

AMENDED AND RESTATED BYLAWS
OF
ROTARY CLUB of SARASOTA BAY FOUNDATION, INC.

Adopted June, 2004

ARTICLE I. PURPOSE

The purposes for which Rotary Club of Sarasota Bay Foundation, Inc. (the Organization") is organized are exclusively religious, charitable, scientific, literary and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.

The general nature, objects and purposes of the Organization shall be to operate without profit and to accept and receive property of whatever kind, and wherever situate, received by it by gift, grant, purchase, devise, bequest, or in any lawful manner and to administer and distribute such property exclusively for health, welfare, scientific, educational, environmental, cultural, and other charitable purposes, including:

A. To distribute property in accordance with the terms of gifts, bequests, devises, or other transfers made to the Organization which are not inconsistent with its purposes, as set forth above;

B. To modify any restriction or condition on the administration and distribution of funds for any specified purpose consistent herewith if in the sole judgment of the board of directors, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the designated purposes of the corporation.

No part of the net earnings of the Organization shall inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the Organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No substantial part of the activities of the Organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of these Bylaws, the Organization shall not carry on any activities not permitted to be carried on by a Organization exempt from Federal Income Tax under Section 501(c)(3), of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law).

ARTICLE II. MEMBERS

The membership of this Organization shall consist of all members in good standing of the Rotary Club of Sarasota Bay. Termination of membership in the Rotary Club of Sarasota

Bay shall constitute termination of membership to this Organization.

ARTICLE III. MEETINGS OF MEMBERS

Section 1. Annual Meeting. The annual meeting of all members of this Organization shall be held on the first Tuesday in the month of June just prior to the annual meeting of the directors of the Organization, at a location to be determined by the president of the Organization. The purpose of the annual meeting shall be to elect directors of the Organization, to discuss matters which are in the common interests of the members and to suggest courses of action to be considered by the board of directors. Notice of the annual meeting shall be given by the secretary to each member not less than seven (7) days before the meeting. The notice shall include the slate of nominees for members of the board of directors and a statement that nominations for directors will be accepted from the floor upon the presentation to the meeting of the slate of nominees.

Section 2. Special Meetings. Special meetings of the members may be held at the call of the president or by written request of 50% of the members. Notice of each special meeting shall be given by the secretary not less than two (2) days before that meeting.

Section 3. Waiver of Notice of Meetings. The transactions at any meeting of the members, however called and noticed, and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if a quorum is present in person, and if either before or after the meeting, each of the persons entitled to attend such meeting, not present in person, signs a written waiver of notice or a consent to the holding of meeting or an approval of the minutes thereof. All such waivers, consents need not specify either the business to be transacted or the purpose of any regular or special meeting of the members.

Section 4. Quorum of Members. One third of the total number of members shall constitute a quorum at all meetings of the members. When a quorum is once present, it shall be deemed to be continuously present throughout the meeting. When a meeting is adjourned for lack of a sufficient number of members at the meeting or otherwise, it shall not be necessary to give any notice of the time and place of the adjournment meeting or of the business transacted at such meeting other than by announcement at the meeting at which the adjournment is taken. However, if after the adjournment a new record date of meeting is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member, who, on the record date for the notice of the meeting, is entitled to attend and vote at the meeting. A meeting shall not be adjourned for more than forty-five days.

Section 5. Voting Rights. Each member is entitled to one vote on each matter submitted to a vote of the members. Members entitled to vote shall not be permitted to vote or act by proxy and no provision in the Bylaws referring to proxy shall be construed to permit any member to vote or act by proxy. The board of directors shall not be required to submit any matter to a vote of the members.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. Number of Directors. The business and affairs of this Organization shall be managed by a board of directors composed of not fewer than seven (7) persons nor more than twelve (12) persons, as determined by Resolution of the Board. The president, the immediate past president, and the president-elect of the Rotary Club of Sarasota Bay shall be ex-officio members of the Board. (revised April 30, 2013)

Section 2. Term of Directors. Directors shall hold office for staggered terms of not more than three (3) years or until their successors are elected. The president, immediate past president and the president elect of the Rotary Club of Sarasota Bay shall be ex-officio members of the board of directors but not the president of this Organization. In all other ways the ex-officio members shall serve with the full rights and duties of any member of the Board, and this period of services shall be considered to be a term. After having served two consecutive terms, a member of the board of directors will not be eligible to be elected as a director for a period of at least three years. Should it be necessary to replace a director who has been unable to complete his term, his successor shall serve out the remainder of the replaced director's term and must be elected to serve further. The service of a successor director shall be considered to be a term if it is a period of twenty-four (24) months or more, and he shall be subsequently eligible to serve one additional full term. Should the service of a successor director be less than twenty-four (24) months, he shall be subsequently eligible to serve two additional full terms as if he had not previously served.

Section 3. Election of Directors. The members of the Organization shall elect the directors at the annual meeting of the members. The Nominating Committee shall compile and submit its report in writing regarding the election of directors to the board of directors for its approval at least fourteen (14) but not more than forty (40) days prior to the annual meeting of the members. At the annual meeting of the general membership, the Nominating Committee shall present the approved slate of nominees to the members at which time nominations from the floor will then be accepted. Newly elected directors shall begin serving their terms on July 1 following their election.

Section 4. Vacancies. Any vacancies occurring in the board of directors shall be slated and elected by the nominating committee and confirmed by a majority vote of the remaining directors. The successor shall serve out the remainder of the replaced director's term and must be elected to serve further. The service of a successor director shall be considered to be a term if it is a period of twenty-four (24) months or more, and he shall be subsequently eligible to serve one additional full term. Should the service of a successor director be less than twenty-four (24) months, he shall be subsequently eligible to serve two additional full terms as if he had not previously served.

Section 5. Resignation. Any director may resign his office at any time, such resignation to be made in writing to the president or secretary of the Organization and to take effect immediately without acceptance.

Section 6. Removal of Directors. Misfeasance, malfeasance or disability of a director shall constitute cause for his removal from office. Failure to attend three (3) consecutive meetings without a valid excuse shall constitute cause for removal of a director. Any director may be removed either with or without cause at any time, by the vote of a majority of the members of the board of directors at any special meeting called for that purpose, or at regular meeting.

Section 7. Duties of the Board. The board of directors shall be the governing body of the Organization. It shall determine the policies and fiscal matters and, in general, assume responsibility for the direction of the affairs of the Organization.

Section 8. Power to Appoint Executive Committee. The board of directors shall have the power to appoint an Executive Committee composed of all officers of the corporation and

the chairmen of the committees of the corporation. Said committee shall have and exercise authority of the board of directors in the management of the business of the corporation between meetings of the Board. A majority of the voting members of the Executive Committee shall constitute a quorum.

Section 9. Annual Reports. The president and the treasurer shall present their respective written reports of the operation of the Organization for the preceding year at the annual meeting of the board of directors.

ARTICLE V. MEETINGS OF THE BOARD OF DIRECTORS.

Section 1. Annual Meeting. The annual meeting of the board of directors of this Organization shall be held in Sarasota County, Florida, on the first Tuesday in the month of June immediately following the annual meeting of the members each year. The place shall be designated by the president of the Organization, or whoever he appoints. The purpose of the annual meeting shall be the election of the officers of the Organization, who shall take office on July 1 following their election, and the presentation of the annual reports. Notice of the annual meeting shall be given by the secretary to each member not less than seven (7) days before the meeting. (revised 4-30-2013)

Section 2. Order of Business. Order of business at annual meeting will be:

- A. Reading of Notice of Meeting
- B. Reading of Minutes of Previous Meeting
- C. Reports of Officers
- D. Reports of Committees
- E. Election of Officers
- F. Other Business
- G. Adjournment

Section 3. Annual Report. At the annual meeting of the directors, the president shall report on the activities and matters considered by the Organization for the year ending June 30. This may be done by the president or whoever he designates to report. There shall be a treasurer's report. A written treasurer's report shall be provided to each director prior to the meeting and may be discussed at the meeting. (revised 4-30-2013)

Section 4. Special Meetings. Special meetings may be held at the call of the president or by written request of a majority of the members of the board of directors. Notice of each special meeting shall be given by the secretary to each director not less than forty-eight (48) hours before that meeting.

Section 5. Frequency of Meetings. Meetings of the board of directors shall be held on a quarterly basis or as needed.

Section 6. Quorum. A majority of the total number of elected directors shall constitute a quorum. The act of a majority of directors present at the meeting at which a quorum is present shall be considered the act of the board of directors unless otherwise specified in these bylaws.

Section 7. Action by Directors Without a Quorum or Without a Meeting. Any action required to be taken at a meeting of the board of directors, or committee thereof, may be taken without a quorum present, or without a meeting, if a consent in writing setting forth

B. To modify any restriction or condition on the administration and distribution of funds for any specified purpose consistent herewith if in the sole judgment of the board of directors, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the designated purposes of the corporation.

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

III.

BOARD OF DIRECTORS

The affairs of the corporation shall be managed by a board of directors consisting of not less than seven (7) and not more than twelve (12) persons, as determined pursuant to provisions of the Bylaws. The method of election of directors shall be as stated in the Bylaws.

IV.

MEMBERS

Membership in the corporation shall be as set forth in the Bylaws.

V.

CORPORATE EXISTENCE

The existence of this corporation shall be perpetual, unless dissolved according to law.

VI.

BYLAWS

The first board of directors of the corporation shall adopt Bylaws consistent with these Articles of Incorporation. Thereafter, the Bylaws may be altered, amended or rescinded by the directors in the manner provided by such Bylaws.

**VII.
REGISTERED OFFICE**

The street address of the current registered office of the corporation is 200 S. Orange Avenue, Sarasota, Florida 34236, and the name of the current registered agent of this corporation at that address is John T. Berteau.

**VIII.
COMMITTEES**

The corporation may establish such committees as may be necessary to efficiently carry out the general purposes and activities of the corporation.

**IX.
DISTRIBUTION UPON DISSOLUTION**

Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

**X.
AMENDMENT**

This corporation reserves the right to amend, alter, change or repeal any provisions contained in these Amended and Restated Articles of Incorporation, or any amendment hereto, in the manner now or hereafter prescribed by law.

1. The amendment was approved and adopted at a duly convened meeting of the board of directors of the corporation on June 24, 2004. The number of votes cast for the amendment by the directors was sufficient for approval.

2. There are no other members entitled to vote.

IN WITNESS WHEREOF, the president of the corporation has executed these Amended and Restated Articles of Incorporation.

the action so to be taken signed by all of the directors or all of the committee, as the case may be, is filed in the minutes of the proceedings of the Board or of the committee.

Section 8. Voting. Every director of the Organization, in good standing, shall have the right and be entitled to one vote upon every proposal properly submitted to vote at any meeting of the Organization.

ARTICLE VI. OFFICERS

Section 1. Officers. The officers of this Organization shall consist of the president, vice president, secretary and treasurer, all of whom shall be members of the board of directors. The president shall also be the chairman of the board of directors. Such other officers may be appointed as shall be desired by the Board. Each officer shall be elected to hold office for a period of one (1) year and may succeed himself and hold more than one office at the same time.

Section 2. President. The president shall:

- a. Schedule and preside at all meetings of the board of directors, and all meetings of the Executive Committee.
- b. Make all committee appointments other than those for the Executive Committee.
- c. Be a member ex officio of all committees.
- d. Be Chairman of the Executive Committee
- e. Perform all other duties usually pertaining to the office of President.
- f. Serve, concurrently with the term of this office as a member of the Board of Directors of the Rotary Club of Sarasota Bay, in an Ex-officio position.

Section 3. Vice President. The vice president shall:

- a. Preside at all meetings of the board of directors and at all meetings of the Executive Committee in the absence of the president.
- b. Be a member of the Executive Committee and a member of each standing committee.
- c. Perform all other duties assigned by the president or by the board of directors.

Section 5. Secretary. The secretary shall:

- a. Record the minutes of all meetings.
- b. Have custody of the seal of the Organization.
- c. Keep a correct list of names and addresses of all members of the board of directors.
- d. Be responsible for general correspondence.
- e. Maintain a file of all correspondence.
- f. Give notice of the meetings required by statute, bylaws or resolution.
- g. Take attendance at meetings.
- h. Be a member of the Executive Committee.
- i. Perform such other duties as are requested by the board of directors or the Executive Committee.

Section 7. Treasurer. The treasurer shall:

- a. Be custodian of all funds and securities of the Organization and collect interest thereon.
- b. Keep a record of the accounts of the Organization and report thereon at each regular meeting of the board of directors.
- c. Give a fiscal year-end report at the annual meeting and special reports when requested.
- d. Be responsible to see that a budget is prepared each year setting forth the projected expenses and costs of the Organization, together with anticipated revenues.
- e. Deposit all moneys of the Organization in the name of the Organization, in a bank or savings and loan selected and designated by the board of directors, subject to withdrawal for authorized purposes, by the president, vice president, treasurer, or secretary. (Revised 4-30-2013)
- f. Present all financial records to the Finance Committee to perform an annual review of the records.
- g. Be a member of the Finance Committee.
- h. Be a member of the Executive Committee.
- i. Place all securities and other valuable papers in a safe deposit box or vault, designated by the board of directors which may be opened upon any two signatures of two of the officers of the Organization.

Section 8. Election of Officers. At the annual meeting of the board of directors, nominations for officers of the Organization will be accepted from the floor of directors. After nominations are duly closed, the board of directors shall elect the officers of the Organization for the next year from the list of nominees. Officers shall serve until their successors are duly elected and qualify. Officers shall take office on July 1 following their election.

Section 10. Removal of Officers. Any officer may be removed with or without cause by a majority vote of the board of directors. Misfeasance, malfeasance or disability shall constitute cause for the removal of an officer.

ARTICLE VII. COMMITTEES

Section 1. Finance Committee. The president, within one (1) month after the election, shall appoint the chairman from the membership of the board of directors. The president may appoint special committees as the need arises. Membership to the Finance committee shall be appointed annually. The Finance committee shall be comprised of the Treasurer and at least two other members of the board of trustees.

Section 2. Nominating Committee. The three member Nominating Committee shall be comprised of: the current Foundation President, the Foundation President-Elect and the immediate past President of the Foundation. The Nominating Committee shall recruit, evaluate and nominate persons qualified to serve on the board of directors; coordinate election of directors at the annual meeting of the directors; and recommend individuals to fill board vacancies occurring between meetings. A Committee member shall not be excluded from being a nominee. No director may be nominated by the Nominating Committee or by the floor without the approval of the nominee having been obtained prior to the submission of the report.

ARTICLE VIII. USE OF FUNDS

Except for ongoing club or Foundation projects such as the toys for handicapped children project, all unrestricted funds which are left in treasury at the end of a fiscal year shall be transferred and permanently restricted to the corpus of the Organization at the end of the first quarter of the following fiscal year, unless a subsequent grant is made using all or part of those funds during that first quarter. Any remaining funds in excess of \$10,000 should be transferred into the investment account. Transfers of amount below the \$10,000 threshold are subject to the discretion of the board of directors. Review of this threshold policy should occur every three years. In the case of making a grant in the first quarter using part of the residual funds, the remaining part of the residual funds will be transferred and permanently restricted to the corpus at the end of the first quarter.

ARTICLE IX. FISCAL YEAR

The fiscal year of this Organization shall end on the 30th day of June of each year.

ARTICLE X. PARLIAMENTARY AUTHORITY

"Robert's Rules of Order Newly Revised" shall be the parliamentary authority for all matters of procedure not specifically covered by these bylaws.

ARTICLE XI. CORPORATE SEAL

The Board may provide a seal for the Organization, which shall be in charge of the Secretary or such other officer as the Board may from time to time direct, and shall be affixed to such documents as may require the corporate seal.

ARTICLE XII. BOOKS AND RECORDS

The Organization shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its board of directors and committees having any of the authority of the Board.

ARTICLE XIII. INDEMNIFICATION

Section 1. Conditions. The Organization shall indemnify any past or present director, officer, employee or agent of the Organization, and any person who may have served or who serves at its request as a fiduciary, against (a) any expenses and costs, including but not limited to legal and accounting fees, including costs of appeal, incurred in connection with any claim asserted against him by reason of being or having been such director, officer, employee, agent or fiduciary or in connection with any civil or criminal action, suit or proceeding which is instituted before any court or administrative body and to which he is made a party by reason of being or having been such director, officer, employee, agent or fiduciary; (b) any amounts paid in settlement of any such claim or any such action, suit or proceeding; and (c) any amounts paid on any judgments rendered in any such action, suit or proceedings; provided that he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Organization and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful; proceeding, had no reasonable cause to believe his conduct was unlawful; provided further

that, if he is adjudged in any action or suit by or in the right of the Organization to be liable for negligence or misconduct in the performance of his duty to the Organization, indemnification shall be made only to the extent that the court in which such action or suit was brought determines he is fairly and reasonably entitled. In no event, however, shall indemnification be made for gross negligence or willful misconduct.

Section 2. Determination. Any indemnification under Section 1, unless pursuant to a determination by a court, shall be made by the Organization only upon a determination that indemnification is proper in the specific circumstances because the applicable standard of conduct set forth in Section 1 has been met, made by (a) majority vote of a quorum of directors, who were not parties to such action, suit or proceeding; or (b) if such quorum is unobtainable, or (even if obtainable) if a quorum of disinterested directors, so direct, by independent legal counsel in a written opinion.

Section 3. Additional Rights. The indemnification provided by this Article shall be in addition to any other rights which those indemnified may have under any law, agreement or resolution of the board of directors of the Organization.

ARTICLE XIV. AMENDMENT

These Bylaws may be amended or any part thereof may be repealed, by a majority vote of the board of directors at any meeting attended by a quorum of the Board., but only if notice of the proposed action relating to these Bylaws is included in the notice of the meeting or is waived in writing by a majority of the directors.

**RESOLUTION OF THE BOARD OF DIRECTORS OF
ROTARY CLUB OF SARASOTA BAY FOUNDATION, INC.**

WHEREAS, Rotary Club of Sarasota Bay Foundation, Inc. is a Florida not-for-profit corporation (the "Corporation");

WHEREAS, the directors wish to amend and restate the articles and the bylaws of the Corporation;

WHEREAS, the directors have been presented with and fully read a document captioned, "Amended and Restated Articles of Incorporation of Rotary Club of Sarasota Bay Foundation, Inc." (the "Amended Articles");

WHEREAS, the directors approve of the amendments contained therein;

WHEREAS, the directors have been presented with and fully read a document captioned, "Amended and Restated Bylaws of Rotary Club of Sarasota Bay Foundation, Inc." (the "Amended Bylaws");

WHEREAS, the directors approve of the amendments contained therein;

**NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AS
FOLLOWS:**

The Amended Bylaws are hereby approved, ratified and confirmed.

Proper officers and directors of the Corporation be, and each of them hereby is, authorized and directed to take all such actions, make all such filings with government offices, distribute all notices and execute all such instruments, documents and amendments, as deemed necessary, appropriate or advisable, upon the advice of counsel, to carry out the intent and purpose of this and the foregoing resolutions.

All previous resolutions of the Board which are inconsistent with this Resolution be, and the same hereby are, repealed, revoked and rescinded to the extent of any such inconsistency.

This Resolution adopted and approved this 15 day of June 2004.

ROTARY CLUB OF SARASOTA BAY FOUNDATION, INC.

By: _____
Elija M. Hicks, Chairman of the Board

Attest By: _____

Rotary Club of Sarasota Bay Foundation, Inc.

Investment Policy

I. Statement of Purpose

The purpose of this statement is to present a set of investment objectives, investment guidelines, and performance standards for the assets of the Rotary Club of Sarasota Bay Foundation, Inc. which will guide the investment management of the assets toward desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

II. Definitions

1. "Plan" shall mean the Rotary Club of Sarasota Bay Foundation, Inc. ("the Foundation")
2. "Investment Committee" shall refer to the governing board established to administer the Plan as specified by applicable ordinance.
3. "Investment Manager(s)" shall mean any individual or group of individuals that exercise discretionary authority or control over the fund management or any authority or control over management, disposition or administration of the Plan assets.
4. "Securities" shall refer to the marketable investment securities, which are defined as acceptable in this statement.
5. "Investment Horizon" shall be the time period over which the investment objectives, as set forth in this statement, are expected to be met. The investment horizon for this Plan shall be considered long term (deemed five – seven years).

III. Investment Objectives and Goals

In order to meet its needs, the investment strategy of the Foundation is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Specifically, the primary objectives in the investment management for the Plan assets shall be:

- Liquidity- to ensure the ability to meet all expected and unexpected cash flow needs by investing in securities, which can be sold readily and efficiently.
- Preservation of Capital – to minimize the potential for loss of principal over the investment horizon (considered long term). Emphasis is placed on minimizing return volatility rather than maximizing total return.
- Preservation of Purchasing Power – to achieve returns in excess of the rate of inflation over the investment horizon in order to preserve purchasing power of Plan assets. Risk control is an important element in the investment of Plan assets.
- Income and Growth – to achieve a balanced return of current income and modest growth of principal.
- Long-Term Growth of Capital – to emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

The goal of the investment manager(s), over the investment horizon, shall be to:

- Meet or exceed the market index, or blended market index, selected and agreed upon by the Foundation that most closely corresponds to the style of investment management.
- Display an overall level of risk in the portfolio, which is consistent with the risk

associated with the benchmarks specified. Risk will be measured by the standard deviation of quarterly returns.

IV. Spending Policy

The Investment Committee will attempt to balance the Foundation's shorter-term grant making obligations with its goal to provide grants into perpetuity, and therefore design a spending policy, which is flexible. Since expected returns from "riskier" portfolios are not consistent and predictable, the Investment Committee feels that shorter-term spending in dollar terms must be flexible enough to endure periods of underperformance without excessive deterioration of real principal. Therefore, this Foundation may tend toward a more "moderate" investment strategy seeking higher long-term investment returns than would be the case if grant making from year to year were less flexible.

Proceeds from interest and dividend income are to be used as follows:

1. To meet the administrative and promotional expenses of the Foundation, and then;
2. To fund charitable projects and Avenues of Service of the Club.

Capital gains distributions are to be reinvested into the corpus of the Foundation.

NOTE: Article VI of the Foundation's By-laws states: *"All restricted funds which are left in treasury at the end of the fiscal year shall be transferred and permanently restricted to the corpus of the Organization at the end of the first quarter of the following year, unless a subsequent grant is made using all or part of those funds during that first quarter. In the case of making a grant in the first quarter using part of the residual funds, the remaining part of the residual funds will be transferred and permanently restricted to the corpus at the end of the first quarter."*

V. Allowable Assets

Eligible securities:

- U.S. Treasury Bills – Issued and guaranteed by the U.S. Government.
- Federal Agencies – Government National Mortgage Association (GNMA), Tennessee Valley Authority and World Bank.
- Government Sponsored Enterprises (GSE) – Farm Credit System (FCS), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Bank (FHLB), Student Loan Marketing Association (SLMA), Financing Corporation (FICO), The Resolution Funding Corporation (REFCO), and Farm Credit System Financial Assistance Corporation (FAC).
- Certificates of Deposits and Money Market Funds – Issued by banks and covered by Federal Deposit Insurance Corporation (FDIC) or short-term government money market funds.
- Corporate Fixed Income Securities – Investment grade as defined by Standard & Poor and/or Moody's.
- Money Market Instruments – Taxable-rated A1/P1 as defined by Standard & Poor and/or Moody's.

V. Allowable Assets (continued)

- Equity Securities – Listed on a major U.S. exchange (including NASDAQ).
- Mutual Funds – Providing that holdings are limited to permitted investments.

Prohibited Assets:

- Futures Contracts
- Private Placements
- Options
- Limited Partnerships
- Venture-capital Investments
- Direct investments in Real Estate Properties (unless donated)
- Agricultural Investments

Guidelines for Fixed Income Investments and Cash Equivalents:

- Plan assets may be invested only in investment grade bonds.
- Plan assets may be invested only in commercial paper rated A1 (or equivalent) or better.

VI. Diversification

The Foundation does not believe it is necessary or desirable that securities held in the Plan represent a cross section of the economy. However, in order to achieve a prudent level of portfolio diversification, the securities of any one company or government agency should not exceed 5% of the total fund, and no more than 10% of the total fund should be invested in any one industry. Individual treasury securities may represent 10% of the total fund, while the total allocation to treasury bonds and notes may represent up to 100% of the Plan's aggregate bond position.

VII. Asset Allocation

The investment policies, guidelines, and restrictions in this policy statement serve as a framework to help the Foundation achieve the investment objectives at a level of risk (the uncertainty of future events) deemed acceptable. Short-term fluctuations in value shall be considered secondary to longer-term results as defined by a full market cycle (five to seven years). In order to achieve these objectives, the portfolio at current levels and at future levels up to \$1 million shall be in accordance with the following asset allocation guidelines:

1. Aggregate Plan Asset Allocation Guidelines (at market value) Amended 2/24/2014

Asset Class	Minimum	Maximum
Equities	45%	65%
Fixed Income	30%	45%
Non-Correlated	0%	10%
Cash and Equivalents	5%	10%

Non-correlated investments are used to counterbalance movements in other Asset Classes. They may consist of commodities, REITs, etc. This Asset Class may play a greater role as the Foundation assets grow.

2. The Investment Committee may employ investment manager(s) whose guideline disciplines require investment outside the established asset allocation guidelines. However, taken as a component of the aggregate Plan, such disciplines must fit within the overall asset allocation guidelines established in this statement. Such investment managers will receive written direction from the Investment Committee regarding specific objectives and guidelines.
3. In the event that the above aggregate asset allocation guidelines are violated, for reasons including but not limited to market price fluctuations, the Investment Committee will instruct the Investment Manager(s) to bring the portfolio(s) into compliance with these guidelines as promptly and prudently as possible. In the event that the Investment Manager(s) portfolio is in violation with its specific guidelines, for reasons including but not limited to market price fluctuations, the Investment Committee expects that the Investment Manager(s) will bring the portfolio into compliance with these guidelines as promptly and prudently as possible without instruction from the Investment Committee.

VIII. Investment Manager(s) Performance Review and Evaluation

Performance reports generated by the Investment Manager(s) shall be compiled at least quarterly and communicated to the Investment Committee for review. The investment performance of total portfolios, as well as asset class components, will be measured against commonly accepted performance benchmarks. Consideration shall be given to the extent to which the investment results are consistent with the investment objectives, goals, and guidelines as set forth in this statement. The Investment Committee intends to evaluate the portfolio(s) over at least a three-year period, but reserves the right to terminate a manager for any reason including the following:

1. Investment performance, which is significantly less than anticipated given the discipline employed, and the risk parameters established, or unacceptable justification of poor results.
2. Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
3. Significant qualitative changes to the investment management organization.

IX. Investment Policy Review

To assure continued relevance of the guidelines, objectives, financial status and capital markets expectations as established in this statement of investment policy, the Investment Committee plans to review the investment policy at least annually. Any changes made to the Investment Policy will be reported to the Club membership. This statement of investment policy was adopted on June 15, 2004 by the Investment Committee of the Rotary Club of Sarasota Bay Foundation, Inc.

Name Change and Ratification – April 17, 2007

In order to be consistent with the Amended and Restated Articles of Incorporation and the Bylaws which were adopted June 29, 2004 and changed the name of the Corporation to Rotary Club of Sarasota Bay Foundation, Inc.;

Whereas, the directors have been presented with and fully read a document captioned, "Rotary Club of Sarasota Bay Foundation, Inc. Investment Policy"

Whereas, the directors approve of the name change contained herein;

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED AS FOLLOWS:

This Investment Policy is hereby approved, ratified and confirmed this 17th day of April 2007 by the Board of Directors of the Rotary Club of Sarasota Bay Foundation, Inc.

Amendment – January 25, 2011

This Investment Policy was hereby amended on January 25, 2011 by the Board of Directors of the Rotary Club of Sarasota Bay Foundation, Inc.

Amendment -11/8/2011

This Investment Policy was corrected for changes made January 25, 2011 but not properly corrected in all sections of the Policy.

ROTARY CLUB OF SARASOTA BAY FOUNDATION THE GRANT PROCESS

PURPOSE

To define the process by which the Rotary Club of Sarasota Bay Foundation (RCSBF) identifies, evaluates, and implements the annual allocation of available grant making funds to projects. This does not refer to 501(c)(3) pass-through funds earmarked for Rotary Club of Sarasota Bay fundraising receipts.

MISSION

In concert with Rotary International's Foundation Mission of "enabling Rotarians to advance world understanding, good will, and peace through the improvement of health the support of education, and the alleviation of poverty" we will strive to assist in meaningful ways local, regional, and international charitable efforts focused on making improvements in the lives of youth and the disadvantaged.

SCOPE

Grants (minimum amount \$1000) will be made up to the total of interest and dividends available and paid each year.

In carrying out this task the Foundation Board will focus on but not be limited by the following:

- Giving priority to local and regional charities, however international efforts will also be considered.
- Rotary Club of Sarasota Bay Signature Projects (level of support for these projects will be determined by the board based upon available funds and near term projections).

NOTE: We will not fund: foundations or endowments, lobbying, civic projects (parks fire/police, roads sewers), organizations that discriminate based on race, national origin, ethnicity, sex, disability, sexual orientation, political affiliation or religious belief.

EVALUATION CRITERIA

In carrying out its responsibilities the Foundation Board should be guided but not limited by the following:

- Feasibility of our Grant "to make a difference"
- Recipient's ability to fulfill the project
- Financial performance of the organization i.e. program expenses as a portion of total expenses (50% at a minimum), months of operating expenses the organization has in reserve (more than 3 but less than 24)
- Alignment with the mission statements of the organization and RCSBF
- Short-term projects with measurable results during the funding year
- Social return on investment: How many lives are affected and how critical are the services delivered per dollar of investment

CONTENT OF GRANT REQUESTS

Tax returns for the prior year, determination letter from IRS showing 501(c)(3) tax status and a plan, including key contact information for the use of funds requested.

TIMETABLE FOR SUBMISSION AND APPROVAL OF GRANTS

It is our intention to review requests twice a year and submit recommendations to the board of the Rotary Club of Sarasota Bay for review. Grant request forms will be available to all members of the Rotary Club of Sarasota Bay. Submissions may be made at any time. Foundation Board will review, and grant requests in January and June concurrent with funding availability.

11/07/2011