

Effective Date: _May 22, 2012_

Supercedes: _Original Code of Regulations of Kent Rotary Foundation_

CODE OF REGULATIONS
OF
KENT ROTARY FOUNDATION

Foundation Purpose:

The Rotary Club of Kent (RCK) is served by the Kent Rotary Foundation (KRF). In all matters before the KRF, its Trustees will keep in mind the principles and values of the Rotary Four Way Test

Membership:

The Members are the Trustees of the KRF. They will be elected by the RCK as outlined in Article I (entitled "Election of Directors and Officers"), Section 1, of the By-Laws of The Rotary Club of Kent, Ohio which reads as follows:

"At a regular meeting one month prior to the meeting for the election of officers, the president will appoint and announce a nominating committee of 5 members (including 3 past presidents). The committee shall present a slate of candidates for the offices of president, vice-president, secretary, treasurer, program chairperson, member of the board of Kent Rotary Foundation, and two members of the club board of directors. The Nominating Committee chairperson will propose its candidates and the president will call for additions to a ballot and vote at the following meeting. Those candidates receiving the most votes shall be elected for the year beginning next July first, and will join their respective boards as members."

Membership Term:

Each elected member of the KRF will serve a single term of seven (7) years. No member of the KRF may serve two (2) consecutive terms.

Ex-Officio Membership:

In order to further the purpose of the KRF and to help insure the best communication between the members of the KRF and the RCK, the President of the RCK will serve, during the term of his/her presidency, as a non-voting member of the KRF.

Progression of Terms:

The terms of the seven elected members of the KRF will be on a rotating basis with a new member elected each year and the member serving the longest term departing the KRF. This procedure will maintain membership of the KRF at seven (7) plus the ex-officio membership to be served by the current President of the RCK. The names and terms of the members will be documented by the Secretary of the KRF and filed each year with the minutes of the KRF.

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Election of Officers:

The members of the KRF will conduct an annual meeting in January of each year to elect new officers of the KRF. Offices of Chairman, Secretary and Treasurer will be filled as well as any other official offices deemed necessary by the members together with their prescribed duties.

Officer Duties:

The Chairman will conduct the meeting, set the agenda and have the power to appoint committees as necessary. The Secretary will have custody of the books and records of the KRF and will maintain written minutes of all meetings and circulate them to the members for their review. The Treasurer will have custody of all financial materials related to the KRF including receipts, disbursements, deposits and other materials sufficient to properly track and direct the finances of the KRF. When called on, the Treasurer will present a reliable accounting of all financial transactions of the KRF.

Membership Termination:

If a Trustee's membership in the RCK is terminated for any reason, the membership of that Trustee is also terminated in the KRF.

Membership Removal:

Any member may be removed with or without cause at any annual, regular or special meeting by a majority vote of the members.

Membership Vacancy:

If a vacancy occurs on the KRF, either by membership termination, membership removal or resignation, the remaining members will elect a replacement member on the KRF from the membership of the RCK to serve the remainder of original member's term.

Trustee Meetings:

Meetings of the KRF will be held on a regular basis or on the written request of at least four (4) of the voting members. Email notice is permitted. Agendas for each meeting will be provided to each member at least one (1) week prior to the announced meeting.

Informational Meetings:

An informational meeting will be conducted at least once a year with the members of the RCK. The meeting will be conducted at a regularly scheduled meeting of the RCK at a time that is mutually agreeable. The purpose of the

meeting will be to inform all those present about the activities and finances of the KRF and answer any questions that may arise.

Management:

1. The fiscal year of the KRF will be the same as that for the RCK.
2. The KRF may receive and accept property and gifts as long as they are not conditioned or limited in a way that makes them inappropriate for the purposes and mission of the KRF. Specifically, no property or gifts may be received or accepted that may jeopardize the 501(c)(3) Federal income tax exemption status (reference to Section 501(c)(3) of the Internal Revenue Code of 1954, as later amended.)
3. The KRF may (i) make payment or distributions from income or principal; it may (ii) make payment or distributions to a charitable 501(c)(3) organization as described in the Federal Internal Revenue Code (where such charitable payments and distributions are used exclusively for charitable, scientific, literary or educational purposes), and; it may (iii) make payment or distributions to an organization or entity that is not a 501(c)(3) tax exempt organization as long as such charitable payments are used exclusively for charitable, scientific, literary or educational purposes.
4. The Trustees will have full discretionary powers to invest and reinvest principal and income; change investments; invest in or retain any stock, share, bond, note, obligation or property; sell, lease or exchange property by private contract or public auction; borrow money; acquire or hold any property subject to any mortgage or pledge; assume any mortgage or pledge on property; execute and deliver deeds, assignments, transfers, mortgages, pledges, leases, covenants, contracts, promissory notes, releases, and other instruments incident to any transaction; vote, give proxies, participate in the reorganization, merger, or consolidation of any concern, or in the sale, lease, disposition or distribution of its assets; to join with other security holders in acting through committee, depository, voting trustees; to delegate authority to such committee, depository or trustees; to deposit securities with them or transfer securities to them; to pay assessments levied on securities; to exercise subscription rights in respect to securities; to employ a bank or trust company as custodian of any funds or securities and to delegate to it such powers as they deem appropriate; to hold Corporate property without indication of fiduciary capacity but only in the name of a registered nominee, provided the Corporate property is at all times identified as such on the books of the KRF; to keep any or all of the Corporate property in any place or places in the United States, to employ clerks, accountants, investment counsel, investment agents, and any special services, and to pay reasonable compensation for all such services and all necessary or proper expenses in connection with the administration of the Corporate property or otherwise.

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5. The Trustees may not loan, directly or indirectly, any income or principal to a Trustee or anyone who has made a contribution to the KRF.

Indemnification:

The KRF will indemnify each member, former member or person who is serving or has served at its request as a director, trustee or officer of another enterprise and may indemnify any employee or agent, any former employee or agent, and any person who is serving or has served at its request as an employee or agent of any other enterprise to the fullest extent permitted by the laws of the State of Ohio in the event any of such persons shall be made, or be threatened to be made a party to any action, suit or proceeding, whether criminal, civil, administrative or investigative related to their association with the KRF.

Indemnification Insurance:

The Foundation may purchase and maintain insurance on behalf of any persons described under “Indemnification” above against any liability asserted against such persons arising out of their association(s) with the KRF.

Indemnification Disclaimer:

No indemnification or other payment shall be made if it will, in the judgment of the members, (i) result in the disqualification of the KRF as a tax exempt organization or (ii) be made to any person to the extent that such person shall be required to indemnify or reimburse the KRF.

Compensation:

No member will receive any compensation for serving the KRF except in those cases where such person(s) devotes a substantial portion of their time to the duties of the KRF. In such event the KRF may provide reasonable compensation to be payable in such manner as a majority of the members decide, and such compensation shall be in line with the reasonable value of goods or services furnished.

Amendments

These Regulations may be amended or repealed by a vote of a majority of the entire membership provided such amendment(s) does not violate the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954, as later amended. Amendments to the Code of Regulations shall be duly noted in the minutes of the KRF. A New Code of Regulations will be promptly written and the effective date of the new document will be noted at the top of each page of the new document together with the effective date of the older document it replaces.