

THE NIAN TIC ROTARY FOUNDATION ORGANIZED

1. Creation

The Members of The Niantic Rotary Club, acting in harmony with the spirit of the constitution of Rotary international and under the authority granted and set forth in charter and the constitution, hereby create THE NIAN TIC ROTARY FOUNDATION, which may, for the purposes hereinafter set forth, accept gifts, devise or bequests of money or property or the income therefrom whether such gift, devise or bequest be outright or in fee or in trust, and all such gifts, devise or bequests, together with such surplus funds of The Rotary Club of Niantic as the Board of Directors may from time to time set aside for that purpose, shall constitute and become part of a fund to be known as THE NIAN TIC ROTARY FOUNDATION (hereinafter referred to as the "Foundation").

2. Purposes

The Trustees of the Foundation and their successors shall hold, invest, manage and administer the Foundation and the income therefrom in trust for exclusively educational, charitable, scientific or literary purposes. The Trustees shall so administer this Foundation that no part of the principal or the income therefrom shall inure to the benefit of any private shareholder or individual, except charitable beneficiaries within the class hereinabove generally defined, and so that no part of its activities is the carrying on of propaganda, or otherwise attempting to influence legislation, or participation in or intervening in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

3. Ownership of Property

The title to all property of the Foundation shall be vested in seven Trustees and their successors.

4. Powers

The Trustees and their successors shall have power;

- (a) to sell, mortgage, transfer or exchange all or any part of the said property at such prices and upon such terms, conditions, and in such manner, as they deem best;

- (b) to invest and reinvest in such stocks, bonds, loans, securities, real estate or personal property as they may deem suitable for the investment of foundations;
- (c) to expend the income from or the corpus of the Foundation for any purpose which, in the opinion of the Trustees, may be proper in advancing the purposes of the Foundation, as set forth in paragraph 2 hereof;
- (d) to pay the expenses incident to or arising out of and necessary in performing the objectives of the Foundation;
- (e) to execute and deliver any proxies, powers of attorney, deeds, agreements or other documents which may be deemed necessary or proper by the Trustees and which may be permitted by law;
- (f) to elect and employ in and about the execution of the Foundation, suitable agents and attorneys including a trust company or trust companies to whom may be delegated, with the right of revocation reserved, such powers as the Trustees may deem advisable;

5. Board of Trustees

The Board of Trustees of the Foundation shall be composed, from time to time, of the current President and Treasurer of the Niantic Rotary Club and the last five past presidents, in order of service, who are both members of The Niantic Rotary Club and willing to serve as such Trustees. The President and Treasurer of The Niantic Rotary Club each year shall automatically become Trustees of the Foundation upon the commencement of their terms and they shall replace the then Trustee who shall be the senior in order of service and the then Trustee who was Treasurer. All Trustees shall serve until their successors qualify by executing and filing a written acceptance of appointment as Trustee of the Foundation. If for any reason there shall be fewer than five past presidents eligible and willing to serve as such Trustees (or if the Treasurer shall be a past President), the Board of Trustees shall appoint a member of The Niantic Rotary Club to fill such vacancy and to serve as such Trustee until succeeded by another eligible past president.

6. Rules and Regulations

The Trustees may adopt such rules and regulations for the administration of the Foundation as in their opinion may be necessary and advisable in furtherance of and consistent with the purposes set forth in paragraph 2 hereof.

7. Compensation

The Trustees shall serve without compensation.

8. Liability

In no event are the Trustees to be held liable for any neglect, omission or wrongdoing in the performance of their duties except for gross neglect or willful default, nor shall the Trustees be or become liable for neglect, omission or wrongdoing of any agent, attorney or trust company, provided reasonable care shall have been exercised in their selection.

9. Expenditures

Expenditures of the income from or the corpus of the Foundation, except necessary expenses of administration, shall be made by a majority of the Trustees, and shall be limited to the purposes set forth in paragraph 2 hereof; provided, however, any decision to expend from principal an amount in excess of One Thousand Dollars (\$1,000.00) shall be reported to the membership of The Niantic Rotary Club within fourteen (14) days from such decision. The members of The Niantic Rotary Club may rescind such decision by a two-thirds (2/3) vote of its membership by the second regularly-scheduled meeting after receipt of such decision. Receipt of such decision shall mean written notification to the Secretary of The Niantic Rotary Club.

Expenditures from principal shall be limited to those expenditures necessary to meet the current fiscal year's portion of all existing Foundation obligations.

10. Reports

The Trustees shall report to the members of of The Niantic Rotary Club at least annually or so often as requested, except as otherwise provided in paragraph 9 herein. Said annual report shall at that time be available to all members of The Niantic Rotary Club. The reports shall cover

the financial condition of the Foundation, the current operation, and any specific items the members may request.

11. Period of Duration

The Trust herein established shall be irrevocable but may be terminated at any time by action of three-fourths of the Trustees and three-fourths of the members of The Niantic Rotary Club. Upon such termination the Trustees shall promptly distribute all of the property of the Foundation to such education, charitable, scientific or literary corporations or institutions and in such proportions and amounts as the Trustees in their judgment shall select and determine.