

**User Fee for Exempt Organization
 Determination Letter Request**

▶ Attach this form to determination letter application.
 (Form 8718 is NOT a determination letter application.)

For IRS Use Only	OMB No. 1545-1798
	Control number _____
	Amount paid _____
	User fee screener _____

1 Name of organization Seattle Internet Exchange, Inc.	2 Employer Identification Number 91 2148657
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Caution. Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

3 Type of request **Fee**

a Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ **\$300**

Note. If you checked box 3a, you must complete the *Certification* below.

Certification

I certify that the annual gross receipts of Seattle Internet Exchange, Inc.
name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ▶  Title ▶ **Secretary/Treasurer**

b Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years ▶ **\$750**

c Group exemption letters ▶ **\$900**

Instructions

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2006-8, 2006-1 I.R.B. 245, or latest annual update.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

Where To File

Send the determination letter application and Form 8718 to:

Internal Revenue Service
 P.O. Box 192
 Covington, KY 41012-0192

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send this form to this address. Instead, see *Where To File* above.

Attach Check or Money Order Here

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

If exempt status is approved,
 this application will be open
 for public inspection.

Read the instructions for each Part carefully. **A User Fee must be attached to this application.**
 If the required information and appropriate documents are not submitted along with Form 8718 (with payment
 of the appropriate user fee), the application may be returned to the organization.

Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.)
 Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)


1a Full name of organization (as shown in organizing document) Seattle Internet Exchange, Inc.		2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) 91 : 2148657
1b c/o Name (if applicable) 		3 Name and telephone number of person to be contacted if additional information is needed Chris Caputo (206) 367-4320
1c Address (number and street) 10115 Greenwood Ave N 294	Room/Suite	
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. Seattle, WA 98133-9197		
1e Web site address http://www.seattlex.net/	4 Month the annual accounting period ends December	5 Date incorporated or formed May 22, 2001
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
7 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		

- 8** Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.
- a Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach a copy of the bylaws.
 - b Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
 - c Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence that the organization was formed by adoption of the document by more than one person. Also include a copy of the bylaws.

If this is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization, and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

**PLEASE
SIGN
HERE**


 (Signature)

Chris Caputo, Secretary/Treasurer
 (Type or print name and title or authority of signer)

7/3/2008
 (Date)

Part II. Activities and Operational Information (Must be completed by all applicants)

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: **(a)** a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; **(b)** when the activity was or will be initiated; and **(c)** where and by whom the activity will be conducted.

Since its inception in 1997 and its incorporation in 2001, the Seattle Internet Exchange (SIX) through its volunteers have operated an Internet exchange point in the city of Seattle, Washington.

An Internet exchange point (IX or IXP) is a physical infrastructure that allows different Internet Service Providers (ISPs) to exchange Internet traffic between their networks by means of mutual peering agreements, which allow traffic to be exchanged without cost or at low cost. IXPs reduce the portion of an ISP's traffic which must be delivered via their upstream transit providers, thereby reducing the cost of their service. In addition, the increased number of paths learned through the IXP improves routing efficiency and fault-tolerance, thus providing a direct benefit to the consumers that receive Internet service from the participating ISPs.

For example, by virtue of the SIX, a King County Library patron browsing a news article on the Seattle Times web site will experience very fast web browsing as a result of Internet traffic staying entirely in the Seattle area, rather than having to traverse network interconnections in the Bay Area of California. (King County is a member of the SIX. The Seattle Times is a customer of a member of the SIX.)

The physical infrastructure of the SIX consists of a network switch which passes IPv4 and IPv6 Internet Protocol packets between member participants. The network switch is located in the Westin Office Building in Seattle, Washington in a rack provided at no cost by the building management. Electricity and cooling is provided at no cost by the building management and by other tenants. The primary method for connection to the SIX is via fiber optic cable.

The SIX welcomes as members all legal entity types: Government, non-government, educational, for-profit, non-profit, etc.

At present the SIX does not charge membership fees and is run entirely by unpaid volunteers. Members and interested parties contribute equipment and money as needed to maintain the service. New members are required to provide the equipment necessary to facilitate their connection or cash equivalent.

The SIX holds an annual membership meeting every April. During this meeting a Board of Directors is elected. Following the annual membership meeting, the new Board of Directors elects the officers for the organization.

All member and director meeting minutes, along with annual finance reports, are posted publicly on the SIX web site at "<http://www.seattleix.net/docs/>".

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.

The SIX does not charge membership fees. Members and interested parties contribute equipment and money as needed to maintain the service. New members are required to provide the equipment necessary to facilitate their connection or cash equivalent.

Past sources of large financial, equipment or technical support has been from Cisco Systems, Packet Clearing House, Time Warner Telecom, Integra Telecom, Sixth & Virginia Properties, Akamai Technologies, Limelight Networks, Hurricane Electric, Microsoft Corporation, Semaphore Corporation, ColoCenters, Swift Communications, Shaw Cablesystems, Northwest Open Access Network, EarthLink, Inc. and Speakeasy Inc.

Our complete list of donors and their contributions is publicly maintained at "<http://www.seattleix.net/contrib.htm>".

Part II. Activities and Operational Information (continued)

3 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
<p>Nikos Mouat, President and Director 20853 SE 123rd Street, Issaquah, WA 98027-8527</p>	\$0
<p>Jared Reimer, Vice President and Director PO Box 1644, Mercer Island, WA 98040-1644</p>	\$0
<p>Chris Caputo, Secretary/Treasurer and Director 10115 Greenwood Ave N PMB 293, Seattle, WA 98133-9197</p>	\$0
<p>Troy Davis, Director PO Box 85694, Seattle, WA 98145-1694</p>	\$0
<p>Patrick Gilmore, Director 307 Thacher Street, Milton, MA 02186-3247</p>	\$0

4 If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.

N/A

5 If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).

N/A

6 If the organization has capital stock issued and outstanding, state: **(1)** class or classes of the stock; **(2)** number and par value of the shares; **(3)** consideration for which they were issued; and **(4)** if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.

N/A

7 State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.

A member shall be an operator of an Internet Protocol network which has one or more direct connections to the Seattle Internet Exchange switch fabric. A member may be elected or appointed to membership by the directors. There is one class of membership with 105 members. Each member is entitled to one vote per issue at member meetings and one vote per director position at director elections. There are no membership certificates or solicitation material.

8 Explain how your organization's assets will be distributed on dissolution.

After payment of all debts and liabilities, remaining assets shall be distributed to an organization or organizations, as determined by the directors, to be used exclusively to accomplish the purposes for which the corporation is organized, or to be used for the provision of Internet access services for any non-profit organizations or any schools, libraries or health care institutions.

Part II. Activities and Operational Information (continued)

9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? Yes No
 If "Yes," state the full details, including: **(1)** amounts or value; **(2)** source of funds or property distributed or to be distributed; and **(3)** basis of, and authority for, distribution or planned distribution.

10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? . Yes No
 If "Yes," state in detail the amount received and the character of the services performed or to be performed.

11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? Yes No
 If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? Yes No
 If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? Yes No
 If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

14 Does the organization now lease or does it plan to lease any property? Yes No
 If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

There is no lease at present. In the future the building management, of the building we are in, may decide to have us enter into a no-cost or low-cost lease for the rack space we are using, in order to formalize the relationship.

15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? . . Yes No
 If "Yes," explain in detail and list the amounts spent or to be spent in each case.

16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? Yes No
 If "Yes," attach a recent copy of each.

Part III. Financial Data (Must be completed by all applicants)

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. **If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.**

A. Statement of Revenue and Expenses

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From <u>1/1/2008</u> To <u>6/21/2008</u>	(b) <u>2007</u>	(c) <u>2006</u>	(d) <u>2005</u>	
1 Gross dues and assessments of members	600	700			1300
2 Gross contributions, gifts, etc.	11750	12064	1150	1647	26611
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)					
4 Gross amounts from unrelated business activities (attach schedule)					
5 Gain from sale of assets, excluding inventory items (attach schedule)	161	10970	3500		14631
6 Investment income (see page 3 of the instructions)	8	233	3	5	249
7 Other revenue (attach schedule).					
8 Total revenue (add lines 1 through 7)	12519	23967	4653	1652	42791
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes.	890	14447	549	1261	17147
10 Expenses attributable to unrelated business activities					
11 Contributions, gifts, grants, and similar amounts paid (attach schedule).					
12 Disbursements to or for the benefit of members (attach schedule)					
13 Compensation of officers, directors, and trustees (attach schedule)					
14 Other salaries and wages.					
15 Interest					
16 Occupancy					
17 Depreciation and depletion					
18 Other expenses (attach schedule)					
19 Total expenses (add lines 9 through 18)	890	14447	549	1261	17147
20 Excess of revenue over expenses (line 8 minus line 19)	11628	9520	4104	391	25644

B. Balance Sheet (at the end of the period shown)

		Current Tax Year as of <u>6/21/2008</u>
Assets		
1	Cash	26951
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule).	
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	
9	Land	
10	Other assets (attach schedule)	
11	Total assets	26951
Liabilities		
12	Accounts payable	
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule)	
16	Total liabilities	0
Fund Balances or Net Assets		
17	Total fund balances or net assets	26951
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	26951

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation.

Part IV. Notice Requirements (Sections 501(c)(9) and 501(c)(17) Organizations Only)

1 Section 501(c)(9) and 501(c)(17) organizations:

Are you filing Form 1024 within 15 months from the end of the month in which the organization was created or formed as required by section 505(c)? **Yes** **No**

If "Yes," skip the rest of this Part.

If "No," answer question 2.

2 If you answer "No" to question 1, are you filing Form 1024 within 27 months from the end of the month in which the organization was created or formed? **Yes** **No**

If "Yes," your organization qualifies under Regulation section 301.9100-2 for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 3 and 4.

If "No," answer question 3.

3 If you answer "No" to question 2, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? **Yes** **No**

If "Yes," give the reasons for not filing this application within the 27-month period described in question 2. See Specific Instructions, Part IV, Line 3, page 4, before completing this item. Do not answer question 4.

If "No," answer question 4.

4 If you answer "No" to question 3, your organization's qualification as a section 501(c)(9) or 501(c)(17) organization can be recognized only from the date this application is filed. Therefore, does the organization want us to consider its application as a request for recognition of exemption as a section 501(c)(9) or 501(c)(17) organization from the date the application is received and not retroactively to the date the organization was created or formed? **Yes** **No**

Schedule A Organizations described in section 501(c)(2) or 501(c)(25) (Title holding corporations or trusts)

1 State the complete name, address, and EIN of each organization for which title to property is held and the number and type of the applicant organization's stock held by each organization.

2 If the annual excess of revenue over expenses has not been or will not be turned over to the organization for which title to property is held, state the purpose for which the excess is or will be retained by the title holding organization.

3 In the case of a corporation described in section 501(c)(2), state the purpose of the organization for which title to property is held (as shown in its governing instrument) and the Code sections under which it is classified as exempt from tax. If the organization has received a determination or ruling letter recognizing it as exempt from taxation, please attach a copy of the letter.

4 In the case of a corporation or trust described in section 501(c)(25), state the basis whereby each shareholder is described in section 501(c)(25)(C). For each organization described that has received a determination or ruling letter recognizing that organization as exempt from taxation, please attach a copy of the letter.

5 With respect to the activities of the organization.

- a** Is any rent received attributable to personal property leased with real property? **Yes** **No**
If "Yes," what percentage of the total rent, as reported on the financial statements in Part III, is attributable to personal property?
- b** Will the organization receive income which is incidentally derived from the holding of real property, such as income from operation of a parking lot or from vending machines? **Yes** **No**
If "Yes," what percentage of the organization's gross income, as reported on the financial statements in Part III, is incidentally derived from the holding of real property?
- c** Will the organization receive income other than rent from real property or personal property leased with real property or income which is incidentally derived from the holding of real property? **Yes** **No**
If "Yes," describe the source of the income.

Instructions

Line 1.—Provide the requested information on each organization for which the applicant organization holds title to property. Also indicate the number and types of shares of the applicant organization's stock that are held by each.

Line 2.—For purposes of this question, "excess of revenue over expenses" is all of the organization's income for a particular tax year less operating expenses.

Line 3.—Give the exempt purpose of each organization that is the basis for its exempt status and the Internal Revenue Code section

that describes the organization (as shown in its IRS determination letter).

Line 4.—Indicate if the shareholder is one of the following:

- 1.** A qualified pension, profit-sharing, or stock bonus plan that meets the requirements of the Code;
- 2.** A government plan;
- 3.** An organization described in section 501(c)(3); or
- 4.** An organization described in section 501(c)(25).

Schedule B **Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? . . . **Yes** **No**

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? . . . **Yes** **No**

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? . . . **Yes** **No**

If "Yes," explain.

4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

Schedule C **Organizations described in section 501(c)(5) (Labor, agricultural, including fishermen's organizations, or horticultural organizations) or section 501(c)(6) (business leagues, chambers of commerce, etc.)**

- 1** Describe any services the organization performs for members or others. (If the description of the services is contained in Part II of the application, enter the page and item number here.)

Please refer to this Form 1024, Page 2, Part II, Line 1.

-
- 2** Fishermen's organizations only.—What kinds of aquatic resources (not including mineral) are cultivated or harvested by those eligible for membership in the organization?

-
- 3** Labor organizations only.—Is the organization organized under the terms of a collective bargaining agreement? . . . **Yes** **No**

If "Yes," attach a copy of the latest agreement.

Schedule D Organizations described in section 501(c)(7) (Social clubs)

1 Has the organization entered or does it plan to enter into any contract or agreement for the management or operation of its property and/or activities, such as restaurants, pro shops, lodges, etc.? Yes No

If "Yes," attach a copy of the contract or agreement. If one has not yet been drawn up, please explain the organization's plans.

2 Does the organization seek or plan to seek public patronage of its facilities or activities by advertisement or otherwise? Yes No

If "Yes," attach sample copies of the advertisements or other requests.

If the organization plans to seek public patronage, please explain the plans.

3a Are nonmembers, other than guests of members, permitted or will they be permitted to use the club facilities or participate in or attend any functions or activities conducted by the organization? Yes No

If "Yes," describe the functions or activities in which there has been or will be nonmember participation or admittance.

(Submit a copy of the house rules, if any.)

b	State the amount of nonmember income included in Part III of the application, lines 3 and 4, column (a)	_____
c	Enter the percent of gross receipts from nonmembers for the use of club facilities	_____ %
d	Enter the percent of gross receipts received from investment income and nonmember use of the club's facilities	_____ %

4a Does the organization's charter, bylaws, other governing instrument, or any written policy statement of the organization contain any provision that provides for discrimination against any person on the basis of race, color, or religion? Yes No

b If "Yes," state whether or not its provision will be kept.

c If the organization has such a provision that will be repealed, deleted, or otherwise stricken from its requirements, state when this will be done. _____

d If the organization formerly had such a requirement and it no longer applies, give the date it ceased to apply. _____

e If the organization restricts its membership to members of a particular religion, check here and attach the explanation specified in the instructions

Instructions

Line 1.—Answer “Yes,” if any of the organization’s property or activities will be managed by another organization or company.

Lines 3b, c, and d.—Enter the figures for the current year. On an attached schedule, furnish the same information for each of the prior tax years for which you completed Part III of the application.

Line 4e.—If the organization restricts its membership to members of a particular religion, the organization must be:

1. An auxiliary of a fraternal beneficiary society that:

a. Is described in section 501(c)(8) and exempt from tax under section 501(a), and

b. Limits its membership to members of a particular religion; or

2. A club that, in good faith, limits its membership to the members of a particular religion in order to further the teachings or principles of that religion and not to exclude individuals of a particular race or color.

If you checked **4e**, your explanation must show how the organization meets one of these two requirements.

Schedule E Organizations described in section 501(c)(8) or 501(c)(10) (Fraternal societies, orders, or associations)

1 Is the organization a college fraternity or sorority, or chapter of a college fraternity or sorority? Yes No
If "Yes," read the instructions for Line 1, below, before completing this schedule.

2 Does or will your organization operate under the lodge system? Yes No
If "No," does or will it operate for the exclusive benefit of the members of an organization operating under the lodge system? Yes No

3 Is the organization a subordinate or local lodge, etc.? Yes No
If "Yes," attach a certificate signed by the secretary of the parent organization, under the seal of the organization, certifying that the subordinate lodge is a duly constituted body operating under the jurisdiction of the parent body.

4 Is the organization a parent or grand lodge? Yes No
If "Yes," attach a schedule for each subordinate lodge in active operation showing: (a) its name and address; (b) the number of members in it; and (c) how often it holds periodic meetings.

Instructions

Line 1.—To the extent that they qualify for exemption from Federal income tax, college fraternities and sororities generally qualify as organizations described in section 501(c)(7). Therefore, if the organization is a college fraternity or sorority, refer to the discussion of section 501(c)(7) organizations in Pub. 557. If section 501(c)(7) appears to apply to your organization, complete Schedule D instead of this schedule.

Line 2.—Operating under the lodge system means carrying on activities under a form of organization that is composed of local branches, chartered by a parent organization, largely self-governing, and called lodges, chapters, or the like.

Schedule F Organizations described in section 501(c)(9) (Voluntary employees' beneficiary associations)

1 Describe the benefits available to members. Include copies of any plan documents that describe such benefits and the terms and conditions of eligibility for each benefit.

2 Are any employees or classes of employees entitled to benefits to which other employees or classes of employees are not entitled? Yes No
If "Yes," explain.

3 Give the following information for each plan as of the last day of the most recent plan year and enter that date here. If there is more than one plan, attach a separate schedule / /
(mo.) (day) (yr.)
a Total number of persons covered by the plan who are highly compensated individuals (See instructions below.) . . . _____
b Number of other employees covered by the plan. _____
c Number of employees not covered by the plan _____
d Total number employed* _____

* Should equal the total of a, b, and c—if not, explain any difference. Describe the eligibility requirements that prevent those employees not covered by the plan from participating.

4 State the number of persons, if any, other than employees and their dependents (e.g., the proprietor of a business whose employees are members of the association) who are entitled to receive benefits ►

Instructions

Line 3a.—A "highly compensated individual" is one who:
(a) Owned 5% or more of the employer at any time during the current year or the preceding year.

(b) Received more than \$80,000 (adjusted for inflation) in compensation from the employer for the preceding year, and
(c) Was among the top 20% of employees by compensation for the preceding year. However, the employer can choose not to have (c) apply.

Schedule G Organizations described in section 501(c)(12) (Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations)

- 1 Attach a schedule in columnar form for each tax year for which the organization is claiming exempt status. On each schedule:
 - a Show the total gross income received from members or shareholders.
 - b List, by source, the total amounts of gross income received from other sources.

- 2 If the organization is claiming exemption as a local benevolent insurance association, state:
 - a The counties from which members are accepted or will be accepted.

- b Whether stipulated premiums are or will be charged in advance, or whether losses are or will be paid solely through assessments.

- 3 If the organization is claiming exemption as a "like organization," explain how it is similar to a mutual ditch or irrigation company, or a mutual or cooperative telephone company.

- 4 Are the rights and interests of members in the organization's annual savings determined in proportion to their business with it? Yes No
 If "Yes," does the organization keep the records necessary to determine at any time each member's rights and interests in such savings, including assets acquired with the savings? Yes No

- 5 If the organization is a mutual or cooperative telephone company and has contracts with other systems for long-distance telephone services, attach copies of the contracts.

Instructions

Mutual or cooperative electric or telephone companies should show income received from qualified pole rentals separately. Mutual or cooperative telephone companies should also show separately the gross amount of income received from nonmember telephone companies for performing services that

involve their members and the gross amount of income received from the sale of display advertising in a directory furnished to their members.

Do not net amounts due or paid to other sources against amounts due or received from those sources.

Schedule H Organizations described in section 501(c)(13) (Cemeteries, crematoria, and like corporations)

1 Attach the following documents:

- a** Complete copy of sales contracts or other documents, including any "debt" certificates, involved in acquiring cemetery or crematorium property.
- b** Complete copy of any contract your organization has that designates an agent to sell its cemetery lots.
- c** A copy of the appraisal (obtained from a disinterested and qualified party) of the cemetery property as of the date acquired.

2 Does your organization have, or does it plan to have, a perpetual care fund? **Yes** **No**
 If "Yes," attach a copy of the fund agreement and explain the nature of the fund (cash, securities, unsold land, etc.)

3 If your organization is claiming exemption as a perpetual care fund for an organization described in section 501(c)(13), has the cemetery organization, for which funds are held, established exemption under that section? **Yes** **No**
 If "No," explain.

Schedule I Organizations described in section 501(c)(15) (Small insurance companies or associations)

1 Is the organization a member of a controlled group of corporations as defined in section 831(b)(2)(B)(ii)? (Disregard section 1563(b)(2)(B) in determining whether the organization is a member of a controlled group.) **Yes** **No**

If "Yes," include on lines 2 through 5 the total amount received by the organization and all other members of the controlled group.

If "No," include on lines 2 through 5 only the amounts that relate to the applicant organization.

2 Direct written premiums
3 Reinsurance assumed
4 Reinsurance ceded
5 Net written premiums ((line 2 plus line 3) minus line 4)
6 If you entered an amount on line 3 or line 4, attach a copy of the reinsurance agreements the organization has entered into.

(a) Current Year	3 Prior Tax Years		
From _____ To _____	(b) -----	(c) -----	(d) -----

Instructions

Line 1.—Answer "Yes," if the organization would be considered a member of a controlled group of corporations if it were not exempt from tax under section 501(a). In applying section 1563(a), use a "more than 50%" stock ownership test to determine whether the applicant or any other corporation is a member of a controlled group.

Line 2.— In addition to other direct written premiums, include on line 2 the full amount of any prepaid or advance premium in the year the prepayment is received. For example, if a \$5,000 premium for a 3-year policy was received in the current year, include the full \$5,000 amount in the Current Year column.

Schedule J Organizations described in section 501(c)(17) (Trusts providing for the payment of supplemental unemployment compensation benefits)

1 If benefits are provided for individual proprietors, partners, or self-employed persons under the plan, explain in detail.

2 If the plan provides other benefits in addition to the supplemental unemployment compensation benefits, explain in detail and state whether the other benefits are subordinate to the unemployment benefits.

3 Give the following information as of the last day of the most recent plan year and enter that date here _____

a Total number of employees covered by the plan who are shareholders, officers, self-employed persons, or highly compensated (See Schedule F instructions for line 3a on page 14.) _____

b Number of other employees covered by the plan _____

c Number of employees not covered by the plan _____

d Total number employed* _____

* Should equal the total of **a**, **b**, and **c**—if not, explain the difference. Describe the eligibility requirements that prevent those employees not covered by the plan from participating.

4 At any time after December 31, 1959, did any of the following persons engage in any of the transactions listed below with the trust: the creator of the trust or a contributor to the trust; a brother or sister (whole or half blood), a spouse, an ancestor, or a lineal descendant of such a creator or contributor; or a corporation controlled directly or indirectly by such a creator or contributor?

Note: If you know that the organization will be, or is considering being, a party to any of the transactions (or activities) listed below, check the "Planned" box. Give a detailed explanation of any "Yes" or "Planned" answer in the space below.

- a** Borrow any part of the trust's income or corpus? **Yes** **No** **Planned**
- b** Receive any compensation for personal services? **Yes** **No** **Planned**
- c** Obtain any part of the trust's services? **Yes** **No** **Planned**
- d** Purchase any securities or other properties from the trust? **Yes** **No** **Planned**
- e** Sell any securities or other property to the trust? **Yes** **No** **Planned**
- f** Receive any of the trust's income or corpus in any other transaction? **Yes** **No** **Planned**

5 Attach a copy of the Supplemental Unemployment Benefit Plan and related agreements.

Schedule K

Organizations described in section 501(c)(19)—A post or organization of past or present members of the Armed Forces of the United States, auxiliary units or societies for such a post or organization, and trusts or foundations formed for the benefit of such posts or organizations.

1 To be completed by a post or organization of past or present members of the Armed Forces of the United States.

- a Total membership of the post or organization _____
- b Number of members who are present or former members of the U.S. Armed Forces _____
- c Number of members who are cadets (include students in college or university ROTC programs or at armed services academies only), or spouses, widows, or widowers of cadets or past or present members of the U.S. Armed Forces _____
- d Does the organization have a membership category other than the ones set out above? Yes No
 If "Yes," please explain in full. Enter number of members in this category _____

e If you wish to apply for a determination that contributions to your organization are deductible by donors, enter the number of members from line 1b who are war veterans, as defined below. _____

A war veteran is a person who served in the Armed Forces of the United States during the following periods of war: April 21, 1898, through July 4, 1902; April 6, 1917, through November 11, 1918; December 7, 1941, through December 31, 1946; June 27, 1950, through January 31, 1955; and August 5, 1964, through May 7, 1975.

2 To be completed by an auxiliary unit or society of a post or organization of past or present members of the Armed Forces of the United States.

- a Is the organization affiliated with and organized according to the bylaws and regulations formulated by such an exempt post or organization? Yes No
 If "Yes," submit a copy of such bylaws or regulations.
- b How many members does your organization have? _____
- c How many are themselves past or present members of the Armed Forces of the United States, or are their spouses, or persons related to them within two degrees of blood relationship? (Grandparents, brothers, sisters, and grandchildren are the most distant relationships allowable.) _____
- d Are all of the members themselves members of a post or organization, past or present members of the Armed Forces of the United States, spouses of members of such a post or organization, or related to members of such a post or organization within two degrees of blood relationship? Yes No

3 To be completed by a trust or foundation organized for the benefit of an exempt post or organization of past or present members of the Armed Forces of the United States.

a Will the corpus or income be used solely for the funding of such an exempt organization (including necessary related expenses)? Yes No
 If "No," please explain.

b If the trust or foundation is formed for charitable purposes, does the organizational document contain a proper dissolution provision as described in section 1.501(c)(3)-1(b)(4) of the Income Tax Regulations? Yes No



06/21/08

Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III Section A Line 5 Gain from sale of assets

Date	Name	Memo	Amount
Jan - Dec 05			
Jan - Dec 05			
Jan - Dec 06			
10/16/2006	Telecoast Communications	sale of 2 Sup1a/MSFC1's	3,200
11/30/2006	Telebyte Northwest	sale of 2 5505 chasses w/Sup2's, dual PS, 1 5513 chassis w/Sup2, 5500-series cards: 3-4 10/100 c...	300
Jan - Dec 06			
Jan - Dec 07			
6/12/2007	CSS Integration & Coomunications, Inc.	Cisco WS-C4003, WS-X4012 Supervisor, WS-X4148-RJ 48-port ethernet, WS-X4306-GB 6-port GigE, two ...	800
6/23/2007	RIPL CORP.	Cisco WS-C4003, WS-X4012 Supervisor, WS-X4148-RJ 48-port ethernet, WS-X4306-GB 6-port GigE, Two ...	800
6/30/2007	NoaNet	Cisco 12012 with POS OC-12c/STM-4c and two GigE line cards	4,000
7/12/2007	Vanoppen.biz LLC	2x Cisco 3508	900
7/23/2007	CSS Integration & Coomunications, Inc.	3 SX GBICs and 2 LX GBICs	290
8/21/2007	Altopia Corporation	Liebert GXT3000RT-120B UPS	180
8/22/2007	IXNM, Inc	* Cisco WS-C3508G-XL 8-port GigE switch * Cisco WS-C4912 12-port GigE switch * 5 L...	3,500
9/8/2007	RIPL CORP.	Multi-mode SFP	100
10/19/2007	Ygnition Networks, Inc.	Used APC SUA2200RM2U UPS. Condition unknown. Recently working and removed from rack.	400
Jan - Dec 07			
Jan 1 - Jun 21, 08			
2/15/2008	Vanoppen.biz LLC	2m SC-LC SM fiber	50
4/24/2008	Chris Caputo	Kingston 1GB Compact Flash	11
5/10/2008	Spectrum Networks	SX SFP	100
Jan 1 - Jun 21, 08			
TOTAL			14,631

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Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III Section A: Revenue and Expenses

	Jan - Dec 05	Jan - Dec 06	Jan - Dec 07	Jan 1 - Jun 21, 08	TOTAL
Ordinary Income/Expense					
Income					
Contributions Income	1,647	1,150	12,064	11,750	26,611
Miscellaneous Income	0	0	700	600	1,300
Sale of Equipment	0	3,500	10,970	161	14,631
Total Income	<u>1,647</u>	<u>4,650</u>	<u>23,734</u>	<u>12,511</u>	<u>42,542</u>
Gross Profit	1,647	4,650	23,734	12,511	42,542
Expense					
Bank Service Charges	24	0	89	30	143
Computer Misc	120	465	9,292	155	10,032
Contract Labor	0	0	3,987	0	3,987
Insurance	1,107	74	414	438	2,033
Licenses and Permits	10	10	10	10	40
Miscellaneous	0	0	0	255	255
Postage and Delivery	0	0	606	0	606
Sales Tax	0	0	48	2	51
Total Expense	<u>1,261</u>	<u>549</u>	<u>14,447</u>	<u>890</u>	<u>17,147</u>
Net Ordinary Income	386	4,101	9,287	11,621	25,395
Other Income/Expense					
Other Income					
Interest Income	5	3	233	8	249
Total Other Income	<u>5</u>	<u>3</u>	<u>233</u>	<u>8</u>	<u>249</u>
Net Other Income	5	3	233	8	249
Net Income	<u><u>391</u></u>	<u><u>4,104</u></u>	<u><u>9,520</u></u>	<u><u>11,628</u></u>	<u><u>25,644</u></u>

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Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III Section B: Balance Sheet

	<u>Jun 21, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
Bank of America CD 4.38%	10,000
Bank of America CD 4.89%	14,642
Bank of America Checking	1,334
PayPal	975
Total Checking/Savings	<u>26,951</u>
Total Current Assets	<u>26,951</u>
TOTAL ASSETS	<u><u>26,951</u></u>
LIABILITIES & EQUITY	
Equity	
Retained Earnings	15,322
Net Income	11,628
Total Equity	<u>26,951</u>
TOTAL LIABILITIES & EQUITY	<u><u>26,951</u></u>

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Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III: Detailed P&L - 1/1/05 to 6/21/08

Date	Name	Memo	Amount
Ordinary Income/Expense			
Income			
Contributions Income			
2/10/2005	Lauren Nowlin		100.00
2/10/2005	Liberty Lake Internet Exchange	for insurance premium	597.00
3/9/2005	NW Nexus / Network O.S.		100.00
4/25/2005	Bandwidth Advisors, Inc.		100.00
12/20/2005	Randy Bush / RGnet	5KE089060T623180B	50.00
12/20/2005	Spry Hosting	6AF97824X9636713D	100.00
12/21/2005	NoaNet	7HU65072VR024714H	100.00
12/21/2005	Jared Reimer	0RR5377609665532X	50.00
12/21/2005	Kenneth Mix / Transaria	39U596395N6958942	100.00
12/21/2005	Mark Madson / AcumenAssociates / M...	931864319E9595132	100.00
12/22/2005	Henry Goss / Swift Communications		250.00
1/4/2006	Pat Myrto / ColoCenters	cash	50.00
4/29/2006	Bandwidth Advisors, Inc.		100.00
6/1/2006	Colocenters Inc.		1,000.00
3/31/2007	CSS Integration & Coomunications, Inc.	towards insurance premium	200.00
3/31/2007	Apvio, Inc.	towards insurance premium	100.00
3/31/2007	Accretive Networks	Deposit	200.00
4/21/2007	Mzima Networks, Inc.	towards insurance premium	164.00
5/16/2007	AEBC Internet Corp	Deposit	1,000.00
5/16/2007	Bandwidth Advisors, Inc.	Deposit	100.00
6/1/2007	Peer 1	Deposit	500.00
6/1/2007	Speakeasy Inc.	Intended for SMARTnet coverage	3,000.00
8/16/2007	CM2.COM, Inc.	was in lieu of SFP but then they didn't need one since they moved to ColoCenters extension	100.00
10/5/2007	Spry Hosting	5SM24480F8763700K	350.00
10/5/2007	Kenneth Mix / Transaria	7XE99803167449900	150.00
10/9/2007	Akamai Technologies, Inc.	Per Patrick Gilmore, Akamai has pledged \$5,000.00 to the Seattle Internet Exchange, to help pay ...	5,000.00
10/31/2007	GCI	5J137753F72013932	1,000.00
12/5/2007	SeeqPod, Inc.	1V228707VD3474443	200.00
1/3/2008	Integra Telecom, Inc.	Deposit	10,000.00
3/5/2008	OpenAccess Network Services	5RP300236N836881T	250.00
3/11/2008	Kenneth Mix / Transaria	8A560528L0036600X	200.00
3/17/2008	Pocketinet Communications, Inc.	Deposit	1,000.00
5/6/2008	Etopia.com, LLC	9G888570GM8130537	200.00
5/10/2008	Spectrum Networks	SX SFP sale, contribution	100.00
Total Contributions Income			26,611.00
Miscellaneous Income			
7/6/2007	Time Warner Telecom	in lieu of SFP	100.00
7/23/2007	Northwest Telephone, Inc.	in lieu of SFP	100.00
8/23/2007	Threshold Communications	in lieu of SFP	100.00
9/2/2007	WBS Connect / Chris Phillips	in lieu of SFP	100.00
9/20/2007	Infinity Internet	in lieu of SFP	100.00
10/30/2007	MetaPeer, Inc.	in lieu of SFP for Cortland	100.00
12/5/2007	SeeqPod, Inc.	in lieu of SFP	100.00
2/15/2008	Sharedband Technologies LLC	in lieu of SFP	100.00
3/4/2008	Isomedia, Inc.	in lieu of SFP for GTA Teleguam	100.00

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Form 1024 Part III: Detailed P&L - 1/1/05 to 6/21/08

Date	Name	Memo	Amount
3/24/2008	Adtaq	in lieu of SFP - 9Y401667GH822630W	100.00
5/14/2008	Altopia Corporation	in lieu of SFP for 2nd port	100.00
5/22/2008	Towerstream	in lieu of SFP requirement. Payment via check or PayPal (paypal@seattleix.net)	100.00
5/22/2008	Signal Telecommunications, Inc.	extra payment in lieu of SFP - 0YU36832EC9645450	100.00
5/22/2008	Signal Telecommunications, Inc.	in lieu of SFP - 8HK535272V3491321	100.00
5/22/2008	Signal Telecommunications, Inc.	reverse extra payment	-100.00
Total Miscellaneous Income			1,300.00
Sale of Equipment			
10/16/2006	Telecoast Communications	sale of 2 Sup1a/MSFC1's	3,200.00
11/30/2006	Telebyte Northwest	sale of 2 5505 chassis w/Sup2's, dual PS, 1 5513 chassis w/Sup2, 5500-series cards: 3-4 10/100 c...	300.00
6/12/2007	CSS Integration & Coomunications, Inc.	Cisco WS-C4003, WS-X4012 Supervisor, WS-X4148-RJ 48-port ethernet, WS-X4306-GB 6-port Gig...	800.00
6/23/2007	R IPL CORP.	Cisco WS-C4003, WS-X4012 Supervisor, WS-X4148-RJ 48-port ethernet, WS-X4306-GB 6-port Gig...	800.00
6/30/2007	NoaNet	Cisco 12012 with POS OC-12c/STM-4c and two GigE line cards	4,000.00
7/12/2007	Vanoppen.biz LLC	2x Cisco 3508	900.00
7/23/2007	CSS Integration & Coomunications, Inc.	3 SX GBICs and 2 LX GBICs	290.00
8/21/2007	Altopia Corporation	Liebert GXT3000RT-120B UPS	180.00
8/22/2007	IXNM, Inc	* Cisco WS-C3508G-XL 8-port GigE switch * Cisco WS-C4912 12-port GigE switch * 5 L...	3,500.00
9/8/2007	R IPL CORP.	Multi-mode SFP	100.00
10/19/2007	Ygnition Networks, Inc.	Used APC SUA2200RM2U UPS. Condition unknown. Recently working and removed from rack.	400.00
2/15/2008	Vanoppen.biz LLC	2m SC-LC SM fiber	50.00
4/24/2008	Chris Caputo	Kingston 1GB Compact Flash	11.00
5/10/2008	Spectrum Networks	SX SFP	100.00
Total Sale of Equipment			14,631.00
Total Income			42,542.00
Gross Profit			42,542.00
Expense			
Bank Service Charges			
12/20/2005	PayPal	5KE089060T623180B	1.75
12/20/2005	PayPal	6AF97824X9636713D	3.20
12/21/2005	PayPal	7HU65072VR024714H	3.20
12/21/2005	PayPal	0RR5377609665532X	1.75
12/21/2005	PayPal	39U596395N6958942	3.20
12/21/2005	PayPal	931864319E9595132	3.20
12/22/2005	PayPal		7.55
7/6/2007	PayPal	in lieu of SFP	3.20
8/16/2007	PayPal	was in lieu of SFP but then they didn't need one since they moved to ColoCenters extension	3.20
8/23/2007	Bank of America	WIRE TRANSFER FEE	10.00
9/2/2007	PayPal	in lieu of SFP	4.20
10/5/2007	PayPal	5SM24480F8763700K	10.45
10/5/2007	PayPal	7XE99803167449900	4.65
10/10/2007	PayPal	credit card verification to enable unlimited monthly transfers	1.95
10/16/2007	Bank of America	WIRE TRANSFER FEE	10.00
10/30/2007	PayPal	in lieu of SFP for Cortland	3.20
10/31/2007	PayPal	5J137753F72013932	29.30
12/5/2007	PayPal	1V228707VD3474443	9.00

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Date	Name	Memo	Amount
3/4/2008	PayPal	in lieu of SFP for GTA Teleguam	3.20
3/5/2008	PayPal	5RP300236N836881T	7.55
3/11/2008	PayPal	8A560528L0036600X	6.10
3/24/2008	PayPal	in lieu of SFP - 9Y401667GH822630W	3.20
4/24/2008	PayPal	Kingston 1GB Compact Flash	0.62
5/6/2008	PayPal	9G888570GM8130537	6.10
5/22/2008	PayPal	extra payment in lieu of SFP - 0YU36832EC9645450	3.20
5/22/2008	PayPal	in lieu of SFP - 8HK535272V3491321	3.20
5/22/2008	Signal Telecommunications, Inc.	reverse extra payment	-3.20
Total Bank Service Charges			142.97
Computer Misc			
5/16/2005	EP.NET, LLC	2006 annual fee for 198.32.180/24	120.00
2/22/2006	GoDaddy.com	1 year renewal of seattleix.{com,net,org}	26.60
6/28/2006	Semaphore Corp	GXT2-3RTBKIT battery replacement kit	318.53
11/26/2006	EP.NET, LLC	198.32.180/24 for 2007	120.00
4/4/2007	GoDaddy.com	4 year renewal of seattleix.{com,net,org}	110.04
4/30/2007	Semaphore Corp	patch cables	302.02
5/29/2007	Tec-Works Inc	18 2m LC-SC SMF	302.40
5/29/2007	Tec-Works Inc	restocking fee for materials return (4 2m ST-SC SMF)	16.39
5/29/2007	Tec-Works Inc	15 2m LC-SC MMF	225.00
9/17/2007	Team One Networking	1-year SMARTnet Premium 24x7x4(SNTP); Cat 6509 Chassis, 9slot, 15RU	8,216.00
11/17/2007	EP.NET, LLC	198.32.180/24 for 2008	120.00
3/27/2008	Newegg.com	1 Gig Compact Flash card	9.99
4/22/2008	Radioshack	Sandisk Compact Flash 1GB	24.97
4/24/2008	EP.NET, LLC	198.32.140/24 for 2008	120.00
Total Computer Misc			10,031.94
Contract Labor			
7/16/2007	Lighthouse Electrical Group	2797 - power/outlets from ColoCenters UPS	2,482.92
7/16/2007	Lighthouse Electrical Group	2759 - power/outlets from SwiftCo UPS	1,503.91
Total Contract Labor			3,986.83
Insurance			
2/10/2005	Baldwin Resource Group, Inc.	Invoice #82206 / C04152054	597.00
12/22/2005	Baldwin Resource Group, Inc.	Invoice #97855 / C05152054	510.00
5/2/2006	The Hartford	Account 52 11617290 4/10/06-4/10/07	462.00
6/17/2006	Baldwin Resource Group, Inc.	refund due to cancelation of Liberty Northwest policy	-388.00
3/12/2007	The Hartford	Account 52 11617290	464.00
7/12/2007	The Hartford	"final audit eff 04/10/06"	-50.00
3/10/2008	The Hartford	Account 52 11617290	438.00
Total Insurance			2,033.00
Licenses and Permits			
4/28/2005	Secretary of State	UBI #602 123 606 - Nonprofit Corporation Annual Report Filing Fee	10.00
4/29/2006	Secretary of State	UBI #602 123 606 - Nonprofit Corporation Annual Report Filing Fee	10.00
4/28/2007	Secretary of State	UBI #602 123 606 - Nonprofit Corporation Annual Report Filing Fee	10.00
4/29/2008	Secretary of State	UBI #602 123 606 - Nonprofit Corporation Annual Report Filing Fee	10.00

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Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III: Detailed P&L - 1/1/05 to 6/21/08

<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
Total Licenses and Permits			40.00
Miscellaneous			
2/26/2008	LMI Global	3x Foundry F18G line cards for IX New Mexico, to replace failed cards in unit they purchased fro...	255.00
Total Miscellaneous			255.00
Postage and Delivery			
5/19/2007	UPS Store	packaging of Hurricane Electric Router Processor	37.50
5/23/2007	FedEx Kinko's	Postage/envelope for RMA to Tec-Works of 4xST-LC fiber. Postage for 3 power supplies (2x1800W,1...	55.21
5/29/2007	Tec-Works Inc	patch-cables	61.65
6/19/2007	UPS Store	RMA of Hurricane donated WS-CAC-6000W to Modern Enterprise Solutions	43.77
6/28/2007	UPS Store	6504 back to Packet Clearing House and fiber panel back to King County I-Net. Packaging fees an...	408.22
Total Postage and Delivery			606.35
Sales Tax			
5/29/2007	Tec-Works Inc	8.9%	48.40
4/22/2008	Radioshack	Sandisk Compact Flash 1GB	2.25
Total Sales Tax			50.65
Total Expense			17,146.74
Net Ordinary Income			25,395.26
Other Income/Expense			
Other Income			
Interest Income			
1/2/2005	PayPal		0.18
1/31/2005	Bank of America	Interest	0.10
2/2/2005	PayPal		0.19
2/28/2005	Bank of America	Interest	0.11
3/2/2005	PayPal		0.19
3/31/2005	Bank of America	Interest	0.12
4/2/2005	PayPal		0.22
4/30/2005	Bank of America	Interest	0.11
5/1/2005	PayPal		0.23
5/31/2005	Bank of America	Interest	0.12
6/2/2005	PayPal		0.24
6/30/2005	Bank of America	Interest	0.12
7/1/2005	PayPal		0.25
7/30/2005	PayPal		0.28
7/31/2005	Bank of America	Interest	0.11
8/31/2005	Bank of America	Interest	0.12
9/1/2005	PayPal		0.29
9/30/2005	Bank of America	Interest	0.12
10/1/2005	PayPal		0.32
10/31/2005	Bank of America	Interest	0.11
11/1/2005	PayPal		0.30
11/30/2005	Bank of America	Interest	0.12
12/1/2005	PayPal		0.33

06/21/08

Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III: Detailed P&L - 1/1/05 to 6/21/08

Date	Name	Memo	Amount
12/31/2005	Bank of America	Interest	0.12
12/31/2005	PayPal	Interest	0.63
1/31/2006	Bank of America	Interest	0.13
2/1/2006	PayPal	Interest	0.65
2/28/2006	Bank of America	Interest	0.13
3/31/2006	Bank of America	Interest	0.15
4/30/2006	Bank of America	Interest	0.14
5/31/2006	Bank of America	Interest	0.13
6/30/2006	Bank of America	Interest	0.19
7/31/2006	Bank of America	Interest	0.23
8/1/2006	PayPal	Interest	0.01
8/31/2006	Bank of America	Interest	0.21
9/30/2006	Bank of America	Interest	0.20
10/31/2006	Bank of America	Interest	0.31
11/30/2006	Bank of America	Interest	0.33
12/31/2006	Bank of America	Interest	0.25
1/31/2007	Bank of America	Interest	0.24
2/28/2007	Bank of America	Interest	0.23
3/31/2007	Bank of America	Interest	0.24
4/30/2007	Bank of America	Interest	0.19
5/16/2007	Bank of America		13.23
5/31/2007	Bank of America	Interest	0.04
5/31/2007	Bank of America	Interest	0.20
6/30/2007	Bank of America	Interest	0.18
7/31/2007	Bank of America	Interest	0.38
8/2/2007	PayPal	Interest	0.31
8/21/2007	Bank of America		56.73
8/31/2007	Bank of America		15.40
8/31/2007	Bank of America	Interest	0.25
9/1/2007	PayPal	Interest	0.67
9/29/2007	PayPal	Deposit	1.10
9/30/2007	Bank of America	Interest	0.04
10/31/2007	Bank of America	Interest	0.21
11/1/2007	PayPal	Deposit	0.44
11/30/2007	Bank of America	Interest	0.26
12/6/2007	Bank of America		142.41
12/31/2007	Bank of America	Interest	0.06
1/1/2008	PayPal	Deposit	0.96
1/31/2008	Bank of America	Interest	0.02
2/1/2008	PayPal	Interest	1.05
2/28/2008	PayPal	"Bonus"	1.95
2/29/2008	Bank of America	Interest	0.02
3/1/2008	PayPal	Deposit	0.79
3/31/2008	Bank of America	Interest	0.04
4/1/2008	PayPal	Interest	1.22
4/30/2008	Bank of America	Interest	0.04
5/3/2008	PayPal	Deposit	1.47
5/31/2008	Bank of America	Interest	0.05

06/21/08

Seattle Internet Exchange, Inc. 91-2148657
10115 Greenwood Ave N 294, Seattle, WA 98133
Form 1024 Part III: Detailed P&L - 1/1/05 to 6/21/08

<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Amount</u>
	Total Interest Income		<u>248.51</u>
	Total Other Income		<u>248.51</u>
	Net Other Income		<u>248.51</u>
	Net Income		<u><u>25,643.77</u></u>

STATE of WASHINGTON



SECRETARY of STATE

I, **SAM REED**, Secretary of State of the State of Washington and custodian of its seal, hereby issue this

CERTIFICATE OF INCORPORATION

to

SEATTLE INTERNET EXCHANGE

a Washington Non Profit corporation. Articles of Incorporation were filed for record in this office on the date indicated below.

UBI Number: 602 123 606

Date: May 22, 2001



*Given under my hand and the Seal of the State
of Washington at Olympia, the State Capital*

A handwritten signature in cursive script that reads "Sam Reed".

Sam Reed, Secretary of State
2-954451-7

Seattle Internet Exchange, Inc.

10115 Greenwood Ave. N., PMB #294
Seattle, WA 98133-9197

June 20, 2008

To: Internal Revenue Service
Re: 91-2148657 Articles of Incorporation

I certify that the attached "Articles of Incorporation of Seattle Internet Exchange, Inc." signed 5/17/2001 and stamped 5/22/2001 by the State of Washington, are a complete and accurate copy of the original.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Caputo", with a long horizontal flourish extending to the right.

Chris Caputo
Secretary of Seattle Internet Exchange, Inc.

602-123-606

ARTICLES OF INCORPORATION

OF

SEATTLE INTERNET EXCHANGE, INC.

FILED
SECRETARY OF STATE
MAY 22 2001
STATE OF WASHINGTON

The undersigned, acting as the incorporator of a corporation under the provisions of the Washington Nonprofit Corporation Act (Chapter 24.03 of the Revised Code of Washington), hereby sign and verify the following Articles of Incorporation for such corporation.

ARTICLE I. NAME

The name of the corporation shall be Seattle Internet Exchange, Inc. (hereinafter referred to as the "Corporation").

ARTICLE II. DURATION

The Corporation shall have perpetual existence.

ARTICLE III. REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Corporation shall be 601 Union Street, Suite 4400, Seattle, Washington 98101. The name of the initial registered agent of the Corporation at such address shall be MN Services Corporation (WA).

ARTICLE IV. PURPOSES AND POWERS

Section 1. Purposes. The purposes for which this Corporation is formed are exclusively charitable, scientific, or educational and consist of the following:

A. To aid, support, and assist the efficient transmission of educational, scientific, medical and other information and communications by creating and maintaining direct communications interconnections between and among members, and between and among members and other Internet access service providers.

B. To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly and either alone or in conjunction or cooperation with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations, or governmental bureaus, departments, or agencies.

Section 2. Powers. In general, and subject to such limitations and conditions as are or may be prescribed by law, or in the Corporation's Articles of Incorporation or Bylaws, the Corporation shall have all powers which now or hereafter are conferred by law upon a corporation organized for the purposes set forth above, or are necessary or incidental to the powers so conferred, or are conducive to the attainment of the Corporation's purposes.

ARTICLE V. LIMITATIONS

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable, to its members (if any), directors, officers, or other private persons, except that the Corporation is authorized or empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its purposes.

Upon the winding up and dissolution of the Corporation, the assets of the Corporation remaining after payment of, or provision for payment of, all debts and liabilities of the Corporation, shall be distributed to an organization or organizations, as determined by the Board of Directors, to be used exclusively to accomplish the purposes for which this Corporation is organized, or to be used for the provision of Internet access services for any nonprofit organizations or any schools, libraries or health care institutions.

ARTICLE VI. MEMBERS

The qualifications of members and the application process, if any, and the property, voting and other rights and privileges of members and their liability for dues and assessments, and the method of collection thereof, shall be set forth in the Bylaws.

ARTICLE VII. DIRECTORS

The number of directors constituting the initial Board of Directors of the Corporation shall be three (3) directors. The names and addresses of the persons who are to serve as the initial directors of the Corporation are as follows:

<u>Name</u>	<u>Address</u>
Chris Caputo	10115 Greenwood Avenue N., #294 Seattle, Washington 98133-9197
Jared Reimer	2001 6 th Avenue, Suite 2202 Seattle, Washington 98121
Nikos Mouat	2747 Belvidere Ave. SW Seattle, Washington 98126-2124

The powers and duties, number, qualifications, terms of office, manner of election, time and criteria for removal of directors shall be as set forth in the Bylaws of the Corporation.

ARTICLE VIII. DIRECTOR LIABILITY LIMITATIONS

A director shall have no liability to the Corporation for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the director, or a knowing violation of law by a director, where the director votes or assents to a distribution which is unlawful or violates the requirements of these articles of incorporation, or

for any transaction from which the director will personally receive a benefit in money, property, or services to which the director is not legally entitled. If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification for or with respect to an act or omission of such director occurring prior to such repeal or modification.

ARTICLE IX. INDEMNIFICATION

Section 1. Right to Indemnification. Each person who was, or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer, he or she is or was serving at the request of the Corporation as a director, trustee, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director, trustee, officer, employee or agent or in any other capacity while serving as a director, trustee, officer, employee or agent, shall be indemnified and held harmless by the Corporation, to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including attorney's fees, judgements, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director, trustee, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in Section 2 of this Article with respect to proceedings seeking solely to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the board of directors of the Corporation. The right to indemnification conferred in this Section 1 shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section 1 or otherwise.

Section 2. Right of Claimant to Bring Suit. If a claim for which indemnification is required under Section I of this Article is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid also the expense of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred

in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the Corporation), and thereafter the Corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the Corporation (including its board of directors, independent legal counsel or its members, if any) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses of the claimant is proper in the circumstances nor an actual determination by the Corporation (including its board of directors, independent legal counsel or its members, if any) that the claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the claimant is not so entitled.

Section 3. Nonexclusivity of Right. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of members, if any, or disinterested directors or otherwise.

Section 4. Insurance, Contracts and Funding. The Corporation may maintain insurance at its expense to protect itself and any director, trustee, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such persons against such expense, liability or loss under the Washington Business Corporation Act, as applied to nonprofit corporations. The Corporation may, without further membership action, enter into contracts with any director or officer of the Corporation in furtherance of the provisions of this Article and may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Article.

Section 5. Indemnification of Employees and Agents of the Corporation. The Corporation may, by action of its Board of Directors from time to time, provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Corporation with the same scope and effect as the provisions of this Article with respect to the indemnification and advancement of expenses of directors and officers of the Corporation or pursuant to rights granted pursuant to, or provided by, the Washington Business Corporation Act, as applied to nonprofit corporations, or otherwise.

ARTICLE X. BYLAWS

Bylaws of the Corporation may be adopted by the Board of Directors at any regular meeting or any special meeting called for that purpose, so long as they are not inconsistent with the provisions of these Articles. The authority to make, alter, amend or repeal bylaws is vested in the board of directors and may be exercised at any regular or special meeting of the board of directors.

ARTICLE XI. INCORPORATOR

The name and address of the incorporator of the Corporation is as follows:

<u>Name</u>	<u>Address</u>
Chris Caputo	10115 Greenwood Avenue N., #294 Seattle, WA 98133-9197

IN WITNESS WHEREOF, the undersigned has signed these Articles of Incorporation this 17th day of May, 2001.



(Signature)

BYLAWS
OF
SEATTLE INTERNET EXCHANGE, INC.
(hereinafter referred to as the "Corporation")

ARTICLE 1. OFFICES

The principal office of the Corporation shall be located at its principal place of business or such other place as the Board of Directors ("Board") may designate. The Corporation may have such other offices, either within or without the State of Washington, as the Board may designate or as the business of the Corporation may require from time to time.

ARTICLE 2. MEMBERSHIP

2.1 Classes of Members.

The Corporation shall initially have one class of members. Additional classes of members, the manner of election or appointment of each class of members, and the qualifications and rights of each class of members may be established by amendment to these Bylaws.

2.2 Qualifications for Membership.

In order to qualify for membership a member shall be an operator of an Internet protocol network which has one or more direct connections to the Corporation's switches. A member may be elected or appointed to membership by the Board. Members may have such other qualifications as the Board may prescribe by amendment to these Bylaws.

2.3 Voting Rights.

2.3.1 Each member entitled to vote with respect to the subject matter of an issue submitted to the members shall be entitled to one vote upon each such issue.

2.3.2 Each member entitled to one vote at an election of Directors may cast one vote for as many persons as there are Directors to be elected and for whose election such member has a right to vote. Cumulative voting will not be allowed.

2.4 Annual Meeting.

The annual meeting of the members shall be held the 25th day of April in each year at 12:00 p.m. for the purpose of electing Directors and transacting such other business as may properly come before the meeting. If the day fixed for the annual meeting is a legal holiday at the place of the meeting, the meeting shall be held on the next succeeding business day. If the annual meeting is not held on the date designated therefor, the Board shall cause the meeting to be held as soon thereafter as may be convenient.

2.5 Special Meetings.

The President, the Board, or not less than 25% of the members entitled to vote at such meeting, may call special meetings of the members for any purpose.

2.6 Place of Meetings.

All meetings of members shall be held at the principal office of the Corporation or at such other place within or without the State of Washington designated by the President, the Board, by the members entitled to call a meeting of members, or by a waiver of notice signed by all members entitled to vote at the meeting.

2.7 Notice of Meetings.

The President, the Secretary or the Board shall cause to be delivered to each member entitled to notice of or to vote at the meeting, either personally or by mail, not less than ten nor more than fifty days before the meeting, written notice stating the place, date and time of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. At any time, upon the written request of not less than 25% of the members entitled to vote at the meeting, it shall be the duty of the Secretary to give notice of a special meeting of members to be held at such date, time and place as the Secretary may fix, not less than ten nor more than thirty-five days after receipt of such written request, and if the Secretary shall neglect or refuse to issue such notice, the person or persons making the request may do so and may fix the date, time and place for such meeting. If such notice is mailed, it shall be deemed delivered when deposited in the official government mail properly addressed to the member at his or her address as it appears on the records of the Corporation with postage thereon prepaid.

2.8 Waiver of Notice.

Whenever any notice is required to be given to any member under the provisions of these Bylaws, the Articles of Incorporation or applicable Washington law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

2.9 Quorum.

Ten percent (10%) of the members of the Corporation entitled to vote, represented in person (or by proxy), shall constitute a quorum at a meeting of the members. If less than a quorum of the members entitled to vote is represented at a meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice.

2.10 Manner of Acting.

The vote of a majority of the votes entitled to be cast by the members represented in person (or by proxy) at a meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by applicable Washington law, the Articles of Incorporation or these Bylaws.

2.11 Proxies.

A member may vote by proxy executed in writing by the member or by his or her attorney-in-fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting. A proxy shall become invalid eleven months after the date of its execution unless otherwise provided in the proxy. A proxy with respect to a specific meeting shall entitle the holder thereof to vote at any reconvened meeting following adjournment of such meeting but shall not be valid after the final adjournment thereof.

2.12 Action by Members Without a Meeting.

Any action which could be taken at a meeting of the members may be taken without a meeting if a written consent setting forth the action so taken is signed by a majority of all members entitled to vote with respect to the subject matter thereof, provided that the Corporation has mailed written notice of such proposed action to all members at least ten days prior to the date of such consent. Such written consents may be signed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document. Any such written consent shall be inserted in the minute book as if it were the minutes of a meeting of the members. As used herein, "mailed written notice" shall include email communication, and "written consent" shall include electronic or digital signatures, to the extent allowed by law.

2.13 Meetings by Telephone.

Members of the Corporation may participate in a meeting of members by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

ARTICLE 3. BOARD OF DIRECTORS

3.1 General Powers.

The affairs of the Corporation shall be managed by a Board of Directors.

3.2 Number.

The Board shall consist of not less than 3 nor more than 7 Directors, the specific number to be set by resolution of the Board. The number of Directors may be changed from time to time by amendment to these Bylaws, provided that no decrease in the number shall have the effect of shortening the term of any incumbent Director.

3.3 Qualifications.

Directors may be any person who is elected by a majority vote of all members entitled to vote. Directors may have such other qualifications as the Board may prescribe by amendment to these Bylaws.

3.4 Election of Directors.

3.4.1 Initial Directors.

The initial Directors named in the Articles of Incorporation shall serve until the first annual meeting of members.

3.4.2 Successor Directors.

Successor Directors shall be elected each year at the annual meeting of members, or by mail in such manner as the Board of Directors shall determine.

3.5 Term of Office.

Unless a Director dies, resigns or is removed, he or she shall hold office until the next annual meeting of the Board or until his or her successor is elected, whichever is later.

3.6 Annual Meeting.

The annual meeting of the Board shall be held without notice immediately following and at the same place as the annual meeting of members for the purposes of electing officers and transacting such business as may properly come before the meeting.

3.7 Regular Meetings.

By resolution, the Board may specify the date, time and place for the holding of regular meetings without other notice than such resolution.

3.8 Special Meetings.

Special meetings of the Board or any committee designated and appointed by the Board may be called by or at the written request of the President or any two Directors, or, in the case of a committee meeting, by the chairman of the committee. The person or persons authorized to call special meetings may fix any place either within or without the State of Washington as the place for holding any special Board or committee meeting called by them.

3.9 Meetings by Telephone.

Members of the Board or any committee designated by the Board may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

3.10 Place of Meetings.

All meetings shall be held at the principal office of the Corporation or at such other place within or without the State of Washington designated by the Board, by any persons entitled to call a meeting or by a waiver of notice signed by all Directors.

3.11 Notice of Special Meetings.

Notice of special Board or committee meetings shall be given to a Director in writing or by personal communication with the Director not less than ten days before the meeting. Notices in writing may be delivered or mailed to the Director at his or her address shown on the records of the Corporation. Neither the business to be transacted at, nor the purpose of any special meeting need be specified in the notice of such meeting. If notice is delivered by mail, the notice shall be deemed effective when deposited in the official government mail properly addressed with postage thereon prepaid.

3.12 Waiver of Notice.

3.12.1 In Writing.

Whenever any notice is required to be given to any Director under the provisions of these Bylaws, the Articles of Incorporation or applicable Washington law, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the waiver of notice of such meeting.

3.12.2 By Attendance.

The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.13 Quorum.

A majority of the number of Directors in office shall constitute a quorum for the transaction of business at any Board meeting. If a quorum is not present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

3.14 Manner of Acting.

The act of the majority of the Directors present at a meeting at which there is a quorum shall be the act of the Board, unless the vote of a greater number is required by these Bylaws, the Articles of Incorporation or applicable Washington law.

3.15 Presumption of Assent

A Director of the Corporation present at a Board meeting at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent or abstention is entered in the minutes of the meeting, or unless such Director files a written dissent or abstention to such action with the person acting as secretary of the meeting before the adjournment thereof, or forwards such dissent or abstention by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent or abstain shall not apply to a Director who voted in favor of such action.

3.16 Action by Board Without a Meeting.

Any action required or permitted to be taken at a meeting of the Board of Directors may be accomplished without a meeting or a vote if one or more written consents setting forth the action to be taken shall be signed by all the directors and delivered to the Corporation for inclusion in the Corporation's records as if it were the minutes of a meeting of the Board of Directors. Action taken by the unanimous written consent is effective when the last director signs the consent, unless the consent specifies a later effective date.

3.17 Resignation.

Any Director may resign at any time by delivering written notice to the President or the Secretary at the registered office of the Corporation, or by giving oral or written notice at any meeting of the Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.18 Removal.

At a meeting of members called expressly for that purpose, one or more Directors (including the entire Board) may be removed from office, with or without cause, by two-thirds of the votes cast by members then entitled to vote on the election of Directors represented in person or by proxy at a meeting of members at which a quorum is present.

3.19 Vacancies.

A vacancy in the position of Director may be filled by the affirmative vote of a majority of the remaining Directors though less than a quorum of the Board. A Director who fills a vacancy shall serve for the unexpired term of his or her predecessor in office.

3.20 Compensation.

The Directors shall receive no compensation for their service as Directors but may receive reimbursement for expenditures incurred on behalf of the Corporation.

ARTICLE 4. OFFICERS

4.1 Number and Qualifications.

The officers of the Corporation shall be a President, a Vice President, and a Secretary/Treasurer, each of whom shall be elected by the Board. Other officers and assistant officers may be elected or appointed by the Board, such officers and assistant officers to hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as may be provided by resolution of the Board. Any officer may be assigned by the Board any additional title that the Board deems appropriate. Any two or more offices may be held by the same person, except the offices of President and Secretary/Treasurer.

4.2 Election and Term of Office.

The officers of the Corporation shall be elected each year by the Board at the annual meeting of the Board. Unless an officer dies, resigns, or is removed from office, he or she shall hold office until the next annual meeting of the Board or until his or her successor is elected.

4.3 Resignation.

Any officer may resign at any time by delivering written notice to the President, Vice President, the Secretary/Treasurer or the Board, or by giving oral or written notice at any meeting of the Board. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.4 Removal.

Any officer or agent elected or appointed by the Board may be removed from office by the Board whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

4.5 Vacancies.

A vacancy in any office created by the death, resignation, removal, disqualification, creation of a new office or any other cause may be filled by the Board for the unexpired portion of the term or for a new term established by the Board.

4.6 President.

The President shall be the chief executive officer of the Corporation, and, subject to the Board's control, shall supervise and control all of the assets, business and affairs of the Corporation. The President shall preside over meetings of the members and the Board. The President may sign deeds, mortgages, bonds, contracts, or other instruments, except when the signing and execution thereof have been expressly delegated by the Board or by these Bylaws to some other officer or agent of the Corporation or are required by law to be otherwise signed or executed by some other officer or in some other manner. In general, the President shall perform all duties incident to the office of President and such other duties as are assigned to him or her by the Board from time to time.

4.7 Vice President.

In the event of the death of the President or his or her inability to act, the Vice President (or if there is more than one Vice President, the Vice President who was designated by the Board as the successor to the President, or if no Vice President is so designated, the Vice President whose name first appears in the Board resolution electing officers) shall perform the duties of the President, except as may be limited by resolution of the Board, with all the powers of and subject to all the restrictions upon the President. Vice Presidents shall have, to the extent

authorized by the President or the Board, the same powers as the President to sign deeds, mortgages, bonds, contracts or other instruments. Vice Presidents shall perform such other duties as from time to time may be assigned to them by the President or the Board.

4.8 Secretary.

The Secretary shall: (a) keep the minutes of meetings of the members and the Board, and minutes which may be maintained by committees of the Board; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records of the Corporation; (d) keep records of the post office address and class, if applicable, of each member and Director and of the name and post office address of each officer; (e) sign with the President, or other officer authorized by the President or the Board, deeds, mortgages, bonds, contracts, or other instruments; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or the Board.

4.9 Treasurer.

The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or the Board.

ARTICLE 5. ADMINISTRATIVE PROVISIONS

5.1 Books and Records.

The Corporation shall keep at its principal or registered office copies of its current Articles of Incorporation and Bylaws; correct and adequate records of accounts and finances; minutes of the proceedings of its members and Board, and any minutes which may be maintained by committees of the Board; records of the name and address and class, if applicable of each member and Director, and of the name and post office address of each officer; and such other records as may be necessary or advisable. All books and records of the Corporation shall be open at any reasonable time to inspection by any member of three months standing or to a representative of more than five percent of the membership.

5.2 Accounting Year.

The accounting year of the Corporation shall be the twelve months ending December 31.

5.3 Rules of Procedure.

The rules of procedure at meetings of the Board and committees of the Board shall be rules contained in Roberts' Rules of Order on Parliamentary Procedure, newly revised,

so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation or any resolution of the Board.

ARTICLE 6. FINANCIAL AND OPERATIONAL MATTERS

6.1 Powers of the Board of Directors

The Board shall have the authority to incur and pay financial obligations on behalf of the Corporation for the following matters without the vote of the members: insurance, rent, utilities, equipment acquisitions, cabling, maintenance and repair, accounting and legal services, and corporate governance matters; and for the Corporation's indemnification and expense reimbursement obligations as stated in the Articles of Incorporation. The Board shall have the authority to adopt rules and regulations concerning the use of the Corporation's services and facilities by the members.

6.2 Dues

Dues, if any, must be approved by a majority vote of the members.

6.3 Termination of Membership

A member's membership in the Corporation and connections to the Corporations' facilities may be terminated by the Board if the member fails to cure minor infractions of the Corporation's rules and regulations (as defined therein) within 10 days written to the member, and upon a unanimous vote of the Board. A member's membership in the Corporation and connections to the Corporation's facilities may be terminated immediately upon a unanimous vote of the Board for major infractions of the Corporation's rules and regulations (as defined therein), or pursuant to any lawful order of any court or governmental agency. If a Director is affiliated with a member whose membership is under consideration by the Board, then the Director shall abstain from voting and the number of votes required to terminate such membership shall be reduced accordingly.

6.4 Privacy

The Board may gather statistics or conduct any other analysis of the Corporation's facilities for planning purposes, but the Board may only publish an aggregate graph of all traffic over the Corporation's facilities. The Board shall keep confidential all per-port (per-member) usage statistics. Members may gather statistics from their router's interface, but will not have access to the Corporation's switch or interfaces. The Board may conduct packet sniffing or monitoring activities only for maintenance or security matters, or in response to any lawful order or request from any court or governmental agency.

ARTICLE 7. AMENDMENTS

Except for the terms of Article 6, these Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the vote of a majority of the number of Directors in office. The terms of Article 6 may be altered, amended or repealed and new terms thereof may be adopted by the vote of a 2/3 majority of the members.

The foregoing Bylaws were adopted by the Board of Directors on May 17th, 2001.

Section 3.16 was amended by the Members and the Board of Directors at the annual meeting on April 25th, 2005.

On March 11th, 2008, the Board of Directors amended sections 3.3 and 5.2. In addition, the word “corporation” was capitalized throughout.

On April 23rd, 2008, the Board of Directors amended section 2.9.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Secretary