

307350

RECEIVED  
SECRETARY OF STATE  
IOWA

525268 ART122 \$20.00 SELF 2/22/05

**ARTICLES OF INCORPORATION OF**  
**IOWA LEGAL AID FOUNDATION**

The undersigned incorporator, desiring to form a corporation pursuant to the provisions of the Iowa Non-Profit Corporation Act (Chapter 504. of the Code of Iowa, 1999), adopts the following Articles of Incorporation:

**ARTICLE I**  
**NAME**

The name of this Corporation is the *Iowa Legal Aid Foundation*, hereinafter referred to as the "Corporation."

**ARTICLE II**  
**PURPOSES**

The purposes for which the Corporation is formed are as follows:

Section 1. The Corporation shall be organized as a not-for-profit, publicly supported, philanthropic institution established and operated for the benefit of (i) Iowa Legal Aid, the "Primary Charity"; and/or (ii) such other not-for-profit charities that provide or support the provision of civil legal services for low-income Iowans as the Board of Directors of the Corporation may in their sole discretion determine, the "Secondary Charities", (collectively the "Supported Charities"); provided that each Supported Charity is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as Amended, its regulations or the corresponding provision of any applicable future United States Internal Revenue Law or Regulation (the "Code") and in Section 509(a)(1) or (2) of the Code, and further provided that this Corporation shall be operated with the Supported Charities within the meaning of Section 509(a)(3) of the Code.

Section 2. This Corporation shall be organized and shall operate to qualify as an organization exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code and as a Supporting Organization under Section 509(a)(3) of the Internal Revenue Code.

Section 3. Subject to the charitable, scientific, literary and educational purposes set forth in Section 1 of this article II, the Corporation has the following objectives:

(a) To act and operate exclusively for charitable and/or educational purposes in furtherance of the charitable, and/or educational purposes now or at any time hereafter fostered by the Supported Charities, including, without limitation, to make distributions to the Supported Charities.

307350

9

(b) To accept, by gift, grant, devise, bequest or otherwise, money or other property from individuals, families, nonprofit agencies, government branches, corporations, private foundations and other sources.

(c) To accept, administer, apply and use any property so acquired in accordance with any purposes and objects, for any beneficiaries, within the general purposes and objects of the Corporation, that may be specified by the donor, grantor or testator thereof, subject, however, to the qualifications and conditions, to be understood and accepted in all such cases, that if, in the judgment and discretion of the Board of Directors of the Corporation, the purposes or objects so specified become unnecessary, incapable of fulfillment, or inconsistent with the purposes set forth in subsection (a) above, then the property involved in any such case shall be subject to the Corporation's general purpose.

(d) To possess and exercise all of the rights, powers and privileges nor or hereafter conferred upon non-profit corporations by Chapter 504A of the Code of Iowa (2001) as amended from time to time.

(e) To do all and everything suitable and proper for the accomplishment of any of the purposes, or the attainment of any of the objects, or the furtherance of any of the powers of the Corporation.

(f) To engage in any lawful act or activity for which nonprofit corporations may be organized and conducted under Chapter 504A of the Code of Iowa.

### **ARTICLE III**

#### **POWERS**

Section 1. This Corporation shall have and exercise such powers as are required by and are consistent with the foregoing purposes, including the power to acquire and receive funds and property of every kind and nature whatsoever, whether by purchase, conveyance, lease, gift, grant, bequest, legacy, devise or otherwise and whether in trust or otherwise, and to own, hold, expend, make gifts, grants and contributions of, and to convey, transfer and dispose of any funds and property and the income therefrom in furtherance of the purposes of this Corporation hereinabove set forth, or any of them, and to lease, mortgage, encumber, and use the same, and such other powers that are consistent with the foregoing purposes and that are afforded to this Corporation by the Iowa Nonprofit Corporation Act.

Section 2. All powers of this Corporation shall be exercised only so that the activities of this Corporation shall be exclusively within the contemplation of Section 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986, and of the Iowa Nonprofit Corporation Act; provided further, however, that the reference herein to the Iowa Nonprofit Corporation Act shall not permit, and shall not be taken as permitting, this Corporation to have or exercise any power which is not within the contemplation of

Section 170(c)(2) and 501(c)(3) of the Internal Revenue Code of 1986; and provided finally that this Corporation shall not carry on any activity not permitted to be carried on by a corporation that is exempt from federal income taxes under Section 509(a) of the Internal Revenue Code of 1986 as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986 or by a corporation that is described in, and contributions to which are deductible for federal income tax purposes under Section 170(c)(2) of the Internal Revenue Code of 1986.

Section 3. All reference in these Articles of Incorporation to a particular section of the Internal Revenue Code of 1986 shall mean and include, as now enacted or as hereafter amended, such section and any provision of federal law as is or may hereafter be applicable or related thereto; and the references in these Articles of Incorporation to the Iowa Nonprofit Corporation Act shall mean and include, as now enacted or as hereafter amended and such provisions of Iowa law as may be applicable thereto.

Section 4. Notwithstanding any other provisions of these Articles, the Corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue law).

Section 5. All actions of the Corporation shall be in compliance with all applicable Equal Employment Opportunity and Affirmative Action laws as they are presently or may be hereinafter adopted. The Corporation shall engage in no activity which discriminates against or harasses any person because of race, color, creed, national origin, disability, age, sex, sexual orientation, gender identity, political affiliation, or religion.

Section 6. The Corporation shall further have the power to exercise such a redirection of the use of charitable gifts, whether net income or principal, through exercise of a "power of variance" by the Board of Directors. The Board of Directors may, by affirmative vote of a two-thirds majority of its membership, order such variation from donor restrictions or statement of intent and such application of the whole, or any part of the principal or income of an individual fund held by the Corporation, as in the judgment of the Board of Directors is necessary, more effectively to serve the charitable purposes of the original donor, grantor or testator and the general purposes of the Corporation, consistent with the terms and requirements of the Internal Revenue Code.

#### **ARTICLE IV**

##### **SEAL**

The Corporation shall not have a corporate seal.

**ARTICLE V**  
**PERIOD OF EXISTENCE**

The period of duration of the Corporation shall be perpetual.

**ARTICLE VI**  
**RESIDENT AGENT AND PRINCIPAL OFFICE**

Section 1. Resident Agent. The name and address of the Corporation's Resident Agent for service of process is Dennis Groenenboom, 1111 9<sup>th</sup> Street, Suite 230, Des Moines, Iowa 50314-2527.

Section 2. Principal Office. The post office address of the principal office of the Corporation is 1111 9<sup>th</sup> Street, Suite 230, Des Moines, Iowa 50314-2527.

Section 3. Change in Agent or Office. The registered agent and/or office may be changed from time to time by resolution of the Board of Directors and the filing of a Statement of Change with the Secretary of the State of Iowa in accordance with the Nonprofit Corporation Act.

**ARTICLE VII**  
**MEMBERS**

This Corporation shall have no members and shall have no authority to issue capital stock.

**ARTICLE VIII**  
**BOARD OF DIRECTORS**

Section 1. Board of Directors. The management and direction of the business and affairs of this Corporation shall be vested in a Board of Directors. The Board of Directors shall be composed of not fewer than 5 nor more than 25 directors. The number (subject only to the foregoing limitation), classifications, qualifications, term of office, method of election, powers, authority, and duties of the Directors of this Corporation, the time and place of their meetings and such other provisions with respect to them as are not inconsistent with the express provision of these Articles of Incorporation shall be as specified in the By-Laws of the Corporation.

Section 2. The majority of the Board of Directors of this Corporation shall be appointed by the Board of Directors of Iowa Legal Aid.

Section 3. Initial Directors. The initial Board of Directors of the Corporation is composed of five (5) members. Names and post office addresses of the initial Board of Directors are:

<u>Name</u>	<u>Addresses</u>
Scott G. Buchanan	111 N. Dodge Street, Algona, Iowa 50511
Dana Hackett	1023 Iris Court, Dubuque, Iowa 52003
Diane Kutzko	P. O. Box 2107, Cedar Rapids, Iowa 52406-2107
Rose Anne Mefford	219 N. Court, Ottumwa, Iowa 52501
Ivan Webber	100 Court Avenue, Suite 600, Des Moines, Iowa 50309

Section 3. The term of office of each initial Director shall be until such director's successor shall have been elected or otherwise shall qualify as provided in the Corporation's By-Laws.

### **ARTICLE IX** **INCORPORATOR**

The name and post office address of the incorporator of the Corporation is:

<u>Name</u>	<u>Addresses</u>
Scott G. Buchanan	111 N. Dodge Street, Algona, Iowa 50511

### **ARTICLE X** **PROVISIONS FOR REGULATION AND CONDUCT OF** **THE AFFAIRS OF THE CORPORATION**

Provisions for the regulation and conduct of the affairs of the Corporation, that define, limit and/or regulate the purposes and powers of the Corporation, its Directors and its Members as may be otherwise provided in these Articles, are as follows:

Section 1. Restriction on Political Activity. Notwithstanding any other provision of these Articles or any provisions of Iowa law, the Corporation, except to the extent permitted by Section 501(h) of the Internal Revenue Code of any future United States Revenue Law, shall not in any manner or to any extent carry on propaganda or otherwise attempt to influence legislation, nor shall the Corporation in any manner or to any extent participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office; nor shall the Corporation carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 or by a corporation to which contributions are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986.

Section 2. Restriction Upon Net Earnings. The Corporation shall have no capital stock, either authorized or issued. No part of the net earnings of the Corporation shall inure to the benefit of any director, officer, member or other private individual (except that reasonable compensation may be paid for services rendered to or for the

Corporation affecting one or more of its purposes) and no director, officer, member or other private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation or otherwise (except that moneys loaned or advanced to the Corporation by a member, director or officer in furtherance of one or more of its purposes may be repaid without interest). Additionally:

1) The corporation shall distribute its income for each taxable year at such time and in such manner as not to be come subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

2) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

3) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

4) The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

5) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

Section 3. Restrictions Upon Acceptance of Gifts. No gifts or other contributions to the Corporation shall be accepted by the Corporation if the use or expenditure of such gift or other contribution is subject to any condition which is inconsistent with the purposes of the Corporation as stated herein, or is limited in such manner as to require the disposition of the income of its principal to any person or organization other than a charitable organization or for other than charitable purposes within the meaning of the Internal Revenue Code of 1986.

Section 4. Interest of Directors in Contracts. Any contract or other transaction between the Corporation and one or more of its members or directors, or between the Corporation and any firm of which one or more of its members or directors is an employee, or in which they are interested, or between the Corporation and any corporation or association of which one or more of its members or directors are shareholders, members or directors, shall be valid for all purposes, notwithstanding the presence of any such member or director at the meeting of the Board of Directors of the Corporation which acts upon or in reference to such contract or transaction, and notwithstanding his, her or their participation in such action, if the fact of such interest shall be disclosed or known to the Board of Directors and the Board of Directors shall, nevertheless, authorize, approve and ratify such contract or transaction by a vote of a majority of the Directors present, provided, however, that any such contract or

transaction shall be at arm's length and not violative of the proscriptions of these Articles against the Corporation's use or application of its funds for private benefit.

Section 5. Execution of Documents. Deeds, mortgages, contract, conveyances, and other instruments creating, conveying, granting or releasing any interest in real estate and all other instruments or contracts having or requiring the acknowledgment of this Corporation shall be sufficiently executed if signed by the President or Vice President and the Secretary or Treasurer.

Section 6. Donations By the Corporation. To carry out the purposes set forth above the Corporation may, in the discretion of the Board of Directors, make donations or gifts from surplus revenue, if any, of the Corporation to the Supported Charities.

Section 7. Dissolution Clause. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provisions for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes, as shall at the time qualify as an exempt organization/s under Section 501(c)(3) and that are described in Section 509(a)(1) or (2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the District Court, Court of Common Pleas or other court having appropriate jurisdiction in the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization/s as such court shall determine which are organized and operated exclusively for charitable, educational, literary, religious or scientific purposes as shall qualify as an exempt organization under Section 501(c)(3) and that are described in Section 509(a)(1) or (2) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future United States Internal Revenue law).

## **ARTICLE XI**

### **BY-LAWS**

The power to make, alter, amend or repeal the By-Laws of the Corporation is hereby vested in the members and directors of the Corporation. The By-Laws of the Corporation may contain any provision for the regulation and management of the affairs of the Corporation which is not inconsistent with the laws of the State of Iowa or with these Articles of Incorporation.

## **ARTICLE XII**

### **NON-LIABILITY**

Except as otherwise provided in the Iowa Nonprofit Corporation Act, a director, officer, employee or member of the Corporation is not liable for the Corporation's debts

nor obligations and a director, officer, member or other volunteer is not personally liable in that capacity, for a claim based upon an act or omission of the person performed in the discharge of the person's duties, except for a breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or knowing violation of the law, or for a transaction from which the person derives an improper personal benefit.

**ARTICLE XIII**  
**INDEMNIFICATION OF DIRECTORS,**  
**OFFICERS AND EMPLOYEES**

The Corporation shall indemnify any persons made a party to any action, suit or proceeding by reason of the fact that he, she or his or her decedent is or was a director, officer or employee of the Corporation, against the reasonable expenses, including attorneys' fees actually and necessarily incurred by him or her in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such officer, director or employee is, in the performance of his or her duties, liable for:

- a. Receipt of financial benefit to which such person was not entitled;
- b. Intentional infliction of harm on the Corporation;
- c. Any violation of Iowa Code Section 504.834 (2004) prohibiting loans to or guarantees of the obligations of such person; or
- d. An intentional violation of criminal law (collectively, "misconduct").

The Corporation shall also reimburse to any such director, officer or employee the reasonable costs of settlement of, or judgment rendered in, any such action, suit or proceeding, if it shall be found by a majority of a committee composed of the directors not involved in the matter of controversy (whether or not a quorum), in their judgment reasonably exercised, that such director, officer or employee was not guilty of such misconduct in the performance of his or her duties and such finding is not inconsistent with any final adjudication made in such action, suit or proceeding. No director, officer or employee shall be deemed guilty of such misconduct in the performance of his or her duties when, acting in good faith, such director, officer or employee relied upon the books and records of the Corporation or statement or advice made by or prepared by any officer or employee of the Corporation, or any accountant, attorney or other person, firm or corporation employed by the Corporation to render advice or services, unless such director, officer or employee had actual knowledge of the falsity or the incorrectness thereof, nor shall a director be deemed guilty of such misconduct by virtue of the fact that he or she failed or neglected to attend a meeting or meetings of the Board of Directors of the Corporation. This section shall be construed in a manner consistent with the proscriptions of these Articles against the Corporation's use or application of its funds for private benefit. The Corporation, to the extent permitted by pertinent State statutes, may purchase and maintain directors' and officers' association liability insurance on behalf of any person who is or was such a director, officer, employee or agent of the Corporation,



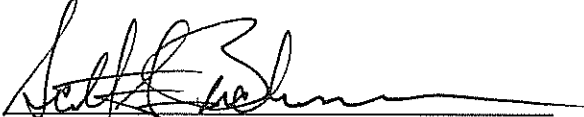
or is or was serving at the request of the Corporation as such director, officer, employee or designated agent of another corporation, domestic or foreign, nonprofit or for profit, partnership, joint venture, trust or other enterprise.

**ARTICLE XIV**  
**AMENDMENTS/DISSOLUTIONS**

These Articles shall be amended or the Corporation dissolved only by a 2/3-majority vote of the Directors of the Corporation at either a regular or special meeting of the Board of Directors subject to any requirements of notice contained in the By-Laws of the Corporation.

**IN WITNESS WHEREOF**, the undersigned incorporators do hereby execute these Articles of Incorporation.

**INCORPORATOR**



Scott G. Buchanan

Date: 2/14/05

FILED  
IOWA  
SECRETARY OF STATE

2-25-2005

2:14 PM

W417664

