nominations for new members from present board members 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 terminated from the board if attendance is less than 50% in a year. A board member may be removed by the Board of Directors for other reasons by a three-fourths vote of the remaining directors.

Section 10—Special Meetings: Special meetings of the board shall be called at the request of the president, or one-third of the board. Notices of special meetings shall be given by mail or by e-mail as soon as is practical.

Article V—Committees

Section 1—Committee formation: The board may form committees as needed. The president appoints all committee chairs

Section 2—Executive Committee: The five 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 the powers and authority of the board of directors in the intervals between meetings of the board of directors, and is subject to the direction and control of the full board.

Section 3—Finance committee: The treasurer is the chair of the Finance Committee, which includes three members of the association. The Finance Committee is responsible for developing and reviewing fiscal procedures and the annual budget with the Executive Board. The board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the board. The fiscal year shall be October 1 to September 30. Annual reports are required to be submitted to the board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, board members, and the public.

Section 4 – Advisory Board: The Board may form an advisory board to act as advisors to the Board of Directors. The advisory board shall meet and advise as requested.

Section 5 – Past Presidents: The organization recognizes the inclusive nature of Past Presidents and it recommends, but does not mandate, their participation in executive decisions and planning. The immediate Past President will be part of the Executive Committee.

Article VI—Duration/ Dissolution

Section 1- The duration of the corporate existence of this corporation shall be perpetual until dissolution.

Section 2 – Upon the dissolution of the corporation, assets of the corporation shall be distributed for one or more exempt purposes, within the meaning of Section 501C3 of the Internal Revenue Code, or corresponding section of any future tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

Article VII—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.

**Addendum to Bylaws of
Icelandic American Association of Minnesota (IAAMN)
Conflict of Interest Policy**

This Addendum to Bylaws of Icelandic American Association of Minnesota (IAAMN) is hereby adopted effective as of 16 August 2012.

Section I, Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

Section 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.

This addendum to bylaws was approved at a meeting of the Board by a unanimous vote of the Directors in attendance on 16 August 2012.