

**ARTICLES OF INCORPORATION
OF
FOUNDATION OF THE ROTARY CLUB OF HONOLULU**

**AS AMENDED THROUGH
DECEMBER 9, 2003**

ARTICLES OF INCORPORATION
OF
FOUNDATION OF THE ROTARY CLUB OF HONOLULU

FIRST: The name of the corporation shall be FOUNDATION OF THE ROTARY CLUB OF HONOLULU.

SECOND: The location of the principal office of the corporation shall be at Royal Hawaiian Hotel, 2259 Kalakaua Avenue, Honolulu, City and County of Honolulu, State of Hawaii, or at such other place as its officers or directors may from time to time determine.

THIRD: The corporation shall be organized and operated exclusively for charitable, religious, educational, scientific and literary purposes within the meaning of Section 501(c)(3) of the U.S. Internal Revenue Code of 1954, as the same now is or may from time to time be amended, and the objects and purposes of the corporation, and its powers in connection therewith, are as follows:

(a) To use and apply the whole or any part of the income from and the principal of the funds maintained by the corporation exclusively for charitable, religious, educational, scientific and literary purposes either directly or by contributions to organizations which qualify as exempt organizations under Section 501(c)(3) of the U.S. Internal Revenue Code of 1954 and the Regulations as they now exist or may be hereafter amended, the primary purpose of the corporation being to assist in the implementation of programs which encourage, extend and promote the charitable purposes of Rotary International through community and international service,

especially in programs which are of service to young people and in programs which advance international understanding, good will and peace, and to exercise any power which a corporation organized under Article THIRD above set forth my properly possess in furtherance of the foregoing purposes and for other charitable, religious, educational, scientific and literary purposes deem suitable by its officers or board of directors;

(b) To receive and administer funds in furtherance of the charitable, religious, educational, scientific and literary objectives and purposes mentioned above, and to that end, in addition to, and not in limitation of, the general powers conferred by the laws of the State of Hawaii, to take and hold by bequest, devise, gift, grant, purchase, lease or otherwise, either absolutely or jointly with any other person, persons or corporation, any property, real, personal, tangible or intangible, or any undivided interest therein, without limitation as to amount or value, required for its purposes, to sell, convey or otherwise dispose of any such property and to invest, reinvest or deal with the principal or the income thereof in such manner as in the judgment of its officers or board of directors will best promote its purposes, without limitations, except such limitations, if any, as may be contained in the instrument under which such property is received, this Charter of Incorporation or any laws applicable thereto;

(c) To enter into, make, perform and carry out contracts of every kind for any corporate purpose, without limit as to amount, with any person, firm, association or corporation or other group or organization, including particularly contracts for the borrowing of money and for the employment of administrators and investment or other counsel as the board of directors may deem necessary; to draw, make, accept, endorse, discount, execute and issue promissory notes, warrants and other negotiable

or transferable instruments; to issue bonds, debentures or other obligations for any of the objects or purposes of the corporation; and to secure the same by mortgages, pledges, deeds of trust or otherwise, and

(d) To exercise and possess any and all of the rights, privileges, powers and immunities which now or hereafter may be secured by law to chartered fraternal and charitable corporations and which are reasonably incidental to the fulfillment of any powers possessed by or granted to the corporation.

FOURTH: In all events and under all circumstances, including but not limited to reorganization, dissolution, or amendment of the Charter of Incorporation of the corporation,

(a) No substantial part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation; nor shall it participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office; nor shall it engage in any activities which are unlawful under the laws of the United States or of the State of Hawaii; nor shall it engage in any transaction or activity not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the U.S. Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended;

(b) The corporation shall never be operated for the primary purpose of carrying on any trade or business for profit; and neither the whole nor any part or portion

of the assets, income or earnings of the corporation shall be used nor shall the corporation ever be organized or operated, for objects or purposes which are not exclusively charitable, religious, educational, scientific or literary under the laws of both of the United States and of the State of Hawaii; and

(c) Neither the whole nor any part or portion of the assets, income or earnings, current or accumulated, of the corporation shall ever be used for dividends or be otherwise withdrawn or distributed to or divided among any members, director or officer of the corporation or any donor, whether upon liquidation or dissolution of the corporation or otherwise; provided, further, that neither the whole nor any part or portion of such assets, income or earnings shall ever be used for, accrue to, or inure to the benefit of any private individual within the meaning of the tax exemption requirements of the laws of both the United States and the State of Hawaii.

FIFTH: The corporation shall be a membership corporation. The corporation is not organized for profit and will not issue any stock, and no part of its assets, income or earnings shall be used for dividends, or otherwise withdrawn or distributed to any of its members, officers or directors except as compensation for services actually rendered or performed. The corporation is organized, and shall be conducted exclusively for charitable, religious, educational, scientific and literary purposes.

SIXTH: There shall be a board of directors of the corporation consisting of nine (9) persons, all of whom shall be members of the Rotary Club of Honolulu at the time of their election and throughout the term of their service as directors. The direction and management of the affairs of the corporation and the control and distribution of

corporation property shall be vested in the board of directors, subject, however, to the provisions of law, these Articles and the bylaws. There may be an executive committee and such other committees of the board of directors as the bylaws may provide.

The officers shall be elected by the members of the board of directors. Vacancies on the board of directors due to death, resignation or other cause shall be filled by the board of directors as provided for in the bylaws.

SEVENTH: The membership of the corporation shall consist, ex officio, of those persons who are members of the Rotary Club of Honolulu, a Hawaii non-profit corporation. No membership shall be assignable nor pass to any personal representative, heir, or devisee of any member.

EIGHTH: The bylaws of the corporation may be adopted, amended or repealed by a two-thirds vote of the members of the corporation present and constituting a quorum at any meeting of the membership duly called and held, provided that notice of such proposed action shall have been mailed to each member at least ten days before such meeting.

NINTH: The property of the corporation shall alone be liable for the payment of its debts and liabilities and the private property of the members, directors and officers shall not be subject to the payment of corporate debts to any extent whatever.

TENTH: The term for which this corporation shall exist shall be perpetual unless sooner dissolved in the manner provided by law or as prescribed by the bylaws of this corporation.

ELEVENTH: On dissolution, liquidation or winding up of the corporation (whether voluntary or involuntary), the net assets shall be transferred to a corporation having the same or similar purposes, which corporation shall be exempt from federal income tax under Section 501(c) of the Internal Revenue Code of 1954 (or the corresponding provision of any future law). No part of the assets and funds may inure to the benefit of any member of the corporation, nor revert to any officer or director thereof.

TWELFTH: These Articles of Incorporation shall be subject to amendment from time to time as provided by law, except that no such amendment shall be made which would change the objects and purposes of this corporation to include objects and purposes which would not be exclusively charitable religious, educational, scientific or literary or which would permit the net earnings of the corporation to inure to the benefit of any member, donor, private individual, or which would permit any transaction or activity not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the U.S. Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended.