

BYLAWS
OF
ROTARY DISTRICT 7870 FOUNDATION

ARTICLE I
Name

The name of this Corporation, a New Hampshire non-profit corporation, shall be **ROTARY DISTRICT 7870 FOUNDATION** as set forth in the Articles of Agreement.

ARTICLE II
Location

Section 2.1. Principal Office. The principal office of the Corporation for the transaction of its business is located at set forth in the Articles of Agreement.

Section 2.2. Other Offices. The Corporation may also have offices at such other places, within or without the State of New Hampshire or the State of Vermont, where it is qualified to do business, as its business may require and as the Board of Directors may from time to time designate.

ARTICLE III
Powers and Purposes

Section 3.1. Purpose. The Corporation's purposes are as stated in its Articles of Agreement.

Section 3.2. Powers. The Corporation shall have all the powers necessary to carry out its purposes and all the powers of non-profit corporations organized under the laws of the State of New Hampshire.

Section 3.3. Limitations.

(a) The Corporation shall not discriminate on the basis of age, race, color, sex, financial status, or national origin (i) in the persons serviced, or in the manner of service; (ii) in the hiring, assignment, promotion, salary determination, or other conditions of staff employment; or (iii) in the membership of its Board of Directors.

(b) The Corporation shall neither have nor exercise any power, nor shall it engage directly or indirectly in any activity that would invalidate its status as a corporation which is exempt from federal income taxation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or any successor provision.

(c) The Corporation is not organized for pecuniary profit and shall not have any capital stock. No part of its net earnings or of its principal shall inure to the benefit of any officer, director or member of the Corporation, or any other individual, partnership or corporation, but reimbursement for expenditures or the payment of reasonable compensation for services rendered shall not be deemed to be a distribution of earnings or principal.

(d) If the Corporation is determined to be a private foundation, (i) it will not engage in any act of self-dealing which would give rise to any liability for the tax imposed by Section 4941 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws; (ii) it will distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws; (iii) it will not retain any excess business holding which would give rise to any liability for the tax imposed by Section 4943 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws; (iv) it shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws; and (v) it shall not make any taxable expenditures which would give rise to any liability for the tax imposed by Section 4945 of the Internal Revenue Code of 1986, or corresponding provisions of any subsequent federal tax laws.

(e) 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 or intervene in (including the publishing or distribution of statements) any political campaign of any candidate for public office.

3.4 Personal Views. The Corporation is not responsible for the personal views expressed by any of its employees, officers, Directors or other participants unless these views have been affirmed or ratified by the Board of Directors.

ARTICLE IV

Members

The Corporation shall have no members.

ARTICLE V

Directors

Section 5.1. Management by Directors. The Board of Directors shall exercise all of the powers, rights, responsibilities and duties of directors under the laws of the State of New Hampshire. The Directors shall be responsible for

the control and management of the affairs of the Corporation. No expenditures of money shall be made and no contracts or other obligations shall be entered into unless previously authorized by vote of the Directors or by some committee or officer to which such authority has been given. However, if the Board of Directors shall subsequently ratify any expenditure or contract that had not been previously authorized, the Corporation shall then be bound.

Section 5.2. Number; Election. The Board of Directors of the Corporation shall consist of not less than seven (7) persons and not more than fifteen (15) persons. The size of the initial Board of Directors of the Corporation shall be elected by the Incorporators. Afterwards, the members of the Board of Directors shall be elected by the District Governor, after consultation with the District Governor Elect and the District Governor Nominee, all of Rotary International District 7870. At all times, the Board of Directors shall include:

- Two Past District Governors of Rotary International District 7870
- Two Past Presidents of Rotary Clubs within Rotary International District 7870
- Three Rotarians who are members of Rotary Clubs within Rotary International District 7870

At all times, the Board of Directors shall include at least five (5) unrelated persons.

Section 5.3. Term. All Directors shall serve for a term of three (3) years or until their successors are elected and qualified. The terms of the initial Directors (and any additional future Directors) shall include one (1) and two (2) year terms to establish the staggering of terms so that an approximately equal number of Directors' terms expire each year.

Section 5.4. Vacancies. Any vacancies among the Board of Directors shall be filled by the District Governor, after consultation with the District Governor Elect and the District Governor Nominee, all of Rotary International District 7870. However, the District Governor may not re-appoint a Director who has been removed by the remaining Directors pursuant to Section 5.5 of these Bylaws. A Director elected to fill a vacancy shall be elected for the unexpired term of the Director's predecessor in office and take office immediately upon appointment.

Section 5.5. Removal. The Corporation and the Board of Directors are committed to resolving any conflicts between Directors or between the Corporation and Directors, where possible. However, any Director may at any time be removed from office for any cause deemed sufficient by the District

Governor of Rotary International District 7870, or by majority vote of the remaining Directors at a meeting duly called for that purpose.

Section 5.6. Resignation. Any Director may resign at any time by giving written notice to the President or the Secretary. Any such notice shall take effect as of the date of the receipt of such notice or at any later time specified in the notice.

Section 5.7. Compensation. Directors shall not receive any stated salaries for their services. However, nothing contained in these Bylaws shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation from such service.

ARTICLE VI

Meetings of the Directors

Section 6.1. Annual Meeting. The annual meeting of the Board of Directors shall take place at such time and on such date during the month of April of each year, and in such place in New Hampshire, all as the Board of Directors or the President shall determine. The purposes of the annual meeting shall be to install new Directors and elect the Officers of the Corporation, to receive the reports of the Officers and of the committees of the Board of Directors, and to transact such other business as may properly come before the meeting.

Section 6.2. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and at such place as shall from time to time be determined by the President.

Section 6.3. Special Meetings. Special meetings of the Board of Directors may be called by the President or by any three (3) Directors on seven (7) days notice.

Section 6.4. Notice of Meetings. The business to be transacted at, and the purpose of, any regular or special meeting of the Board of Directors shall be specified in the notice of the meeting, but no such specification is required in a waiver of notice of such meeting. Notice shall be given at least seven (7) days in advance of the meeting in accordance with the provisions of Article VII.

Section 6.5. Alternate Forms of Meetings.

(a) Conference Calls. The members of the Board of Directors, or any committee or subcommittee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment. Participation by this means shall constitute presence by the person at the meeting.

(b) Telephone Polls and Electronic Mail. The members of the Board of Directors or any committee or subcommittee of the Board may also take an action if two-thirds of those qualified to vote approve the action via telephone poll conducted by the Chair or any officer designated by the Chair to conduct such poll or by electronic mail. The exact text of the action to be voted upon shall be read or sent to the Directors, committee or subcommittee members entitled to vote on the matter and the vote of each Director, committee or subcommittee member shall be recorded. The results of any telephone poll or vote by electronic mail shall be presented to and reviewed by the members of the Board of Directors, the committee or subcommittee, respectively, at their next regularly scheduled meeting following the poll or vote. The Board of Directors may require each Director who has voted by electronic mail to provide a printed copy of the electronic mail showing his or her vote and signature to the Chair of the Board by the next meeting.

(c) Action by Unanimous Consent. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the Directors and filed by the Secretary with the minutes of the meetings of the Board of Directors.

(d) Ratification. Actions taken by the Board of Directors pursuant to Sections 6.5 of these Bylaws shall be valid when taken, but shall be reviewed and ratified at a subsequent regular or special meeting of the Board of Directors.

Section 6.6. Record of Meetings. The Secretary or other person designated by the Board of Directors shall keep a record of the meeting.

Section 6.7. Quorum; Vote Required. A majority of Directors shall constitute a quorum for the transaction of business at a meeting of Directors, and, unless otherwise provided for by law or these Bylaws, the act of the majority of the Directors present and voting at any meeting at which a quorum is present shall be the act of the Board of Directors. If a quorum shall not be present at any meeting of the Directors, the Directors present at the meeting may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum shall be present. At such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 6.8. Action by Unanimous Consent. Any action required or permitted to be taken at a meeting of the Directors may be taken without a meeting if consents in writing, setting forth the action so taken, shall be signed by all of the Directors and filed by the Secretary with the minutes of the meetings of the Board of Directors.

ARTICLE VII

Notice

Section 7.1. General. Whenever under the provisions of law or these Bylaws, notice is required to be given to any Director or Officer, such notice must be given in writing, either by personal delivery, facsimile with confirmed receipt, courier, postal service, or electronic mail with confirmed receipt, addressed to such Director or Officer at his or her address as it appears on the records of the Corporation, with postage or other delivery fees thereon prepaid, if applicable. Notice by mail shall be deemed to be given at the time it is deposited in the United States mail.

Section 7.2. Waiver. Whenever any notice is required to be given by law or by these Bylaws, a waiver of notice signed by the person or persons entitled to such notice, whether before or after the time stated in these Bylaws, shall be deemed equivalent to the giving of such notice. Attendance at a meeting either in person, or if applicable, by proxy, of a person entitled to notice shall constitute a waiver of notice of the meeting unless he or she attends solely for the purpose of objecting at the beginning of the meeting to the transaction of business on the grounds that the meeting was not lawfully called or convened.

ARTICLE VIII

Officers and Agents

Section 8.1. Officers. The officers of the Corporation shall include a President, a Secretary, and a Treasurer.

Section 8.2. Other Officers and Agents. The Board of Directors may appoint such other Officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

Section 8.3. Election: Term of Officers; Vacancies. The Board of Directors shall elect all the Officers of the Corporation at the annual meeting during the month of April each year. The officers of the Corporation shall take office on the July first following their election, and shall hold office for terms of one (1) year or until their successors are elected and qualified. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors.

Section 8.4. The President. The President shall preside at meetings of the Board of Directors, shall be responsible for the day-to-day management of the Corporation, and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 8.5. Secretary. The Secretary or other person designated by the Board of Directors shall keep the minutes of all meetings the Board of Directors,

and shall perform all other duties usually incident to the office. The Secretary or other person designated by the Board of Directors shall issue notices of annual and special meetings of the Corporation and of the Board of Directors.

Section 8.6. Treasurer. The Treasurer shall receive, keep records, and safely keep and disburse the funds of the Corporation, subject to the direction of the Board of Directors. The Treasurer, or in his or her absence another Officer of the Corporation, shall deliver a report at each meeting of the Directors and shall deliver an annual report at the annual meeting of the members. At their discretion the Directors may require the Treasurer, or any other Officer authorized by the Board of Directors to sign checks, to give a bond. The bond shall be in such sum and with such sureties as the Directors require. The Board may also direct the Corporation to pay the cost of the premiums for the bond. The Treasurer shall, in the absence or disability of the President, perform the duties and exercise the powers of the President.

Section 8.7. Removal. The Corporation and the Board of Directors are committed to resolving any conflicts between Board Members and Officers where possible. However, any Officer may at any time be removed from office for any cause deemed sufficient by the Board of Directors by the affirmative vote of a majority of the Board of Directors acting at a meeting of the Board of Directors.

Section 8.8. Resignation. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Any such notice shall date effect as of the date of the receipt of such notice or at any later time specified in the notice.

ARTICLE IX

Committees

The Board of Directors may designate such committees as they deem necessary for the efficient conduct of the business of the Corporation, which committees may consist either of members of the Board of Directors or such other persons as are designated in the resolution authorizing the creation of that committee. The members of such committees shall include at least one (1) member of the Board of Directors and such other individuals as may be designated by the Board. Such committees may be discontinued when no longer necessary. Each such committee shall present a written report at the annual meeting of the Board of Directors. Committees shall not act on behalf of the Corporation without specific authorization from the Board.

ARTICLE X

Conflict of Interest

Each Director, Officer, or Committee member shall have an affirmative duty to disclose to the Corporation each transaction with the Corporation that

would be a Pecuniary Benefit Transaction (as defined by RSA 7:19-a) as to that Officer, Director, or Committee member, and shall be prohibited from participating in the discussion or voting on the transaction. The Corporation shall enter into Pecuniary Benefit Transactions only in accordance with the applicable provisions of RSA 7:19-a, as they may exist from time to time. Every new member of the Board of Directors shall be advised of this policy by the President before or upon becoming a Director and shall sign a statement acknowledging these requirements. The Directors may develop and adopt further policies regarding Conflict of Interest, consistent with this section and the law of New Hampshire and of the United States.

ARTICLE XI

Contributions and Depositories

Section 11.1. Voluntary Contributions. The Corporation may accept gifts, grants, legacies and contributions from any source including persons, corporations, trusts, charities, and governments and governmental agencies.

Section 11.2. Depositories. The Board of Directors shall determine what depositories shall be used by the Corporation as long as such depositories are located within the States of New Hampshire and Vermont and are authorized to transact business by the States of New Hampshire and Vermont and are federally insured. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by the officer or officers, agent or agents of the Corporation, and in such manner as shall be from time to time determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or another officer and countersigned by the President.

ARTICLE XII

Prohibited Activities and Dissolution

Section 12.1 Disposition of Assets upon Dissolution. The Corporation may be dissolved upon the affirmative vote of two-thirds (2/3) of the Board of Directors taken at a meeting of the Board of Directors called for that purpose. Upon dissolution of the Corporation, the Board of Directors shall, after paying or making provision for the payment of the Corporation's liabilities and obligations, distribute all of the Corporation's assets for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or the 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 so disposed of shall be disposed by the Probate Court of Merrimack County, New Hampshire, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized

and operated exclusively for such purposes. No Director, officer, employee or person connected with the Corporation shall be entitled to share in the distribution of any of the Corporation's assets or property upon its dissolution.

Section 12.2 Prohibited Uses of Corporate Funds. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Directors, officers, employees, 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 of an award in furtherance of the purposes set forth in Article II of the Articles of Agreement. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided in IRC 501(h)), and the Corporation shall not participate in, intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. The income of the Corporation, for each taxable year, shall be distributed at such time and in such manner as to allow the Corporation to retain its tax-exempt status under Federal and State laws.

Notwithstanding any other provision of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Section 12.3. Directors' Liability. Notwithstanding any other provisions of these Bylaws, no Director of the Corporation shall be personally liable to pay the liabilities of the Corporation.

ARTICLE XIII

General

Section 13.1. Fiscal year. The Corporation shall operate on a fiscal year ending June 30 of each year. Alteration of the fiscal year (by the Board of Directors) shall not require amendments of these Bylaws.

Section 13.2. Execution of Contracts and Documents. All contracts and evidence of debt may be executed only as directed by the Board of Directors. Absent further action, the President and the Treasurer shall execute, in the name of the Corporation, all contracts or other instruments so authorized by the Board of Directors.

Section 13.3 Payment for Goods and Services. Payment for any services rendered or materials provided to the Corporation shall be made only upon

authorization of the Board of Directors. Payment by means of check or other instrument of indebtedness requiring a signature shall be signed by the Treasurer or such other Officer as is authorized by the Board of Directors. Any checks exceeding \$1,000.00, or such other amount as the Board of Directors shall set from time to time, shall be countersigned by a second Officer or Director.

Section 13.4. Provisions Relative to Directors and Officers. In the absence of bad faith, no contract or transaction by this Corporation shall be void, voidable, or in any way affected by reason of the fact that the contract or transaction is (a) with one or more of its Directors or Officers, (b) with a corporation, organization or other concern in which a Director or Officer of this Corporation is an officer, Director, employee or in any way interested, or (c) one in which a Director or officer of this Corporation is in any way interested. In the absence of bad faith, no Director or officer of this Corporation shall be liable to this Corporation or creditor of this Corporation or to any person for any loss incurred by reason of such contract or transaction or be accountable for any gains or profits realized as a result of such contract or transaction so long as the transaction has been approved in accordance with the provisions of these Bylaws.

ARTICLE XIV
Indemnification

The Corporation may indemnify a person who is or was a Director, officer, employee or agent of the Corporation or who is or was serving in another capacity at the request of the Corporation, up to the full extent authorized by law, and may from time to time purchase and maintain insurance to protect itself and such persons against liability.

ARTICLE XV
Amendments

These Bylaws may be amended or repealed or new Bylaws adopted by the Board of Directors at any meeting by the affirmative vote of not less than a majority of all the Directors of the Corporation, provided notice of the proposed change is given in the notice of such meeting. No amendment of the Bylaws may be made, or if made will be effective, if such amendment would effect the Corporation's qualification as a tax-exempt organization pursuant to section 501(c)(3) of the Code, as modified. Further, no amendment that amends, limits, or restricts the powers of the District Governor, then in office, of Rotary International District 7870 as set forth in these Bylaws shall be effective without the consent of such District Governor.

ADOPTED: _____, 2007

Secretary Pro Tempore