

Bylaws
Of the
Ketchikan – Kanayama Exchange, Inc.

Article I. Name and Office

The name of this corporation is Ketchikan-Kanayama Exchange, Inc. The principal office of the corporation in the State of Alaska shall be located in the Ketchikan Gateway Borough.

Article II. Membership

The membership shall consist of the Board of Directors.

Article III. Annual Meeting

3.1 The Annual Meeting of the corporation shall be held during the last quarter of each calendar year at a date, time and place designated by the Board of Directors.

3.2 The annual meeting may be held in conjunction with a scheduled meeting of the Board of Directors.

3.3 Notice of the Annual Meeting shall be mailed in writing to each member of the corporation at the member's address of record at least twenty days in advance of the meeting.

3.4 A simple majority of the members shall constitute a quorum for conducting the business of the corporation.

Article IV. Board of Directors

4.1 The Board of Directors shall consist of no less than four members.

4.2 The Board of Directors is empowered and authorized to accomplish the selection of its own executive body, the allocation and regulation of expenditures, and appointment of persons to commissions and committees as are deemed necessary to further the interests of the corporation.

4.3 The Board of Directors shall conduct meetings scheduled during each calendar year, at a time and place which it may decide. A majority of the directors may call a special meeting. Meetings of the Board of Directors may be closed to the public but all actions of the Board shall be in writing.

4.4 The Board of Directors may hold meetings in electronic format, by telephone or electronic mail. The results and actions of such meeting shall be duly recorded and ratified at the next scheduled meeting of the Board of Directors.

4.5 Three of the Directors serving on the Board of Directors shall constitute a quorum. A vote of the majority of all the Directors present shall be required for the adoption of every motion. A tie vote shall fail.

4.6 The terms of the elected Directors shall be for three years, with board members serving on a rotating basis with two members to be elected to the Board of Directors at each annual meeting. The first elected Board of Directors shall be done having terms of one, two and three years, to begin the staggered process. The manner of conducting the election of elected directors shall be determined by a Nomination and Elections committee appointed by the President and approved by the Board of Directors, and the election shall be conducted in accordance with the requirements of the By-Laws.

4.7 A vacancy occurring in the Board of Directors and a directorship to be filled by reason of an increase in the number of directors may be filled by the affirmative vote of a majority of the remaining directors, though less than, a quorum of the Board of Directors. A director so appointed to fill a vacancy shall be for the unexpired term of his predecessor in office. A directorship to be filled by reason of an increase in the number of directors shall be filled by the Board of Directors for a term of office which continues only until the next election of directors. In no case may a vacancy continue for longer than six months or until the next annual meeting of the members, whichever occurs first.

4.8 The immediate past president of the Board of Directors shall sit as a voting director of the Board without necessity of election or appointment of the Board.

4.9 The Board of Directors is authorized to purchase such bonds and insurance as deemed necessary to protect directors and the company from any alleged negligent act or omission.

Article V. Officers

5.1 At the first meeting after the annual meeting, the Board shall select from its own members the officers of the corporation which shall be a President, Vice President, Secretary and Treasurer. Provided, the Treasurer position may be also held by the Vice President or Secretary.

5.2 President - The President shall preside at all meetings of the Board of Directors, and have the following additional duties: Be an ex-officio member of all corporation committees; Make appointments to regular committees upon the approval of the Board of Directors; Make recommendations or suggestions to the members or to the Board of Directors which would tend to promote the objects and purposes of the Board; and Have such usual powers as pertain to the office of the President and shall perform such other duties as may be designated or assigned to him by the Board of Directors.

5.3 Vice President - The Vice President shall assist the President and act for him and in his place if the President is absent.

5.4 Secretary - The Secretary shall keep minutes of all meetings, shall notify the membership of the Board of Directors of all meetings, shall dispose of all correspondence, and perform such other duties as may be incident to the office.

5.5 Treasurer - The Treasurer shall be responsible for all collections and receipts of monies, deposits and disbursements or other handling of corporate assets or property. The corporation may require that the Treasurer be bonded, and shall pay the costs of such bonding.

5.6 An officer may be removed by a 2/3 majority vote of the entire Board.

Article VI. Elections

New members of the Board of Directors shall be elected at the annual meeting by a simple majority of the current Directors present, provided a majority of Board members are present at the meeting.

Article VII. Committees

7.1 The Board of Directors shall authorize and define the powers and duties of all committees of the corporation except as otherwise limited by the Articles of Incorporation and By-Laws.

7.2 The President shall appoint all committee chairmen subject to the approval of the Board of Directors.

Article VIII. Executive Committee

8.1 The corporation shall have an Executive Committee to exercise authority of the Board of Directors between regular meetings of the Board of Directors.

8.2 The Executive Committee shall consist of the officers of the corporation.

Article IX. Fiscal Year

The corporation shall operate on a fiscal year basis from January 1 to December 31 of each year.

Article X. Disbursement of Funds

10.1 No disbursement of corporate funds shall be made unless approved or authorized by the Board of Directors.

10.2 The Board of Directors may by resolution authorize any office or officers, agent or agents, in advance of such transactions to incur debts, to disburse funds or to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

10.3 No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

10.4 All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may direct by resolution.

Article XI. Amendments

11.1 These Bylaws may be amended or repealed by a two-thirds vote of the Board of Directors.

11.2 No amendment or repeal hereof shall be effective unless each member of the Board of Directors has been notified of the nature of the proposed amendment or repeal prior to said meeting.

Article XII. Rules of Order

The latest edition of Roberts Rules of Order shall be the governing authority for conducting all meetings of the corporation or any of its subsidiary organizations, divisions, or committees.

Article XIII. Dissolution

13.1 Upon the dissolution of the corporation, 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 code, or shall be distributed to a local or state governmental agency or the federal government, for a public purpose. Any such assets not so disposed of shall be disposed by the Superior Court, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

13.2 Upon dissolution of the corporation, the net proceeds from charitable gaming conducted by the corporation under the current Alaska Statutes will be distributed to a charitable organization as defined at AS 05.15.690 or another qualified organization that is authorized to conduct an activity under AS 05.15.