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EXTENDED TO NOVEMBER 15, 2017  
Return of Private Foundation

Form 990-PF

Department of the Treasury  
Internal Revenue Service

or Section 4947(a)(1) Trust Treated as Private Foundation

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Information about Form 990-PF and its separate instructions is at [www.irs.gov/form990pf](http://www.irs.gov/form990pf).

OMB No. 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning

, and ending

Name of foundation <b>LYON FOUNDATION</b>		A Employer identification number <b>71-6052168</b>
Number and street (or P.O. box number if mail is not delivered to street address) <b>P.O. BOX 5308</b>	Room/suite	B Telephone number <b>501-376-2116</b>
City or town, state or province, country, and ZIP or foreign postal code <b>NORTH LITTLE ROCK, AR 72119</b>		C If exemption application is pending, check here <input type="checkbox"/>
G Check all that apply: <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change <input type="checkbox"/> Initial return of a former public charity <input type="checkbox"/> Amended return <input type="checkbox"/> Name change		D 1 Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col. (c), line 16) <b>\$ 1,639,412.</b>	J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a).)		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received		1,000,000.		N/A	
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B					
3 Interest on savings and temporary cash investments		29.	29.		STATEMENT 1
4 Dividends and interest from securities		45,776.	45,776.		STATEMENT 2
5a Gross rents					
b Net rental income or (loss)					
6a Net gain or (loss) from sale of assets not on line 10		369,247.			
b Gross sales price for all assets on line 6a		1,224,436.			
7 Capital gain net income (from Part IV, line 2)			369,247.		
8 Net short-term capital gain					
9 Income modifications					
10a Gross sales less returns and allowances					
b Less: Cost of goods sold					
c Gross profit or (loss)					
11 Other income					
12 Total. Add lines 1 through 11		1,415,052.	415,052.		
13 Compensation of officers, directors, trustees, etc.		0.	0.		0.
14 Other employee salaries and wages					
15 Pension plans, employee benefits					
16a Legal fees STMT 3		7,506.	3,753.		3,753.
b Accounting fees STMT 4		2,750.	1,375.		1,375.
c Other professional fees					
17 Interest					
18 Taxes STMT 5		690.	0.		0.
19 Depreciation and depletion					
20 Occupancy					
21 Travel, conferences, and meetings					
22 Printing and publications					
23 Other expenses STMT 6		190.	190.		0.
24 Total operating and administrative expenses. Add lines 13 through 23		11,136.	5,318.		5,128.
25 Contributions, gifts, grants paid		1,030,750.			1,030,750.
26 Total expenses and disbursements. Add lines 24 and 25		1,041,886.	5,318.		1,035,878.
27 Subtract line 26 from line 12:					
a Excess of revenue over expenses and disbursements		373,166.			
b Net investment income (if negative, enter -0-)			409,734.		
c Adjusted net income (if negative, enter -0-)				N/A	

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<b>Part II Balance Sheets</b> Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value
<b>Assets</b>	1 Cash - non-interest-bearing	67,607.	66,923.	66,923.
	2 Savings and temporary cash investments	75,403.	255,344.	255,344.
	3 Accounts receivable ▶ Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶ Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons			
	7 Other notes and loans receivable ▶ Less: allowance for doubtful accounts ▶			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations			
	b Investments - corporate stock <b>STMT 7</b>	969,203.	1,163,112.	1,317,145.
	c Investments - corporate bonds			
	11 Investments - land, buildings, and equipment basis ▶ Less: accumulated depreciation ▶			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis ▶ Less: accumulated depreciation ▶			
	15 Other assets (describe ▶)			
	16 <b>Total assets</b> (to be completed by all filers - see the instructions. Also, see page 1, item I)	1,112,213.	1,485,379.	1,639,412.
<b>Liabilities</b>	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable			
	22 Other liabilities (describe ▶)			
	23 <b>Total liabilities</b> (add lines 17 through 22)	0.	0.	
<b>Net Assets or Fund Balances</b>	Foundations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted	1,112,213.	1,485,379.	
	25 Temporarily restricted			
	26 Permanently restricted			
	Foundations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 <b>Total net assets or fund balances</b>	1,112,213.	1,485,379.	
	31 <b>Total liabilities and net assets/fund balances</b>	1,112,213.	1,485,379.	

**Part III Analysis of Changes in Net Assets or Fund Balances**

1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,112,213.
2 Enter amount from Part I, line 27a	2	373,166.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	1,485,379.
5 Decreases not included in line 2 (itemize) ▶	5	0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,485,379.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a US BANCORP (NEW)	P	12/30/97	05/18/16
b CAPITAL GAINS DIVIDENDS			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 1,224,435.		855,189.	369,246.
b 1.			1.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
a			369,246.
b			1.
c			
d			
e			

2 Capital gain net income or (net capital loss)	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	369,247.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8		3	N/A

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period?

☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2015	4,075.	1,572,027.	.002592
2014	77,375.	1,562,922.	.049507
2013	232,761.	1,486,322.	.156602
2012	4,525.	1,417,636.	.003192
2011	89,381.	1,260,005.	.070937

2 Total of line 1, column (d)	2	.282830
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.056566
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	1,645,383.
5 Multiply line 4 by line 3	5	93,073.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	4,097.
7 Add lines 5 and 6	7	97,170.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	1,035,878.

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)**

1a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling or determination letter: _____ (attach copy of letter if necessary-see instructions)			
b Domestic foundations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b		1	4,097.
c All other domestic foundations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b).			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		2	0.
3 Add lines 1 and 2		3	4,097.
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)		4	0.
5 Tax based on investment income Subtract line 4 from line 3. If zero or less, enter -0-		5	4,097.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a	680.	
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c	1,000.	
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7	1,680.	
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed SEE STATEMENT 8	9	2,417.	
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		
11 Enter the amount of line 10 to be: Credited to 2017 estimated tax Refunded	11		

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for the definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities.		X
c Did the foundation file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the foundation. \$ 0. (2) On foundation managers. \$ 0.		
e Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers. \$ 0.		
2 Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	X	
4a Did the foundation have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the foundation have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions) AR		
b If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2016 or the taxable year beginning in 2016 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses STMT 9	X	

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**Part VII-A Statements Regarding Activities** (continued)

	Yes	No
11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)		X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)		X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? Website address ► N/A	X	
14 The books are in care of ► RICK W. SHUTT Telephone no. ► 501-376-2116 Located at ► #1 RIVERFRONT PLACE, STE 400, N. LITTLE ROCK, AR ZIP+4 ► 72114		
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the year		
16 At any time during calendar year 2016, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? See the instructions for exceptions and filing requirements for FinCEN Form 114. If "Yes," enter the name of the foreign country ►		X

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

	Yes	No
1a During the year did the foundation (either directly or indirectly): (1) Engage in the sale or exchange, or leasing of property with a disqualified person? (2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? (3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? (4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? (5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? (6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days )	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? Organizations relying on a current notice regarding disaster assistance check here		X
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2016?		X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)): a At the end of tax year 2016, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2016? If "Yes," list the years ►	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.)	N/A	
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. ►		
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
b If "Yes," did it have excess business holdings in 2016 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2016)	N/A	
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2016?		X

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**Part VII-B** Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?

☐ Yes ☒ No

(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?

☐ Yes ☒ No

(3) Provide a grant to an individual for travel, study, or other similar purposes?

☐ Yes ☒ No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 4945(d)(4)(A)? (see instructions)

☐ Yes ☒ No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?

☐ Yes ☒ No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)?

N/A

5b

Organizations relying on a current notice regarding disaster assistance check here

☒

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?

N/A

☐ Yes ☐ No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

6b

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

If "Yes" to 6b, file Form 8870.

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?

☐ Yes ☒ No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction?

N/A

7b

**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
LAURA JANE T. LYON P.O. BOX 5308 NORTH LITTLE ROCK, AR 72119	PRESIDENT 1.00	0.	0.	0.
RICK W. SHUTT P.O. BOX 5308 NORTH LITTLE ROCK, AR 72119	VP / SECRETARY / TREASURER 1.00	0.	0.	0.
CHARLES B. WHITESIDE, III P.O. BOX 5308 NORTH LITTLE ROCK, AR 72119	VICE PRESIDENT 1.00	0.	0.	0.
BILL HAWKINS P.O. BOX 5308 NORTH LITTLE ROCK, AR 72119	VICE PRESIDENT 1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

0

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**Part VIII** Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)**3** Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services

0

**Part IX-A** Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
	0.
2	
3	
4	

**Part IX-B** Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.

	Amount
1 N/A	
	0.
2	
All other program-related investments. See instructions.	
3 NONE	
	0.
	0.
Total. Add lines 1 through 3	

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**Part X** Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a	Average monthly fair market value of securities	1a	1,603,289.
b	Average of monthly cash balances	1b	67,151.
c	Fair market value of all other assets	1c	0.
d	Total (add lines 1a, b, and c)	1d	1,670,440.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2	Acquisition indebtedness applicable to line 1 assets	2	0.
3	Subtract line 2 from line 1d	3	1,670,440.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	25,057.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	1,645,383.
6	Minimum investment return. Enter 5% of line 5	6	82,269.

**Part XI** Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	82,269.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	4,097.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	4,097.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	78,172.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	78,172.
6	Deduction from distributable amount (see instructions)	6	0.
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	78,172.

**Part XII** Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	1,035,878.
b	Program-related investments - total from Part IX-B	1b	0.
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	1,035,878.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	4,097.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	1,031,781.

**Note:** The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

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**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2015	(c) 2015	(d) 2016
1 Distributable amount for 2016 from Part XI, line 7				78,172.
2 Undistributed income, if any, as of the end of 2016				
a Enter amount for 2015 only			0.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2016:				
a From 2011				
b From 2012				
c From 2013	47,436.			
d From 2014				
e From 2015				
f Total of lines 3a through e	47,436.			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$ 1,035,878.				
a Applied to 2015, but not more than line 2a			0.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2016 distributable amount				78,172.
e Remaining amount distributed out of corpus	957,706.			
5 Excess distributions carryover applied to 2016 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:	1,005,142.			
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2015. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2016. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2017				0.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (Election may be required - see instructions)	0.			
8 Excess distributions carryover from 2011 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2017. Subtract lines 7 and 8 from line 6a	1,005,142.			
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013	47,436.			
c Excess from 2014				
d Excess from 2015				
e Excess from 2016	957,706.			



**Part XV** Supplementary Information (continued)**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a Paid during the year</b>				
BLUE GRASS FARMS CHARITIES 340 LEGION DRIVE, SUITE 20 LEXINGTON, KY 40504	N/A	EXEMPT	GENERAL CONTRIBUTION	750.
KENTUCKY RACE TRACK CHAPLAINCY PO BOX 324 SIMPSONVILLE, KY 40067	N/A	EXEMPT	GENERAL CONTRIBUTION	25,000.
EPISCOPAL COLLEGIATE SCHOOL 1701 CANTRELL ROAD LITTLE ROCK, AR 72201	N/A	EXEMPT	GENERAL CONTRIBUTION	5,000.
UAMS FOUNDATION FUND 4301 WEST MARKHAM STREET LITTLE ROCK, AR 72205	N/A	EXEMPT	GENERAL CONTRIBUTION	1,000,000.
<b>Total</b>			<b>3a</b>	1,030,750.
<b>b Approved for future payment</b>				
NONE				
<b>Total</b>			<b>3b</b>	0.

Form 990-PF (2016)





**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and  
its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2016**

Name of the organization

LYON FOUNDATION

Employer identification number

71-6052168

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☐ 501(c)( ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☒ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

- ☐ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2016)

Name of organization	Employer identification number
LYON FOUNDATION	71-6052168

**Part I Contributors** (See instructions) Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	LAURA JANE T. LYON P.O. BOX 5308 NORTH LITTLE ROCK, AR 72119	\$ 1,000,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
			Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



Name of organization	Employer identification number
LYON FOUNDATION	71-6052168

**Part II Noncash Property** (See instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

LYON FOUNDATION

71-6052168

**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year (Enter this info once) ▶ \$

Use duplicate copies of Part III if additional space is needed

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	(A) REVENUE PER BOOKS	(B) NET INVESTMENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH	23.	23.	
U.S. BANK	6.	6.	
TOTAL TO PART I, LINE 3	29.	29.	

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	(A) REVENUE PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME
MERRILL LYNCH DIVIDENDS	45,777.	1.	45,776.	45,776.	
TO PART I, LINE 4	45,777.	1.	45,776.	45,776.	

FORM 990-PF LEGAL FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
LEGAL FEES	7,506.	3,753.		3,753.
TO FM 990-PF, PG 1, LN 16A	7,506.	3,753.		3,753.

FORM 990-PF ACCOUNTING FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	2,750.	1,375.		1,375.
TO FORM 990-PF, PG 1, LN 16B	2,750.	1,375.		1,375.

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FEDERAL TAX	690.	0.		0.	
TO FORM 990-PF, PG 1, LN 18	690.	0.		0.	

FORM 990-PF	OTHER EXPENSES			STATEMENT	6
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
BANK & OTHER CHARGES	190.	190.		0.	
TO FORM 990-PF, PG 1, LN 23	190.	190.		0.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	7
DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE		
34,000 SHS USBANCORP	1,163,112.	1,317,145.		
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,163,112.	1,317,145.		

FORM 990-PF	INTEREST AND PENALTIES		STATEMENT	8
TAX DUE FROM FORM 990-PF, PART VI		2,417.		
LATE PAYMENT INTEREST		41.		
LATE PAYMENT PENALTY		73.		
TOTAL AMOUNT DUE		2,531.		

FORM 990-PF LIST OF SUBSTANTIAL CONTRIBUTORS STATEMENT 9  
PART VII-A, LINE 10

NAME OF CONTRIBUTOR

ADDRESS

LAURA JANE T. LYON

P.O. BOX 5308  
NORTH LITTLE ROCK, AR 72119

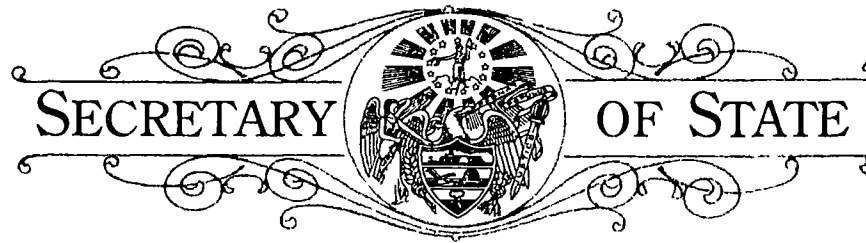
FORM 990-PF LATE PAYMENT PENALTY STATEMENT 10

DESCRIPTION	DATE	AMOUNT	BALANCE	MONTHS	PENALTY
TAX DUE	05/15/17	3,417.	3,417.		
EXTENSION PAYMENT	05/15/17	-1,000.	2,417.	6	73.
DATE FILED	10/16/17		2,417.		
TOTAL LATE PAYMENT PENALTY					73.

FORM 990-PF LATE PAYMENT INTEREST STATEMENT 11

DESCRIPTION	DATE	AMOUNT	BALANCE	RATE	DAYS	INTEREST
TAX DUE	05/15/17	3,417.	3,417.	.0400		
EXTENSION PAYMENT	05/15/17	-1,000.	2,417.	.0400	154	41.
DATE FILED	10/16/17		2,458.			
TOTAL LATE PAYMENT INTEREST						41.

# STATE OF ARKANSAS



**Mark Martin**

ARKANSAS SECRETARY OF STATE

To All to Whom These Presents Shall Come, Greetings:

I, Mark Martin, Arkansas Secretary of State of Arkansas, do hereby certify that the following and hereto attached instrument of writing is a true and perfect copy of

## **Articles of Amendment With Restatement**

of

## **LYON FOUNDATION**

filed in this office  
March 1, 2016.



In Testimony Whereof, I have hereunto set my hand and affixed my official Seal. Done at my office in the City of Little Rock, this 1st day of March, 2016.

*Mark Martin*

Arkansas Secretary of State



## AMENDED AND RESTATED ARTICLES OF INCORPORATION

### OF

### LYON FOUNDATION

WHEREAS, Lyon Foundation (the "Foundation") is a nonprofit corporation duly existing and governed under the Arkansas Nonprofit Corporation Act (Act 176 of 1963); and,

WHEREAS, the Board of Directors of the Foundation deems it advisable and in the best interest of the Foundation for the Foundation to be governed in all respects by the Arkansas Nonprofit Corporation Act of 1993 (Act 1147 of 1993);

WHEREAS, the Foundation intends to and as of the date below does hereby adopt the following Amended and Restated Articles of Incorporation of Lyon Foundation ("Amended and Restated Articles"); and

WHEREAS, the approval of the Foundation's member to adopt the Amended and Restated Articles was not required;

NOW THEREFORE, the undersigned, being all the members of the Board of Directors of the Foundation, hereby amend and restate the Articles of Incorporation for such nonprofit corporation, in accordance with the Arkansas Nonprofit Corporation Act of 1993 (Act 1147 of 1993) as follows:

FIRST: The name of the Foundation is Lyon Foundation.

SECOND: The Foundation is a public benefit corporation.

THIRD: The period of duration of the Foundation is perpetual.

FOURTH: The Foundation shall have one member, and its internal affairs shall be managed by a Board of Directors selected by the member. The Board of Directors shall have the power to make, adopt, alter, amend, or repeal the bylaws of the Foundation.

FIFTH: Pursuant to Ark. Code Ann. § 4-33-801(c), the member may, upon written notice to the Board of Directors, exercise any or all of the powers which would otherwise be exercised by the Board of Directors.

SIXTH: This organization is organized exclusively for charitable, religious, scientific, educational, or other purposes permitted under section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code.

No part of the net earnings of the organization shall inure to the benefit of, or be distributed to its members, trustees, directors, 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 in the purpose clause hereof. 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 provision of this document, the organization 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 of 1986, or the 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 of 1986, or the corresponding section of any future federal tax code.

SEVENTH: The address of the registered office of the Foundation is 120 East Fourth Street, Little Rock, Arkansas 72201, and the name of its registered agent at such address is Adam H. Crow.

EIGHTH: The Board of Directors shall consist of not less than three (3) individuals or more than five (5) individuals.

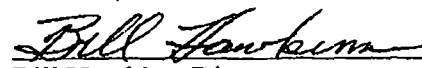
NINTH: The Foundation shall indemnify each director and officer, including former directors and officers, to the fullest extent permitted by laws of the State of Arkansas.

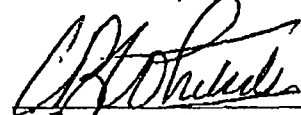
TENTH: The Foundation hereby elects to be governed by the Arkansas Nonprofit Corporation Act of 1993 in all respects.

We, the undersigned, for the purpose of amending and restating the Articles of Incorporation of the Foundation under the laws of the State of Arkansas, do hereby certify that these Amended and Restated Articles of Incorporation are in compliance with the Arkansas Nonprofit Corporation Act (Act 176 of 1963) and the Arkansas Nonprofit Corporation Act of 1993 (Act 1147 of 1993) and that the Board of Directors unanimously adopted the foregoing Amended and Restated Articles of Incorporation.

Dated this 23<sup>rd</sup> day of February 2016.

  
Rick Shutt, Director

  
Bill Hawkins, Director

  
Charles B. Whiteside, III, Director

## AMENDED AND RESTATED BYLAWS

### OF

### LYON FOUNDATION

#### ARTICLE I OFFICES

Section 1.     Name. The name of the corporation is Lyon Foundation. This corporation shall be referred to throughout these Bylaws as the "Foundation."

Section 2.     Registered Office. The registered office of the Foundation shall be 120 East Fourth Street, Little Rock, Arkansas 72201.

Section 3.     Purpose. The Foundation is organized as a non-profit corporation exclusively for charitable, religious, scientific, and educational purposes under section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code; and, its activities shall be conducted for the aforesaid purposes in such a manner that no part of its net earnings shall inure to the benefit of any member, director, officer, or individual.

Section 4.     Other Offices. The Foundation may also have offices at such other places both within and without the State of Arkansas as the Board of Directors may from time to time determine.

#### ARTICLE II MEMBERS

Section 1.     Number and Admission of Members. The initial member of the Foundation shall be selected by the Board of Directors. Additional members may be admitted by unanimous vote of the members (as used throughout these bylaws, the plural includes the singular, during any time in which there is only one member) at the Annual Meeting or at any regular membership meeting. Any person or lawfully organized entity is eligible to be admitted by the members.

Section 2.     Resignation. A member may resign at any time by giving written notice to the other members. The resignation of a member does not relieve the member from any obligations the member may have to the Foundation as a result of obligations incurred or commitments made prior to resignation.

Section 3.     Duties of Members. The duties of the members are the following:

- (a) Promote the best interest of the Foundation; and

- (b) Abide by these Bylaws.

Section 4. Dues. Annual dues, if any, of the Foundation shall be set by the members.

Section 5. Meetings. (a) Annual Meeting. The annual membership meeting shall be held each year at such time and place as determined by the Board of Directors.

(b) Regular Meetings. Regular meetings will be held at such times as determined by the members.

(c) Special Meetings. Any member may call a special meeting of the members. The request for a special meeting shall be in writing and signed by the persons necessary to call the special meeting, dated, and delivered to the Secretary of the Foundation and shall state the purpose or purposes of the proposed meeting.

(d) Notice. Written notice of each annual, regular, and special meeting of members must be given to each member at least ten (10) days before the meeting (or if notice is mailed other than first class or registered mail, no fewer than thirty (30) days) nor more than sixty (60) days before the meeting. Notice of a special meeting must include a description of the matter or matters for which the meeting is called.

(e) Waiver of Notice. A member may waive notice of any members' meeting before or after the date and time stated in the notice. The waiver must be in writing, be signed by the member entitled to the notice, and be delivered to the Foundation for inclusion in the minutes or filing with the corporate records. A member's attendance at a meeting (i) waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (ii) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

(f) Member's List. After fixing a record date for the notice of a meeting, the Foundation shall prepare an alphabetical list of the names of all members who are entitled to notice of the meeting. The list must contain the address and number of votes each member is entitled to vote at the meeting. The Foundation shall prepare on a current basis through the time of the membership meeting a list of members, if any, who are entitled to vote at the meeting but not entitled to notice of the meeting. This list shall be prepared on the same basis and be part of the list of members. The list of members must be available for inspection by any member for the purpose of communication with other members concerning the meeting, beginning two (2) business days after notice is given of the meeting for which the list was prepared and continuing through the meeting, at the Foundation's principal office or at a reasonable place identified in the meeting notice in the city where the meeting will be held.

(g) Voting Entitlement. Each member is entitled to one (1) vote on each matter voted on by the members.

(h) Quorum. Members possessing ten percent (10%) of the votes entitled to be cast on a matter must be represented at a meeting of members to constitute a quorum on that matter. Unless one-third (1/3) or more of the voting power is present, the only matters that may be voted upon at any annual or regular meeting of members are those that are described in the meeting notice.

(i) Voting Requirements. The approval or rejection of any item is to be determined by the majority of the quorum.

### **ARTICLE III** **DIRECTORS**

Section 1. Number and Election of Directors. The number of persons that shall constitute the Board of Directors of the Foundation shall be not less than three (3) individuals or more than five (5) individuals elected by the members.

Section 2. Term. Each director shall hold office for six (6) years or until his or her earlier resignation or removal.

Section 3. Resignation. A director may resign at any time upon written notice to the Board of Directors, its presiding officer, or to the president or secretary. A resignation is effective when the notice is received unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date.

Section 4. Removal. The members may remove one or more directors without cause if the number of votes cast to remove the director would be sufficient to elect the director at a meeting to elect directors. A director may be removed only at a meeting called for the purpose of removing the director and the meeting notice must state that the purpose, or one of the purposes, of the meeting is removal of the director.

Section 5. Vacancies. Vacancies, including vacancies resulting from any increase in the authorized number of directors, are to be filled by members, and each of the directors so chosen shall hold office until the next Annual Meeting and until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Section 6. Duties and Powers. The business of the Foundation shall be managed by or under the direction of the Board of Directors which may exercise all such powers of the Foundation and do all such lawful acts and things as are not by statute, the Articles of Incorporation, or these Bylaws directed or required to be executed or done by the members.

Section 7. Meetings. The Board of Directors of the Foundation may hold meetings, both regular and special, either within or outside the State of Arkansas. Regular meetings of the Board of Directors may be held without notice at such time and place as determined by the Board of

Directors. Special meetings of the Board of Directors may be called by any director, officer, or member. Except as provided below, notice thereof stating the place, date and time of the meeting shall be given to each director either by mail not less than seventy-two (72) hours before the date of the meeting, by telephone or facsimile on forty-eight (48) hours' notice, or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances. The notice need not specify the business to be transacted.

Section 8. Quorum and Manner of Acting. Except as may be otherwise specifically provided by law, the Articles of Incorporation, or these Bylaws, at all meetings of the Board of Directors or any committee designated by the Board of Directors, a majority of the full number of directors shall constitute a quorum for the transaction of business, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors or committee as the case may be. If a quorum shall not be present at any meeting of the Board of Directors or committee thereof, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 9. Actions of Board Without a Meeting. Unless otherwise provided by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all the members of the Board of Directors or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of the Board of Directors or committee, as the case may be.

Section 10. Meetings by Means of Telephone Conference. Unless otherwise provided by the Articles of Incorporation or these Bylaws, members of the Board of Directors of the Foundation, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors or such committee by means of a telephone conference or similar communications equipment by means of which all persons participating in the meeting can simultaneously hear each other. Participation in a meeting pursuant to this Section 7 shall constitute presence in person at such meeting.

Section 11. Committees. Unless otherwise provided by the Articles of Incorporation or these Bylaws, the Board of Directors may, by resolution passed by a majority of the whole Board, designate one (1) or more committees, each committee to consist of two (2) or more of directors of the Foundation. The Board of Directors may designate one (1) or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Any committee, to the extent allowed by law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Foundation. Each committee shall keep regular minutes and report to the Board of Directors when required. A committee may not, however:

- (a) authorize distributions;

(b) approve or recommend to members the dissolution, merger, or the sale, pledge, or transfer of all or substantially all of the Foundation's assets;

(c) elect, appoint, or remove directors or fill vacancies on the Board of Directors or any of its committees; or

(d) adopt, amend, or repeal the Articles of Incorporation or these Bylaws.

Each committee shall serve at the pleasure of the Board of Directors and shall in all respects be subject to the control and direction of the Board of Directors. Any act, or authorization of any act, by any committee, within the authority delegated above, shall be as effective for all purposes as the act or authorization of the Board of Directors; provided that the designation of such committees and the delegation of authority to them shall not operate to relieve the Board of Directors of any responsibility imposed upon it by law. Section 4 through Section 7 of Article III of these Bylaws shall govern each committee.

Section 12. Compensation. The directors may be paid, to the extent legally permissible, their expenses, if any, of attendance at each meeting of the Board of Directors and may be paid a fixed sum as determined by the Board of Directors for attendance at each meeting of the Board of Directors or a stated amount as director, payable annually or otherwise. No such payment shall preclude any director from serving the Foundation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

#### **ARTICLE IV** **OFFICERS**

Section 1. General. The officers of the Foundation shall be chosen by the Board of Directors after receiving the recommendations of the members and shall consist of a president, secretary, and treasurer, and any other officers deemed to be necessary. Any number of offices may be held by the same person, unless otherwise prohibited by law, the Articles of Incorporation, or these Bylaws.

Section 2. Election, Term of Office, Resignation, Removal, Vacancies. The Board of Directors shall elect the officers of the Foundation. Such officers shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. All officers of the Foundation shall hold office until their successors are chosen and qualified, or until their earlier resignation or removal. An officer may resign at any time by delivering notice to the Foundation. A resignation is effective when the notice is received, unless the notice specifies a future effective date. If a resignation is made effective at a future effective date and the Foundation accepts the future effective date, the Board of Directors may fill the pending vacancy before the effective date if the Board of Directors provides that the successor does not take office until the effective date. Any officer may be removed at any time by the Board of Directors with or without cause. Any vacancy occurring in any office shall be filled by the Board of Directors.

Section 3.     President. The president shall, subject to the control of the Board of Directors, have general supervision of the business of the Foundation and shall see that all orders and resolutions of the Board of Directors are carried into effect. The president shall preside at all members' meetings. The president shall execute all bonds, mortgages, contracts, and other instruments of the Foundation requiring a seal, under the seal of the Foundation, except where required or permitted by law to be otherwise signed and executed and except that the other officers of the Foundation may sign and execute documents when so authorized by these Bylaws or the Board of Directors. The president shall also perform such other duties and may exercise such other powers as from time to time may be assigned by these Bylaws or the Board of Directors.

Section 4.     Vice Presidents. At the request of the president or in his absence or in the event of his inability or refusal to act, the vice presidents, if there be any, shall, in the order of their seniority, perform the duties of the president, and when so acting shall have all the powers of and be subject to all the restrictions upon the president. They shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe or as the president may from time to time delegate.

Section 5.     Secretary. The secretary shall attend all meetings of the Board of Directors and record all the proceedings thereat in a book or books to be kept for that purpose; the secretary shall also perform like duties for the standing committees when required. The secretary need not be (but may be) a director of the Foundation. The secretary shall give, or cause to be given, notice of all meetings of the members and special meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors, under whose supervision the secretary shall be. If the secretary shall be unable or shall refuse to cause to be given notice of all meetings of the members, or special meetings of the Board of Directors, then the Board of Directors may choose another officer to cause such notice to be given. The secretary shall have custody of the seal of the Foundation, and the secretary shall have authority to affix the same to any instrument requiring it; and, when so affixed, it may be attested by the signature of the secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Foundation and to attest the affixing by such officer's signature. The secretary shall see that all books, reports, statements, certificates, and other documents and records required by law to be kept or filed are properly kept or filed, as the case may be.

Section 6.     Treasurer. The treasurer shall have charge and custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Foundation and shall deposit all moneys and other valuable effects in the name and to the credit of the Foundation in such depositories as may be designated by the Board of Directors. The treasurer shall disburse the funds of the Foundation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Board of Directors at its regular meetings, or when the Board of Directors so requires, an account of all transactions as secretary and of the financial condition of the Foundation. If required by the Board of Directors, the secretary shall give the Foundation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office and for the restoration to the Foundation in case of death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the treasurer's possession or under the treasurer's control belonging to the Foundation.

## **ARTICLE V**

### **NOTICES**

Section 1.     Notice. Whenever written notice is required by law, the Articles of Incorporation or these Bylaws, to be given to any director, member, or member of a committee, such notice may be given by mail, addressed to such director, member, or member of a committee, at such person's address as it appears on the records of the Foundation, with postage thereon prepaid; and, unless otherwise provided by law, such notice shall be effective at the earlier of the following: (a) when received; (b) five (5) days after its deposit in the United States Mail, as evidenced by the postmark, if mailed correctly addressed and with first class postage affixed; (c) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by on behalf of the addressee; or (d) thirty (30) days after its deposit in the United States Mail, as evidenced by the postmark, if mailed correctly addressed and with other than first class, registered, or certified postage affixed. Notice may also be given in person, by telephone or facsimile, or other form of wire or wireless communication, or by private carrier. Oral notice is effective when communicated, if communicated in a comprehensible manner.

Section 2.     Waiver of Notice. Whenever any notice is required by law, the Articles of Incorporation, or these Bylaws, to be given to any director, member, or member of a committee, a waiver thereof in writing, signed by the person or persons entitled to the notice, whether before or after the time stated therein, and delivered to the Foundation for inclusion in the minutes or filing with the corporate records shall be deemed a valid notice. A member's attendance at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented. A director's or committee member's attendance or participation in a meeting waives any required notice of the meeting unless the director or committee member, upon arriving at the meeting, or prior to the vote on a matter not noticed in conformity with the Articles of Incorporation or these Bylaws, objects to lack of notice and does not thereafter vote for or assent to the action.

## **ARTICLE VI**

### **GENERAL PROVISIONS**

Section 1.     Fiscal Year. The fiscal year of the Foundation shall be the calendar year.

Section 2.     Duration. The period of the Foundation's duration is perpetual.

## **ARTICLE VII**

### **INDEMNIFICATION**

Section 1.     Indemnification Rights. Every person who was or is a party or is threatened to be made a party to or is involved in any action, suit, or proceeding, whether civil, criminal,



administrative, or investigative, by reason of the fact that he or she is or was a director, officer, or agent of the Foundation or is or was serving at the request of the Foundation as a director, officer, or agent of another Foundation, or as its representative in a joint venture, trust, or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under and pursuant to any procedure specified in the Arkansas Nonprofit Corporation Act of 1993, as amended from time to time, against all expenses, liabilities, and losses (including attorney's fees, judgments, fines, and amounts paid or to be paid in settlement) reasonably incurred or suffered by him or her in connection therewith. Such right of indemnification shall be a contract right that may be enforced in any lawful manner by such person. Such right of indemnification shall not be exclusive of any other right which such director, officer, or agent may have or hereafter acquire and, without limiting the generality of such statement, any such person shall be entitled to his or her respective rights of indemnification under any agreement, provision of law, or otherwise, as well as his or her rights under this paragraph.

Section 2.     Insurance. The Board of Directors may cause the Foundation to purchase and maintain insurance on behalf of any person who is or was a director, officer, or agent of the Foundation, or is or was serving at the request of the Foundation as a director, officer or agent of another corporation, or as its representative in a joint venture, trust, or other enterprise against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Foundation would have the power to indemnify such person.

## **ARTICLE VIII**

### **PROVISIONS FOR DISSOLUTION**

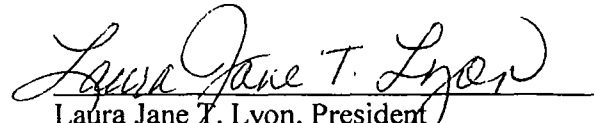
In the event of the liquidation, dissolution, or winding up of the Foundation, the Board of Directors shall, after paying or making sufficient provision for the payment of all of the liabilities of the Foundation, dispose of all the assets of the Foundation exclusively for the purposes of the Foundation in such manner, or to such organization or organizations organized and operated exclusively for charitable, religious, scientific, or educational purposes as shall at the time qualify as an exempt organization or organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code, as the Board of Directors of the Foundation shall determine. Any such assets not so disposed of shall be disposed of by the circuit court of the county in which the principal office of the Foundation 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.

## **ARTICLE IX**


### **AMENDMENTS**

These Bylaws may be altered, amended, or repealed in whole or in part or, new Bylaws may be adopted by the vote of its Board of Directors, provided, however, that any such alteration, amendment, repeal or adoption must be approved by two-thirds (2/3) of the votes cast by the members or a majority of the voting power of the members, whichever is less.

APPROVED as of the 29 day of Feb. 2016.

  
Laura Jane T. Lyon, President

ATTEST:

  
Rick W. Shutt, Secretary