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Return of Private Foundation

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.

OMB No 1545-0052

2016

Open to Public Inspection

For calendar year 2016 or tax year beginning JUL 1, 2016, and ending JUN 30, 2017

Name of foundation

ROTARY CLUB OF LUBBOCK FOUNDATION

A Employer identification number

75-2765212

Number and street (or P O box number if mail is not delivered to street address)

1001 MAIN STREET

Room/suite

805

B Telephone number

806-785-3030

City or town, state or province, country, and ZIP or foreign postal code

LUBBOCK, TX 79401

C If exemption application is pending, check here ☐

G Check all that apply:

☐ Initial return☐ Final return☐ Address change☐ Initial return of a former public charity☐ Amended return☐ Name changeD 1. Foreign organizations, check here ☐2. Foreign organizations meeting the 85% test, check here and attach computation ☐H Check type of organization: ☒ Section 501(c)(3) exempt private foundation☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundationE If private foundation status was terminated under section 507(b)(1)(A), check here ☐

I Fair market value of all assets at end of year

(from Part II, col. (c), line 16)

\$ 761,427. (Part I, column (d) must be on cash basis.)

J Accounting method: ☒ Cash ☐ Accrual☐ Other (specify)F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ☐

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	42,152.			
2	Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch. B				
3	Interest on savings and temporary cash investments	18.	18.		STATEMENT 1
4	Dividends and interest from securities	17,815.	17,815.		STATEMENT 2
5a	Gross rents				
b	Net rental income or (loss)				
6a	Net gain or (loss) from sale of assets not on line 10	1,570.			
b	Gross sales price for all assets on line 6a	234,392.			
7	Capital gain net income (from Part IV, line 2)		1,570.		
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	61,555.	19,403.	0.	
13	Compensation of officers, directors, trustees, etc	0.	0.	0.	0.
14	Other employee salaries and wages				
15	Pension plans, employee benefits				
16a	Legal fees				
b	Accounting fees STMT 3	975.	488.	0.	488.
c	Other professional fees STMT 4	7,732.	7,732.	0.	0.
17	Interest				
18	Taxes STMT 5	192.			0.
19	Depreciation and depletion				
20	Occupancy				
21	Travel, conferences, and meetings				
22	Printing and publications				
23	Other expenses				
24	Total operating and administrative expenses. Add lines 13 through 23	8,899.	8,280.	0.	488.
25	Contributions, gifts, grants paid	45,992.			45,992.
26	Total expenses and disbursements. Add lines 24 and 25	54,891.	8,280.	0.	46,480.
27	Subtract line 26 from line 12:				
a	Excess of revenue over expenses and disbursements	6,664.			
b	Net investment income (If negative, enter -0-)		11,123.		
c	Adjusted net income (If negative, enter -0-)			0.	

2
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Part II Balance Sheets		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
Assets	1 Cash - non-interest-bearing					
	2 Savings and temporary cash investments			39,891.	32,677.	32,677.
	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 STMT 6			567,700.	581,578.	728,750.
	c Investments - corporate bonds					
Liabilities	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 Total assets (to be completed by all filers - see the instructions. Also, see page 1, item I)			607,591.	614,255.	761,427.
	17 Accounts payable and accrued expenses					
	18 Grants payable					
Net Assets or Fund Balances	19 Deferred revenue					
	20 Loans from officers, directors, trustees, and other disqualified persons					
	21 Mortgages and other notes payable					
	22 Other liabilities (describe ▶)					
	23 Total liabilities (add lines 17 through 22)			0.	0.	
	Foundations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31					
	24 Unrestricted					
	25 Temporarily restricted					
	26 Permanently restricted					
	Foundations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.					
	27 Capital stock, trust principal, or current funds			594,157.	594,157.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			0.	0.	
	29 Retained earnings, accumulated income, endowment, or other funds			13,434.	20,098.	
	30 Total net assets or fund balances			607,591.	614,255.	
	31 Total liabilities and net assets/fund balances			607,591.	614,255.	

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	607,591.
2 Enter amount from Part I, line 27a	2	6,664.
3 Other increases not included in line 2 (itemize) ▶	3	0.
4 Add lines 1, 2, and 3	4	614,255.
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	614,255.

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 PUBLICLY TRADED SECURITIES			VARIOUS	VARIOUS
b				
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 234,392.		232,822.	1,570.
b			
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			1,570.
b			
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	1,570.
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	43,021.	600,106.	.071689
2014	33,425.	634,239.	.052701
2013	41,307.	604,820.	.068296
2012	35,992.	544,990.	.066042
2011	25,639.	473,798.	.054114

2 Total of line 1, column (d)	2	.312842
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	.062568
4 Enter the net value of noncharitable-use assets for 2016 from Part X, line 5	4	677,297.
5 Multiply line 4 by line 3	5	42,377.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	111.
7 Add lines 5 and 6	7	42,488.
8 Enter qualifying distributions from Part XII, line 4	8	46,480.

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.

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	111.
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	111.
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	111.
6 Credits/Payments:			
a 2016 estimated tax payments and 2015 overpayment credited to 2016	6a		
b Exempt foreign organizations - tax withheld at source	6b		
c Tax paid with application for extension of time to file (Form 8868)	6c		
d Backup withholding erroneously withheld	6d		
7 Total credits and payments. Add lines 6a through 6d	7		0.
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	9		111.
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 <input type="checkbox"/> Refunded <input checked="" type="checkbox"/>	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
b 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) <u>TX</u>		
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		X

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 ► <u>N/A</u>	X	
14 The books are in care of ► <u>GREG MOORE</u> Telephone no. ► <u>806-785-3030</u> Located at ► <u>1001 MAIN STREET #805, LUBBOCK, TX</u> ZIP+4 ► <u>79401</u>		
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 ►	Yes 16	No 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?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(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)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
(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	N/A	1b
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?		1c 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	2b
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	3b
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a 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?		4b X

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

6b

X

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
SEE STATEMENT 7		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

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	664,219.
b	Average of monthly cash balances	1b	23,392.
c	Fair market value of all other assets	1c	
d	Total (add lines 1a, b, and c)	1d	687,611.
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	687,611.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	10,314.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	677,297.
6	Minimum investment return. Enter 5% of line 5	6	33,865.

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	33,865.
2a	Tax on investment income for 2016 from Part VI, line 5	2a	111.
b	Income tax for 2016. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	111.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	33,754.
4	Recoveries of amounts treated as qualifying distributions	4	0.
5	Add lines 3 and 4	5	33,754.
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	33,754.

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	46,480.
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	46,480.
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	111.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	46,369.

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.

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				33,754.
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				
d From 2014				
e From 2015	12,613.			
f Total of lines 3a through e	12,613.			
4 Qualifying distributions for 2016 from Part XII, line 4: ► \$ 46,480.				
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				33,754.
e Remaining amount distributed out of corpus	12,726.			
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:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	25,339.			
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	25,339.			
10 Analysis of line 9:				
a Excess from 2012				
b Excess from 2013				
c Excess from 2014				
d Excess from 2015	12,613.			
e Excess from 2016	12,726.			

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

- 1 a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2016, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section

☐ 4942(i)(3) or ☐ 4942(i)(5)

- 2 a** Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

b 85% of line 2a

c Qualifying distributions from Part XII,
line 4 for each year listed

d Amounts included in line 2c not used directly for active conduct of exempt activities

e Qualifying distributions made directly for active conduct of exempt activities.

Subtract line 2d from line 2c

- 3** Complete 3a, b, or c for the alternative test relied upon:

a "Assets" alternative test - enter:

(1) Value of all assets

(2) Value of assets qualifying under section 4942(i)(3)(B)(i)

b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test - enter:

(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)

(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)

(3) Largest amount of support from an exempt organization

(4) Gross investment income

Part XV	Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year-see instructions.)
----------------	--

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a. The name, address, and telephone number or e-mail address of the person to whom applications should be addressed:

SEE STATEMENT 8

b The form in which applications should be submitted and information and materials they should include:

c Any submission deadlines:

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

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
a Paid during the year				
FRENSHIP FOUNDATION FOR LEADERSHIP 501 7TH STREET WOLFFORTH, TX 79382	NONE	PC	TO PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATIONAL PROGRAMS AND INITIATIVES TO FURTHER	3,314.
LISD FOUNDATION FOR EXCELLENCE 1628 19TH ST LUBBOCK, TX 79401	NONE	PC	TO PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATIONAL PROGRAMS AND INITIATIVES TO FURTHER	4,478.
SOUTH PLAINS FOOD BANK 5605 MLK BLVD LUBBOCK, TX 79404	NONE	PC	FOR GENERAL PURPOSES IN AIDING TO FEED THE HUNGRY OF THE SOUTH PLAINS.	35,000.
TEXAS SOUTH PLAINS HONOR FLIGHT PO BOX 94787 LUBBOCK, TX 79493	NONE	PC	TO SEND TWO LOCAL WORLD WAR II VETERANS TO VISIT THE WAR MEMORIALS IN WASHINGTON DC.	3,200.
Total			3a	45,992.
b Approved for future payment				
NONE				
Total			3b	0.

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- | | | Yes | No |
|----------|--|-------|----|
| 1 | Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations? | | |
| a | Transfers from the reporting foundation to a noncharitable exempt organization of: | | |
| | (1) Cash | 1a(1) | X |
| | (2) Other assets | 1a(2) | X |
| b | Other transactions: | | |
| | (1) Sales of assets to a noncharitable exempt organization | 1b(1) | X |
| | (2) Purchases of assets from a noncharitable exempt organization | 1b(2) | X |
| | (3) Rental of facilities, equipment, or other assets | 1b(3) | X |
| | (4) Reimbursement arrangements | 1b(4) | X |
| | (5) Loans or loan guarantees | 1b(5) | X |
| | (6) Performance of services or membership or fundraising solicitations | 1b(6) | X |
| c | Sharing of facilities, equipment, mailing lists, other assets, or paid employees | 1c | X |
| d | If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation. If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received. | | |

[illegible]

- 2a** Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☒ Yes ☐ No
- b** If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship
ROTARY CLUB OF LUBBOCK CHAPTER 812	501 (C) (4)	SEE STATEMENT 9

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer or trustee

11/4/17
Date

► Treasurer
Title

May the IRS discuss this return with the preparer shown below (see instr)?

☒ Yes ☐ No

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date _____

Check <input checked="" type="checkbox"/> if self-employed	PTIN
---	------

MATT R. WILLIS

MATT R. WILLIS

11/08/17

P00419741

Firm's name ► **BOLINGER, SEGARS, GILBERT AND MOSS LLP**

Firm's EIN ► 75-0882037

Firm's address ► 8215 NASHVILLE AVENUE
LUBBOCK, TX 79423

Phone no. (806) 747-3806

Form **990-PF** (2016)

Part XV Supplementary Information

3a Grants and Contributions Paid During the Year Continuation of Purpose of Grant or Contribution

NAME OF RECIPIENT - FRENSHIP FOUNDATION FOR LEADERSHIP

TO PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATIONAL PROGRAMS AND

INITIATIVES TO FURTHER ENRICH STUDENT LEARNING IN THE FRENSHIP

INDEPENDENT SCHOOL DISTRICT.

NAME OF RECIPIENT - LISD FOUNDATION FOR EXCELLENCE

TO PROVIDE SUPPLEMENTAL FUNDING FOR EDUCATIONAL PROGRAMS AND

INITIATIVES TO FURTHER ENRICH STUDENT LEARNING IN THE LUBBOCK

INDEPENDENT SCHOOL DISTRICT.

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
LUBBOCK NATIONAL BANK - CD	18.	18.	18.
TOTAL TO PART I, LINE 3	18.	18.	18.

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 BROKERAGE ACCOUNTS	17,815.	0.	17,815.	17,815.	17,815.
TO PART I, LINE 4	17,815.	0.	17,815.	17,815.	17,815.

FORM 990-PF ACCOUNTING FEES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
ACCOUNTING FEES	975.	488.	0.	488.
TO FORM 990-PF, PG 1, LN 16B	975.	488.	0.	488.

FORM 990-PF OTHER PROFESSIONAL FEES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
FIDUCIARY FEES	7,732.	7,732.	0.	0.
TO FORM 990-PF, PG 1, LN 16C	7,732.	7,732.	0.	0.

FORM 990-PF	TAXES			STATEMENT	5
DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES	
FOREIGN DIVIDEND TAX	60.	60.	0.	0.	
TAX ON INVESTMENT INCOME	132.	0.	0.	0.	
TO FORM 990-PF, PG 1, LN 18	192.	60.	0.	0.	

FORM 990-PF	CORPORATE STOCK		STATEMENT	6
DESCRIPTION	BOOK VALUE		FAIR MARKET VALUE	
MERRILL LYNCH INVESTMENTS	581,578.		728,750.	
TOTAL TO FORM 990-PF, PART II, LINE 10B	581,578.		728,750.	

FORM 990-PF PART VIII - LIST OF OFFICERS, DIRECTORS STATEMENT 7
TRUSTEES AND FOUNDATION MANAGERS

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT	
TERRY KEY 1001 MAIN STREET #805 LUBBOCK, TX 79401	PRESIDENT 1.00	0.	0.	0.
BILL RUSSELL 1001 MAIN STREET #805 LUBBOCK, TX 79401	VICE PRESIDENT 1.00	0.	0.	0.
RON CHANDLER 1001 MAIN STREET #805 LUBBOCK, TX 79401	SECRETARY 1.00	0.	0.	0.
GREG MOORE 1001 MAIN STREET #805 LUBBOCK, TX 79401	TREASURER 1.00	0.	0.	0.
BEN LOCK 1001 MAIN STREET #805 LUBBOCK, TX 79401	DIRECTOR 1.00	0.	0.	0.
MONTE MONROE 1001 MAIN STREET #805 LUBBOCK, TX 79401	DIRECTOR 1.00	0.	0.	0.
GARY MCCOY 1001 MAIN STREET #805 LUBBOCK, TX 79401	DIRECTOR 1.00	0.	0.	0.
TOTALS INCLUDED ON 990-PF, PAGE 6, PART VIII		0.	0.	0.

FORM 990-PF	GRANT APPLICATION SUBMISSION INFORMATION PART XV, LINES 2A THROUGH 2D	STATEMENT 8
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NAME AND ADDRESS OF PERSON TO WHOM APPLICATIONS SHOULD BE SUBMITTED

KAREN WATTS
1001 MAIN STREET #805
LUBBOCK, TX 79401

TELEPHONE NUMBER

806-785-3030

FORM AND CONTENT OF APPLICATIONS

SEE ATTACHED APPLICATION FORM.

ANY SUBMISSION DEADLINES

THERE ARE NO SUBMISSION DEADLINES. APPLICATIONS MAY BE SUBMITTED AT ANY POINT DURING THE YEAR.

RESTRICTIONS AND LIMITATIONS ON AWARDS

GRANTS ARE ONLY MADE TO 501(C)(3) ORGANIZATIONS

990-PF	AFFILIATION WITH TAX-EXEMPT ORGANIZATIONS PART XVII, LINE 2, COLUMN (C)	STATEMENT	9
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NAME OF AFFILIATED OR RELATED ORGANIZATION

ROTARY CLUB OF LUBBOCK CHAPTER 812

DESCRIPTION OF RELATIONSHIP WITH AFFILIATED OR RELATED ORGANIZATION

THE FOUNDATION WAS SET UP BY THE ROTARY CLUB OF LUBBOCK. ALL BOARD MEMBERS OF THE FOUNDATION ARE MEMBERS OF THE ROTARY CLUB OF LUBBOCK CHAPTER 812 AND APPOINTED BY THE PRESIDENT OF THE ROTARY CLUB OF LUBBOCK.



Rotary Club of Lubbock Foundation GRANT APPLICATION

APPLICANT INFORMATION

Applicant:		
Name:		
Contact: First Name:	M.I.	Last Name:
Address		City, State, Zip
Phone:	E-Mail:	
Lubbock Rotary Club Sponsor:		

NEEDS STATEMENT

1. Provide back ground information on why the project is necessary.
2. Provide information on what exactly is needed.

PROJECT INFORMATION

3. How exactly will the fund be used
4. How will the fund establish self-sufficiency and self-perpetuation?
5 What is the timeline or deadline?

6. What other resources does the applicant currently have?

7. How will the Rotary sponsor be involved?

IMPACT INFORMATION

8. What will the positive impact on the target group be?

9. How soon will this impact occur?

10. How will the impact be measured and reported?

11. What will happen if the project is not funded?

COMMENTS

Please indicate any additional information to support the application, i.e. Accreditation, permits, etc.

Total Project Budget:

APPLICATION COMMITTEE NOTES

Evaluation Date	Decision Date	Reviewers

Project is

☐ Recommended

☐ Not Recommended

Comments:

Additional information might be requested after review.

Attach additional pages as necessary.

BYLAWS OF THE ROTARY CLUB OF LUBBOCK FOUNDATION

— Amended and restated as of: June 21, 2017 —

These Bylaws govern the affairs of the ROTARY CLUB OF LUBBOCK FOUNDATION, a non-profit corporation.

As used throughout the Bylaws of the Rotary Club of Lubbock Foundation, the following terms have the meanings assigned.

- “Archer Fund” shall mean the bequest for the use and benefit of the Rotary Club of Lubbock granted by the Last Will and Testament of Countess Fore Archer “from which a spending portion will be used to support the Lubbock Club’s activities and programs.” (see Appendix B)
- “Board” shall mean the Board of Trustees of the Foundation.
- “Bylaws” shall mean the Bylaws of the Rotary Club of Lubbock Foundation.
- “Club” shall mean the Rotary Club of Lubbock only.
- “Club President” shall mean the President of the Rotary Club of Lubbock.
- “Declaratory Judgment” shall mean the Declaratory Judgment of the U.S. District Court for the Northern District of Texas, Lubbock Division, in Civil Action No. 5:08-CV-122-C, entered on June 20, 2008. (see Appendix A)
- “Foundation” shall mean the Rotary Club of Lubbock Foundation.
- “President” shall mean the President of the Board of Trustees of the Foundation.
- “Trustee” shall mean a member of the Board of Trustees of the Foundation.

ARTICLE 1

OFFICES

- 1.01 **Principal Office.** The principal office of the Foundation will be at 1603 West Loop 289, Lubbock, Texas, 79416, Lubbock County, Texas. The Board may change the location, by resolution, according to current conditions.
- 1.02 **Registered Office and Registered Agent.** The Foundation will maintain a registered office and registered agent in Texas. The registered office may, but need not be, identical with the principal office of the Foundation. The Board may change the registered office and registered agent as permitted in the Texas Non-Profit Corporation Act.

ARTICLE 2

BOARD OF TRUSTEES

- 2.01 **Management of the Foundation.** The Board will manage the affairs of the Foundation. Guidance of the Board shall be the "Object of Rotary" and the "Declaration of Rotarians in Business and Professions," in the full spirit of "The Four Way Test" and the terms of the Declaratory Judgment. (*see Appendix A and C*)
- 2.02 **Voting members.** There shall be seven (7) Trustees with full voting rights ("voting Trustees").
- (a) The Club President shall be a full member of the Board with all rights and duties of a Trustee appointed under Section 2.02(b) herein, including the right to vote on all matters. However, the privilege of holding elected office on this Board, as described in Article 3, will not be available to this Board member. If a currently-serving appointed Trustee becomes the Club President, that Board member's position as an appointed Trustee shall automatically terminate at the time the Board member begins serving as the Club President, with the resulting vacancy being filled in accordance with Section 2.02(b).
 - (b) Five (5) Trustees shall be appointed to the Board by the Club President from the membership of the Club, with the appointed Trustees having the right to participate in all deliberations of the Board and to vote on all matters. On or before June 30 of each Rotary year, the outgoing Club President shall make the appointment(s) for the coming Rotary year.
 - (1) These appointed members shall have an educational and/or professional background in financial management, accounting, law, or similar disciplines, or have extensive experience with the governance and operations of the Rotary Club of Lubbock.
 - (2) The regular full term of office of the appointed Trustees shall be three (3) years, with the terms of two Trustees to expire every year, except that every third year the term of one Trustee expires. Terms begin with the start of the Rotary Year.
 - (3) Upon the expiration of a term, an appointed Trustee shall be eligible for reappointment without limitation as to the number of terms, consecutive or otherwise, a Trustee may serve.
 - (4) If an appointed Trustee resigns, is no longer able to fulfill the duties of a Trustee, or is removed from the Board in accordance with Sections 2.02(a) or 2.14, the vacancy shall be filled by the Club President's appointment of a new Trustee to complete that unexpired term.

- (5) When making appointments of Trustees for regular (full) terms, the Club President is encouraged, but not required, to reappoint one continuing Trustee and/or appoint one new Trustee. When making appointments for regular or unexpired terms, the Club President shall consult with the President before the Club President makes a final decision on reappointment(s) or appointment(s).
- 2.03 **Non-voting members.** There shall be three (3) non-voting members of the Board. The non-voting Trustees shall serve by virtue of and for so long as they hold the positions set forth herein.
 - (a) The non-voting Trustees shall include the:
 - (1) president-elect of the Rotary Club of Lubbock;
 - (2) immediate past president of the Rotary Club of Lubbock; and
 - (3) Foundation's Investment Coordinator.
 - (b) A non-voting Trustee shall have the right and is expected to participate in all deliberations of the Board, however, non-voting Trustees are not included for the purposes of establishing a quorum of the Board.
 - (c) The privilege of holding elected office on the Board, as described in Article 3, will not be available to a non-voting member.
- 2.04 **Initial Meeting Each Year.** An initial meeting of the Board shall be held as soon as is practical at the beginning of each Rotary Year at a location designated by the President. An agenda for the initial meeting that also includes the date, time and location of the meeting shall be provided in advance to all Trustees. In the event a scheduled initial meeting is recessed or postponed, for any reason, the President shall cause the initial meeting to be held as soon as is convenient, and all elections held and other business transacted at such meeting shall be valid as if held or transacted at the original scheduled date.
- 2.05 **Regular Meetings.** The Board may provide for regular meetings by resolution stating the time and place of such meetings. An agenda for each regular meeting that also includes the date, time and location of the meeting shall be provided in advance to all Trustees.
- 2.06 **Special Meetings.** Special meetings of the Board may be called by, or at the request of, the President or by any two voting Trustees. Anyone seeking to call a special meeting shall provide an agenda that states the purpose of the meeting, fix the date, time and place of the special meeting, and notify all Trustees (including voting and non-voting members) of the meeting in accordance with the provisions of Article 9, "Notices," with the notification to be made no fewer than three (3) days prior to the stated meeting date.
- 2.07 **Quorum.** A majority of the voting Trustees then in office constitutes a quorum for transacting business at any Board meeting. At a duly called or held meeting at which a quorum has been established, the voting Trustees remaining present may continue to

transact business even if enough voting Trustees have left that meeting so that less than a quorum remains. However, any action must be approved by a vote of a majority of the number of voting Trustees that constituted the quorum unless otherwise specified within these Bylaws.

- 2.08 **Duties of Trustees.** Trustees, whether voting or non-voting, will discharge their duties, including any duties as the Investment or Grant Coordinators, in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interests of the Foundation. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty imposed or power conferred on Trustees, the Trustees may, in good faith, rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Foundation or any other person or entity, that have been prepared or presented by a variety of persons, including officers of the Foundation, professional advisors or experts such as accountants or legal counsel. If a Trustee is aware of, has knowledge of, or perceives circumstances that would render reliance as described above unwarranted, that Trustee is not relying in good faith. See also, "Duty of Full Disclosure," Section 2.10 herein.
- 2.09 **Delegation of Duties.** Trustees may select advisors and delegate duties and responsibilities to them, such as: the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on behalf of the Foundation; and to sell, transfer, or otherwise dispose of the assets of the Foundation and properties at a time and for a consideration that the advisor deems appropriate. The Trustees have no liability for actions taken or omitted by the advisor if the Board acts in good faith and with ordinary care in selecting the advisor. The Board, on majority vote at a duly held or special meeting, may remove or replace any advisor at any time and without cause.
- 2.10 **Duty of Full Disclosure by Trustees.**
- (a) Every Trustee with any personal interest in any transaction with the Foundation must disclose all material facts concerning the transaction, including all potential personal benefits and potential conflicts of interest, to the other members of the Board or other group authorizing the transaction. The transaction must be approved by a majority of the uninterested voting Trustees or other group with the authority to authorize the transaction.
 - (b) Contracts or transactions between Trustees who have a financial interest in the matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the Trustee is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose.
- 2.11 **Actions of the Board.** There is always optimism that the Board can be able to act with a consensus of the members, and effort will be toward unanimity of the Trustees. Recognizing that this will not always be possible, the Board will act by majority vote of the Trustees present and voting at a meeting at which a quorum is present, unless the act of a greater number is required by law or by some other provision of these Bylaws. Exceptions

to this rule are found in Section 4.03(d) and (e), wherein: an affirmative vote of five (5) voting Trustees is required prior to the awarding of any grant; and the unanimous approval of the voting Trustees is required for any grant that is greater than the annual distribution required by the Internal Revenue Code. A voting Trustee who is present at a meeting and abstains from a vote is considered to be present and voting (their vote being to abstain) for the purpose of determining the Board's decision. For the purpose of determining the decision of the Board, a voting Trustee who is present by proxy in a vote is considered present, and the proxy vote will be counted.

2.12 Proxies.

- (a) A voting Trustee may cast a vote by proxy. A proxy must be dated, be in writing, identify another voting Trustee who is authorized to exercise the proxy, bear the signature of the Trustee granting the proxy, and state the specific matter or matters on which the Trustee has granted the Trustee's voting power. No proxy is valid after thirty (30) days from the date of its execution.
- (b) If a voting Trustee is present at a Board meeting but must leave the meeting before a vote on a matter is taken, the departing Trustee may verbally designate another voting Trustee who is present to exercise the departing Trustee's vote at that meeting.
- (c) A Trustee authorized to exercise a proxy may not exercise the proxy unless it is delivered to the Trustee presiding at the meeting prior to the proxy vote being cast. The person charged with taking the minutes of the meeting will record in the minutes the name of the Trustee who executed the proxy and the name of the Trustee authorized to exercise the proxy. If a Trustee who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting, except as provided in Section 2.12(b) herein. A proxy filed with the President or other designated Trustee remains in force until the first of the following occurs:
 - (1) An instrument revoking the proxy is delivered to the President or other designated Trustee.
 - (2) The proxy authority expires under the terms of the proxy.
 - (3) The proxy authority expires under the terms of these Bylaws.

- 2.13 Compensation.** Trustees may not receive salaries for their services as a Trustee. Should circumstances warrant more dedication of time and effort than is usual for such a responsibility, the Board may adopt a resolution for paying Trustees a fixed sum and expenses for attending regular or special meetings or traveling on Foundation business. A Trustee may serve the Foundation in any other professional capacity and receive compensation for those services. Any compensation that the Foundation pays to a Trustee must be reasonable and commensurate with the services performed.

2.14 Removal from the Board.

- (a) The Board may vote to remove a voting or non-voting Trustee at any time, with or without cause. Such an action may be considered and taken at a regular or special called Board meeting. The agenda and/or notice for the meeting shall state that the issue of the possible removal of the identified Trustee is eligible for consideration.
- (b) At the meeting, the Trustee being considered for removal may present evidence of why he or she should not be removed, but is not entitled to vote on the issue. Also at the meeting, the Board shall consider possible arrangements for resolving the problems other than by removal of the Trustee. Such an effort would be in the mutual interest of the Foundation and the Trustee. A Trustee may be removed by the vote of a majority of the voting Trustees present at the meeting, as required in Section 2.11, excluding the Trustee being considered for removal.
- (c) If a Trustee ceases to be a member in good standing of the Rotary Club of Lubbock, that Trustee shall automatically be terminated as a Trustee without any further action by the Board, and the President shall notify the former Trustee to that effect.
- (d) A vacancy on the Board resulting from the removal of an appointed Trustee shall be filled in accordance with Section 2.02(b).

ARTICLE 3

OFFICERS

- 3.01 **Officer Positions.** The officers of the Foundation shall include a President and a Treasurer. To be eligible for the office of President, a Trustee must be a member of the Board appointed under Section 2.02(b). The Board may create additional officer positions, define the authority and duties of each such position, and elect or appoint persons to fill the positions.
- 3.02 **Election and Term of Office.**
 - (a) The officers of the Foundation will be elected annually by the Board at the initial Board meeting each year. Terms of office will be one year, with any officer able to serve consecutive terms. If officers are not elected at the initial meeting of the year, the election will take place as soon thereafter as is possible, with each officer continuing to hold office until a successor is duly selected and qualified.
 - (b) An officer may resign by giving notice to the President or the entire membership of the Board. The resignation shall take effect at the time specified or agreed upon. The acceptance of such resignation shall not be necessary to make it effective.
- 3.03 **Removal of Officer.** Any officer elected or appointed by the Board may be removed by the Board with or without good cause whenever, in the sole judgment of the Board, the best interests of the Foundation will be served thereby.

3.04 **Vacancies.** The Board may select a person to fill a vacancy in any office for the unexpired part of the officer's term unless that authority belongs to the President as expressed in these Bylaws.

3.05 **President – powers and duties; absence, inability or refusal to act.**

- (a) The President is the chief officer of the Foundation and will perform all duties incidental to the office of the President and any special endeavor prescribed by the Board. The duties will include, but not be limited to, supervision and control of all the business affairs of the Foundation, and presiding at all meetings of the Board. The President may execute any deeds, mortgages, bonds, contracts, agreements to settle or compromise any dispute or lawsuit, or other instrument that the Board authorizes to be executed. However, if any power is expressly delegated (1) by the Board to another person or agent of the Foundation, or (2) by these Bylaws, or (3) by statute, the President will not act in any way to conflict with such delegation.
- (b) When the President is absent, cannot act, or refuses to act, the Board shall select another appointed Trustee to perform the duties of the President on a temporary basis. When acting in the place of the President, the Trustee so designated shall have all the powers, and is subject to any and all restrictions, to which the President would be subject. If the duly elected President's absence, inability or refusal to act is deemed, in the sole judgment of the Board, to be ongoing throughout the remainder of the President's term, the Board may elect another Trustee to serve as President for the remainder of the unexpired term.

3.06 **Treasurer.** It shall be the responsibility of the Treasurer to:

- (a) Have charge and custody of, and be responsible for, all the funds and securities belonging to the Foundation or for which the Foundation has responsibility.
- (b) Receive and give receipts for money coming to the Foundation from any source.
- (c) Deposit all moneys in the name of the Foundation in banks or other depositories as these Bylaws provide or as directed by the Board.
- (d) Write and sign checks or orders to disburse funds to discharge the obligations of the Foundation. Any check written or funds otherwise withdrawn in an amount in excess of two hundred dollars (\$200.00) shall be additionally signed or authorized in writing by the President or another voting Trustee so designated by the Board.
- (e) Maintain the financial books and records of the Foundation and oversee the preparation of periodic financial reports as directed by the Board.
- (f) Subject to the approval of the Board, adopt policies and procedures for the following activities:
 - (1) ensure proper oversight of the Foundation's financial operations and reviews of the internal controls in place for the business operations of the Foundation;

- (2) make timely submissions of any returns or financial documents the Foundation is required to file; and
- (3) provide a report on the year-end financial condition of the Foundation at the initial meeting of the Board each year.
- (g) Perform all duties incident to the office of Treasurer and perform any other duties as may be assigned by the President or the Board.

3.07 **Administrative Functions of the Board.** The President, or the President's designee(s), will ensure that the following administrative functions of the Board are performed:

- (a) Give all notices as provided in these Bylaws or as required by law.
- (b) Take minutes of the meetings of the Board and keep the minutes as a part of the Foundation's records. The minutes of the meetings are to be transcribed forthwith and provided for review and adoption at the next Board meeting. After adoption, a certified copy of such minutes shall be maintained in a Board Minutes book, the original accompanying the minutes of the adopting meeting.
- (c) Maintain custody of the Foundation's records and the seal, if any.
- (d) Affix the Foundation's seal to all documents as authorized.
- (e) Keep a current register of complete contact information of each Trustee and officer of the Foundation.

ARTICLE 4

CORE FUNCTIONS; COORDINATORS; SPECIAL COMMITTEES

4.01 **Core Functions.** The core functions of the Foundation shall consist of:

- (a) **Investments:** Of the funds entrusted to the Foundation, the Board shall exercise prudent investment strategies in order to grow the corpus of the Foundation while also providing funds that are available for grants as well as to defray the ordinary administrative expenses of the Foundation.
- (b) **Grants:** From the earnings of the corpus of the Foundation and any other funds that are available to the Foundation, the Board shall make grants for the benevolent or charitable causes that are deemed eligible and worthy of the financial support of the Foundation, consistent with the requirements of the Declaratory Judgment and the Archer Fund bequest.

- (c) Gifts and contributions: The Board shall evaluate and, when appropriate, accept gifts, contributions, bequests, or other donations that are solicited by or offered to the Foundation.
- (d) Financial controls: In accordance with Section 3.06 of these Bylaws, the Board, working in concert with the Treasurer, shall ensure that proper oversight is provided for the funds entrusted to the Foundation and for the financial operations of the Foundation.

4.02 Investments.

- (a) The Board recognizes its legal responsibility to comply with the restrictions imposed by the donors of funds placed in the corpus of the Foundation. The Board further acknowledges its duty to ensure that the management of donated funds and any other funds placed in the corpus of the Foundation employs a prudent investment strategy.
- (b) The Board shall appoint an Investment Coordinator to advise the Board on investment strategies and policies and, to the extent authorized by the Board, manage or oversee the management of the investment activities of the Foundation.
- (c) In performing the duties of this position, the Investment Coordinator shall be guided by the provisions of Section 4.01(a) herein.
- (d) If so authorized by the Board, the Investment Coordinator may retain outside investment counsel.

4.03 Grants.

- (a) The Board acknowledges its duty to make grants that:
 - (1) are for the benevolent or charitable causes that are deemed eligible and worthy of the financial support of the Foundation;
 - (2) meet the Internal Revenue Code §501(c)(3) requirements for the tax-exempt status of foundations; and
 - (3) comply with the terms of the Declaratory Judgment and the Archer Fund. *(see Appendix A and B)*
- (b) The Board shall appoint a Grant Coordinator to manage the tasks of receiving, evaluating and recommending action by the Board on grant applications. The Grant Coordinator shall be appointed from among the Board's voting Trustees.
- (c) No grant may be made that is not in compliance with the terms of the Declaratory Judgment which includes the following among its requirements:

- (1) "Lubbock Rotary will ensure that expenditure of the Archer Fund will support service activities or humanitarian endeavors of Lubbock Rotary that respect the wishes of the community;"
 - (2) "exercise the highest attention in ensuring the Archer Fund is spent in a manner consistent with the mission of The Rotary Foundation, in consonance with the 'Object of Rotary,' the 'Declaration of Rotarians in Business and Professions,' and in the full spirit of 'The Four Way Test' " (*see Appendix C*); and
 - (3) "ensure that expenditures of the Archer Fund will not directly benefit a Rotarian, an employee of a club, district or other Rotary entity, a spouse, lineal descendant (child or grandchild by blood or legally adopted child), a spouse of a lineal descendant, or an ancestor (parent or grandparent by blood) or any living Rotarian or Rotary employee."
- (d) No grant may be made that violates the requirements of the Archer Fund that such grants "will be used to support the Lubbock Club's activities and programs." (*see Appendix B*)
 - (e) Unless the Bylaws require otherwise, the affirmative approval of five (5) of the voting Trustees is required in order to award any grant.
 - (f) Other than a distribution required to conform to the requirements of the Internal Revenue Code, no grant or other obligation of the Foundation may be made which invades the corpus of the Foundation without the unanimous approval of the voting Trustees.
 - (g) Any standing grant authorized by the Board that is funded by restricted donations shall not require a grant application and is to be part of the annual distribution required by the Internal Revenue Code. Such restricted donations to the Foundation are not to be considered part of the corpus of the Foundation. An example is the standing grant to the South Plains Food Bank which is made by the Foundation on a monthly basis from funds donated to the Foundation by the members of the Rotary Club of Lubbock.
 - (h) The Grant Coordinator and the Board shall follow the guidelines stated hereafter when evaluating and considering action on grant applications:
 - (1) **Grants that shall not be funded.** To comply with the provisions of these Bylaws, the Archer Fund, the Declaratory Judgment, and government regulations, the following specific projects shall not be funded:
 - i. Grants which would fund non-governmental political organizations.
 - ii. Grants which would fund organizations whose purpose is to influence legislation.

- iii. Grants to any person or entity that would cause such grant to be classified as a "taxable expenditure" under the Internal Revenue Code and the U.S. Treasury regulations promulgated thereunder.
 - iv. Grants to any Rotarian, employee of a club, district or other Rotary entity, a spouse, lineal descendant (child or grandchild), a spouse of a lineal descendant, or ancestor (parent or grandparent by blood) of any living Rotarian or Rotary employee.
 - v. Grants for the retirement of debt or payment of interest or taxes.
- (2) **Grants that may be funded.** A proposed grant project should target one of the following areas, and its merit shall be evaluated by its realistic and true positive impact on fulfilling those needs and its compliance with the requirements of the Archer Fund and the Declaratory Judgment:
- i. Grants for projects of the Rotary Club of Lubbock.
 - ii. Grants for essential needs, defined as the basic requirements of human survival including food, water, shelter, clothing and health.
 - iii. Grants for education, defined as any academic, life-skills or vocational improvement program or setting, including: academic pre-kindergarten through college; trade, life-skills or vocational programs; and rehabilitation programs for at-risk audiences.
 - iv. Grants must be to a non-profit organization or an educational entity.
 - v. Grants must have a sponsor within the Rotary Club of Lubbock, and the proposer must submit a grant application for evaluation by the Grant Coordinator and the Board.
- (3) **Evaluation criteria.** Preference will be given to projects of the Rotary Club of Lubbock. The following questions shall be considered when evaluating a grant application:
- i. Does it enable or empower self-sufficiency?
 - ii. Is it self-perpetuating?
 - iii. Is it unique, or is there duplication of effort from other organizations?
 - iv. Can the need be filled or better alleviated by other venues or groups?
 - v. What is the likelihood that the recipient will achieve the goals of the project?
 - vi. What is the impact of the project?

- vii. How will the impact/success be verified or reported back to the Foundation?
- viii. What will happen if the project is not funded?
- ix. Does the project leverage or generate other funding or resources?
- x. Is there a clear plan for implementation and does the organization have the capability of delivering the service/program in a cost-effective manner?
- xi. If an educational grant, is the provider accredited.

4.04 Gifts and contributions.

- (a) In order to continue the growth of the corpus of the Foundation, the Board is responsible for strategies and activities that solicit the inflow of gifts and contributions to the Foundation.
- (b) For offers or proposals for gifts, contributions, bequests or other donations to the Foundation, the Board is charged with: evaluating such offers or proposals; accepting or declining such offers or proposals; and receiving gifts that have been duly accepted.
- (c) Gifts of cash may be accepted when offered, with proper receipt to be provided.
- (d) When valuations or appraisals are needed in order to avail the prospective donor of a tax deduction, the valuation or appraisal must be provided by the donor, and the Foundation shall not attest to the validity of the valuation or appraisal. The Board, however, may require that the preparer of the valuation or appraisal must meet professional standards deemed appropriate by the Board.
- (e) The Board shall be mindful of the need to carefully consider any gift that is subject to question as to the propriety or wisdom of acceptance. In considering offers or proposals for gifts, the Board shall protect the Foundation from becoming responsible for: the extended management of assets; the continuing responsibility for payments from a gift back to the donor as any sort of living annuity arrangement; or any gift which requires an extraordinary level of expense outlays in order to maintain the value of the gifted assets.
- (f) When there is an immediate need for prompt consideration of a gift, the President may direct the acceptance or declining of such gift if prior notice is given to all Trustees by means of telephone or electronic communications at least 24 hours before the President's decision is finalized and/or a gift acceptance is executed. Full Board action will not be required for this type of consultation or advice unless a voting Trustee, in response to the President's notice, requests a special meeting of the Board to consider acceptance of the gift.

4.05 Special Committees.

- (a) Establishment of special committees. To assist in the accomplishment of the Foundation's core functions, or for any other worthy purpose, the President may authorize special committees, appoint the members thereof, and designate the committee chair. Notice of the establishment of a special committee shall be given to all Trustees.
- (b) Duration and duties of a special committee. Any special committee so created shall be temporary and shall be charged in writing as to its particular duties and functions and the period in which it is to serve. Action by the President will be required to extend this period.
- (c) Advisory status of special committees. Unless a special committee is given a specific delegation of authority by the Board to take action on behalf of the Board, a special committee shall serve only in an advisory capacity. Any recommendation of a special committee that requires action by the Board shall be submitted to the Board for a determination of whether the proposed action should be adopted by the Board.
- (d) Each special committee shall maintain records of its meetings. The committee chair shall designate a person who will record the minutes and the members in attendance. The person recording the meeting shall sign the original for forwarding to the President.

ARTICLE 5

TRANSACTIONS OF THE CORPORATION

- 5.01 **Contracts.** The Board may authorize any officer or agent of the Foundation to enter into a contract or to execute and deliver any instrument in the name of, and on behalf of, the Foundation. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.
- 5.02 **Deposits.** All the funds of the Foundation will be deposited to the credit of the Foundation in banks, credit unions or other depositories that are members of a federal deposit insurance organization such as the Federal Deposit Insurance Corporation (FDIC), or National Credit Union Association (NCUA). Funds managed by the Investment Coordinator will be designated as investment funds and not as deposits. Trustees shall maintain balances that are within the insurance coverage of the insuring organization.
- 5.03 **Conflicts of Interest.** The Foundation may not make any loan to a Trustee. A Trustee may lend money to and otherwise transact business with the Foundation as provided in these Bylaws. Such person transacting business with the Foundation has the same rights and obligations in such matters as any other person would have in transacting business with the

Foundation. Any loans or other transaction from or with a Trustee must be fully described in a legally binding instrument and must be attested to as being in the best interests of the Foundation. Any transaction must be made in accordance with Section 2.10, "Duty of Full Disclosure by Trustees."

5.04 Prohibited Acts. As long as the Foundation exists, and unless with the approval of the Board, a Trustee may not:

- (a) Perform any act that is in violation of these Bylaws or create a binding obligation on the Foundation.
- (b) Perform any act that would result in the harming of the operation of the Foundation.
- (c) Perform any act that would make the continued intended or ordinary business of the Foundation unnecessarily difficult or impossible.
- (d) Receive any personal financial benefit or business advantage from the operation of the Foundation.
- (e) Use the assets of the Foundation, directly or indirectly, for any purpose other than the carrying on of the business of the Foundation.
- (f) Transfer or dispose of, or utilize without proper authority, any property of the Foundation, including intangible property such as goodwill.
- (g) Use the name, or any substantially similar name, of the Foundation, or any trademark or trade name adopted by the Foundation, except on behalf of the Foundation in the ordinary course of Foundation business.
- (h) Disclose any of the business practices, trade secrets, confidential deliberations, or any other information of the Foundation that would not be generally known to the business community to any person who would not be explicitly or implicitly authorized to receive such information.

ARTICLE 6

BOOKS AND RECORDS

6.01 Required Books and Records. The Foundation will keep correct and complete books and records of accounts. The necessary books and records include:

- (a) A file-marked copy of all documents filed with the Texas Secretary of State relating to the Foundation, including, but not limited to, the Articles of Incorporation and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statements of change of registered office or registered agent.
- (b) A copy of all bylaws, including these Bylaws, and any amended versions.

- (c) Minutes of the proceedings of the Board, special committees, coordinators, or other persons having any authority delegated by the Board whereby business of the Board is affected.
 - (d) A list of names and addresses of the Trustees and officers of the Foundation.
 - (e) Financial statements showing the assets, liabilities, and net worth of the Foundation at the end of the three (3) most recent fiscal years.
 - (f) A statement showing the income and expenses of the Foundation for the three (3) most recent fiscal years.
 - (g) All rulings, letters, and other documents pertaining to the federal, state, and local tax status of the Foundation.
 - (h) The federal, state, and local tax information and federal income tax returns for each of the three (3) most recent tax years of the Foundation.
- 6.02 **Inspection of Records.** Any Trustee may inspect all the Foundation books and records required to be kept under these Bylaws.
- 6.03 **Archiving of Records.** The inactive books and records of the Foundation shall be periodically transferred to the Southwest Collection/Special Collection Library at Texas Tech University, which is the archive of record of the Foundation.

ARTICLE 7

FISCAL YEAR

- 7.01 The fiscal year of the Foundation will begin on the first day of July and end on the last day in June in each year, to coincide with the Rotary Year.

ARTICLE 8

INSURANCE FOR THE FOUNDATION

- 8.01 Rotary International has provided an insurance policy covering Directors and Officers Liability for the Foundation.

ARTICLE 9

NOTICES

9.01 Notice by Mail or Electronic Means.

- (a) Any notice required or permitted by these Bylaws to be given to a Trustee may be given by mail, facsimile transmission, email, or any other electronic means, carriage by FedEx, United Parcel Service, or other private carrier. If mailed, a notice is deemed delivered when deposited in the U. S. mail addressed to the persons at their address as it appears on the Foundation records, with postage prepaid. If given by other means, a notice is deemed delivered when accepted by the chosen carrier and addressed to the person at their address as it appears on the Foundation records.
- (b) A person may change his or her address on the records of the Foundation by giving written notice of the change to the President of the Foundation.

9.02 Signed Waiver of Notice. Whenever any notice is required by law or under the Articles of Incorporation or these Bylaws, a written waiver signed by the person entitled to receive such notice is considered the equivalent to giving the required notice. A waiver of notice is effective whether signed before or after the time stated in the notice being waived.

9.03 Waiver of Notice by Attendance. A person's attendance at a meeting constitutes waiver of notice of the meeting unless the person attends for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE 10

SPECIAL PROCEDURES CONCERNING MEETINGS

- 10.01 **Meeting by Telephone.** The Board may hold a meeting by telephone conference call. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other. The notice of a meeting by telephone conference must state the fact that the meeting will be held by telephone, as well as other matters required to be included in the notice. A person's participation in a conference-call meeting constitutes their presence at the meeting.
- 10.02 **Decision Made by Email Conference.** Any decision required or permitted to be made at a meeting of the Board may be made via a meeting by email. The same requirements for voting contained in Section 2.11, "Actions of the Board," apply to meeting by email.

ARTICLE 11

AMENDING BYLAWS

- 11.01 **Approval of changes to the Bylaws.** These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted by the Board upon the affirmative vote of five (5) voting Trustees. The notice of any meeting at which these Bylaws are proposed to be altered, amended, or repealed, or at which new Bylaws are adopted will include the text of the proposed Bylaws provisions. Alternatively, the notice may include a fair summary of those provisions.
- 11.02 **Limitation on changes to the Bylaws.** No amendment to these Bylaws may be made that violates the laws of the State of Texas or the terms of the Archer Fund or the Declaratory Judgment. (*see Appendix A and B*)

ARTICLE 12

MISCELLANEOUS PROVISIONS

- 12.01 **Legal Authorities Governing Construction of Bylaws.** These Bylaws will be construed under the laws of the State of Texas. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.
- 12.02 **Legal Construction.** To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any Bylaws provision is held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect any other provision, and these Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.
- 12.03 **Headings.** The headings used in the Bylaws are for convenience only and may not be considered in construing the Bylaws.
- 12.04 **Number.** All singular words include the plural, and all plural words include the singular.
- 12.05 **Seal.** The Board may provide for a corporate seal for the Foundation.
- 12.06 **Parties Bound.** These Bylaws will bind and inure to the benefit of the Trustees, officers, and agents of the Foundation and their respective legal representatives, successors, and assigns, except as the Bylaws otherwise provide.

Appendix A

**DECLARATORY JUDGMENT OF THE U.S. DISTRICT COURT FOR THE
NORTHERN DISTRICT OF TEXAS, LUBBOCK DIVISION, IN CIVIL
ACTION NO. 5:08-CV-122-C, ENTERED ON JUNE 20, 2008.**

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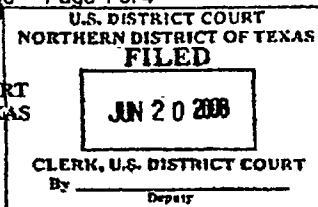
Charles Joplin

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**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION**



The Rotary Club of Lubbock Foundation,

Plaintiff,

v.

The Rotary Foundation of Rotary International,

Defendant.

CIVIL ACTION NO. 5:08-CV-122-C

DECLARATORY JUDGMENT

Before the Court is Plaintiff's Original Complaint, filed June 5, 2008, and Plaintiff's Unopposed Motion for Entry of Declaratory Judgment, filed June 20, 2008. The Court, finding the Motion well taken, GRANTS the Agreed Motion and accordingly enters JUDGMENT as follows:

1. THE ROTARY FOUNDATION OF ROTARY INTERNATIONAL ("Rotary Foundation") will transfer to THE ROTARY CLUB OF LUBBOCK FOUNDATION ("Lubbock Rotary") the full amount of the corpus, plus retained earnings, of the Countess Fore Archer Endowed Fund ("Archer Fund").

2. Lubbock Rotary will:

- A. Ensure that expenditure of the Archer Fund will support service activities or humanitarian endeavors of Lubbock Rotary that respect the wishes of the community;
- B. Exercise the highest attention in ensuring the Archer Fund is spent in a manner consistent with the mission of The Rotary Foundation, in consonance

Page 1 of 4

Certified a true copy of an instrument
on file in my office on 6-26-08
Clerk, U.S. District Court,
Northern District of Texas
By [Signature] Deputy

[Appendix A, continued]

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with the "Object of Rotary," the "Declaration of Rotarians in Business and Professions," and in the full spirit of "The Four Way Test"; and

- C. Ensure that expenditures of the Archer Fund will not directly benefit a Rotarian, an employee of a club, district or other Rotary entity, a spouse, lineal descendant (child or grandchild by blood or legally adopted child), a spouse of a lineal descendant, or an ancestor (parent or grandparent by blood) of any living Rotarian or Rotary employee.

3. Along with the transfer of the Archer Fund as described above, Rotary Foundation will provide an accounting of the corpus and earnings of the Archer Fund, along with the information regarding fees and expenses that have been charged against the Archer Fund.

4. Except for the rights and obligations contained in or arising out of this Judgment, the parties, for themselves and their predecessors, successors, affiliates, shareholders, directors, officers, employees, assigns, and agents mutually release and forever discharge each other of and from any and all manner of actions, causes of action, suits, debts, sums of money, accounts, damages, judgments, executions, contracts, agreements, claims, and demands, whatsoever, whether known or unknown, suspected or unsuspected, in law or equity, which the parties or their predecessors, successors, affiliates, shareholders, directors, officers, employees, assigns, or agents may now or hereafter have or claim to have against the others, jointly, individually, severally, or otherwise, to the date of this Judgment, arising out of, as a consequence of, for or by reason of, resulting from, or relating in any way to the terms and obligations of the parties under the Last Will and Testament of Countess Pore Archer, dated 12 January 1998.

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[Appendix A, continued]

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5. Neither the execution of nor compliance with this Judgment is to be construed as an admission of wrongdoing or liability on the part of any party hereto.

6. In connection with this Judgment, a Settlement Agreement has been entered into and signed by both parties. It is the intent of the parties that the terms of that Settlement Agreement mirror the terms of this Judgment, and that there be no variance between the two documents. The Settlement Agreement and this Judgment represent the entire agreement between the parties. There are no other agreements, written or oral, express or implied except as set forth herein. This Judgment may only be amended by written agreement signed by both parties and approved by the Court.

7. This Judgment shall be governed by the laws of the State of Texas.

8. Lubbock Rotary shall defend, indemnify and hold harmless Rotary Foundation, including its directors, trustees, officers, committees, employees, agents, volunteers, and representatives ("Rotary"), from and against all claims (including, without limitation, claims for bodily injury or property damage), demands, actions, damages, losses, costs, liabilities, expenses (including reasonable attorneys' fees and other legal expenses), awards, judgments, and fines asserted against or recovered from Rotary arising out of any act, conduct, omission, negligence, misconduct, or unlawful act (or act contrary to any applicable governmental order or regulation) of Lubbock Rotary, its owners, directors, officers, employees, contractors, subcontractors, agents, or representatives, in complying with this Judgment. The foregoing includes, without limitation, injury or damage to the person or property of Rotary or any third party, whether or not subject to any policy of insurance.

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[Appendix A, continued]

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9. Each of the parties hereto will be legally bound by this Judgment in accordance with its terms and provisions, and the same are binding upon and will inure to the benefit of each of the parties hereto and their respective successors, assigns, and legal representatives.

10. A waiver by either party of any terms and conditions of this Judgment in any one instance will not be deemed or construed to be a waiver of such terms and conditions for the future, or any subsequent breach thereof. All remedies, rights, undertakings, obligations, or provisions contained herein will be cumulative, and none of them will be in limitation of any other remedy, right, undertaking, obligation, or provision.

11. The parties to this Judgment will use their best efforts and good faith in the carrying out of all terms of this Judgment.

12. The Court shall retain jurisdiction over the parties with respect to enforcement of this Judgment.

13. Each party shall bear its own costs, expenses, and attorneys' fees.

14. All relief not expressly granted herein is expressly denied.

SO ORDERED.

SIGNED this 20th day of June, 2008.


SAM R. CUMMINGS
UNITED STATES DISTRICT JUDGE

Appendix B

THE BEQUEST FOR THE USE AND BENEFIT OF THE ROTARY CLUB OF LUBBOCK GRANTED BY THE LAST WILL AND TESTAMENT OF COUNTESS FORE ARCHER.

2000-767,111

Last Will and Testament

OF

COUNTESS FORE ARCHER

I, COUNTESS FORE ARCHER, of Lubbock County, Texas, declare and publish this to be my Last Will, hereby revoking all Wills and Codicils previously made by me.

1. Requests and Devises: I hereby give, devise and bequeath all of my estate as follows: Thirty-five Percent (35%) to the Texas Tech Foundation, Inc.; Twenty Percent (20%) to The Rotary Foundation of Rotary International, an Illinois corporation for the use and benefit of The Rotary Club of Lubbock (Club No. 812); Twenty-five Percent (25%) to the Museum of Texas Tech University Association; and Twenty Percent (20%) to South Plains Food Bank, Inc., Lubbock, Texas.

The gift to the Texas Tech Foundation, Inc. shall be added to an endowment known as The H. Earl and Countess Fore Archer Scholarship Fund created by a distribution from a revocable trust that I have created during my lifetime.

The gift to the Museum of Texas Tech University Association shall be used for the construction of an auditorium with the proper visual and acoustical properties and an adequate projection system for films and other programs at the Museum.

The gift to The Rotary Foundation of Rotary International, an Illinois corporation, located in Evanston, Illinois shall be for the use and benefit of The Rotary Club of Lubbock (Club No. 812). This gift is to be placed in said Foundation's endowment, The Rotary Foundation Permanent Fund, from which a spending portion will be used to support the Lubbock Club's activities and programs.

The gift to The South Plains Food Bank shall be used for whatever purposes its governing board shall determine which are consistent with its tax exempt purpose.

2. Appointment of Executor: I appoint NORWEST BANK TEXAS, N.A. Independent Executor under this Will and of my estate. All references to the Executor shall refer to the Executor then acting hereunder.

3. Independent Administration: No bond or other security shall be required of my Executor. The Executor shall be independent of the supervision and direction of the probate court to the full extent permitted by law. I direct that no action shall be had in any court of probate jurisdiction in connection with this Will and the administration and settlement of my estate other than the probating and recording of this Will and the return of an inventory, appraisement and list of claims due by or owing to my estate.



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

Countess Fore Archer
COUNTESS FORE ARCHER

-1-

[Appendix B, continued]

4. **Taxes, Debts and Expenses:** Except as provided otherwise herein, my Executor shall pay from my estate without apportionment all of my legally enforceable obligations (excluding any policy loans existing at my death with respect to any policies of insurance on my life), my funeral expenses, and expenses of administering my estate, all taxes (whether attributable to probate or to non-probate assets), together with any interest and penalties thereon, which may be payable because of my death. No contribution for any of such taxes upon any non-probate asset including retirement benefits and the proceeds of any insurance policy upon my life shall be made by the beneficiary (other than my estate) of any such non-probate assets.
5. **Powers of Executor:** My Executor shall have the power to sell (for cash or on credit, or both), exchange or otherwise dispose of all or any part of my estate, publicly or privately, and to lease, rent, loan, mortgage, pledge, or otherwise encumber the whole or any part of my estate.
6. **Liability of Executor:** No Executor shall be responsible or held liable for any loss or depreciation in the value of the properties of my estate unless such loss or depreciation in value is due to the gross neglect, bad faith or fraud of such Executor.

IN WITNESS WHEREOF, I have hereunto signed my name this 12th day of January, 1998, in the presence of the undersigned attesting witnesses, who have signed their names at my request.

Courtesy Fore Archer
COUNTESS FORE ARCHER

We, the undersigned persons, of lawful age, have on this day at the request of COUNTESS FORE ARCHER witnessed her signature to the foregoing Last Will and Testament in the presence of each of us, and we have, at the same time and in her presence and in the presence of each other, subscribed our names hereto as attesting witnesses.

RT 7 BOX 941-T
Lubbock TX

5722 3rd ST
Lubbock, TX 79416

Nicki Harza
WITNESS

Gloria Adams
WITNESS



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

[Appendix B, continued]

THE STATE OF TEXAS

COUNTY OF LUBBOCK

BEFORE ME, the undersigned authority, on this day personally appeared COUNTESS FORE ARCHER, Vickie Garza and Gloria Adams, known to me to be the Testatrix and the witnesses, respectively, whose names are subscribed to the annexed or foregoing instrument in their respective capacities, and, all of said persons being by me duly sworn, the said COUNTESS FORE ARCHER, Testatrix, declared to me and to the said witnesses in my presence that said instrument is her Last Will and Testament, and that she had willingly made and executed it as her free act and deed; and the said witnesses, each on his oath stated to me, in the presence and hearing of said Testatrix, that the said Testatrix had declared to them that said instrument is her Last Will and Testament, and that she executed the same as such and wanted each of them to sign it as a witness; and upon their oaths each witness stated further that they did sign the same as witnesses in the presence of the said Testatrix and at her request; that she was at that time eighteen years of age or over (or being under such age, was or had been lawfully married, or was then a member of the armed forces of the United States or of an auxiliary thereof or of the Maritime Service) and was of sound mind, and that each of said witnesses was then at least fourteen years of age.

Counress Fore Archer
COUNTESS FORE ARCHER

Vickie Garza
WITNESS

Gloria Adams
WITNESS

SUBSCRIBED AND SWORN TO BEFORE ME by the said COUNTESS FORE ARCHER, Testatrix and by the said Vickie Garza and Gloria Adams, witnesses, this 12th day of January, 1998.

Norton Baker
Notary Public, State of Texas



CERTIFICATION:
TRUE AND CORRECT
COPY OF ORIGINAL ON
FILE IN LUBBOCK
COUNTY CLERK'S OFFICE

Appendix C

OBJECT OF ROTARY

The Object of Rotary is to encourage and foster the ideal of service as a basis of worthy enterprise and, in particular, to encourage and foster:

- First.* The development of acquaintance as an opportunity for service;
- Second.* High ethical standards in business and professions, the recognition of the worthiness of all useful occupations, and the dignifying of each Rotarian's occupation as an opportunity to serve society;
- Third.* The application of the ideal of service in each Rotarian's personal, business, and community life;
- Fourth.* The advancement of international understanding, goodwill, and peace through a world fellowship of business and professional persons united in the ideal of service.

DECLARATION OF ROTARIANS IN BUSINESSES AND PROFESSIONS

The Declaration of Rotarians in Businesses and Professions was adopted by the Rotary International Council on Legislation in 1989 to provide more specific guidelines for the high ethical standards called for in the Object of Rotary.

AS A ROTARIAN ENGAGED IN A BUSINESS OR PROFESSION, I AM EXPECTED TO:

Consider my vocation to be another opportunity to serve;

Be faithful to the letter and to the spirit of the ethical codes of my vocation, to the laws of my country, and to the moral standards of my community;

Do all in my power to dignify my vocation and to promote the highest ethical standards in my chosen vocation;

Be fair to my employer, employees, associates, competitors, customers, the public, and all those with whom I have a business or professional relationship;

Recognize the honor and respect due to all occupations which are useful to society;

Offer my vocational talents: to provide opportunities for young people, to work for the relief of the special needs of others, and to improve the quality of life in my community;

Adhere to honesty in my advertising and in all representations to the public concerning my business or profession;

Neither seek from nor grant to a fellow Rotarian a privilege or advantage not normally accorded others in a business or professional relationship.

THE FOUR-WAY TEST

Of the things we think, say or do ...

- | | |
|---------------------------------|---|
| 1. Is it the TRUTH? | 3. Will it build GOODWILL and BETTER FRIENDSHIPS? |
| 2. Is it FAIR to all concerned? | 4. Will it be BENEFICIAL to all concerned? |

as of: 06-21-2017

Key revisions to Club Foundation Bylaws

1. Board of Trustees composition:
 - a. -- 7 voting members:
 - 5 Trustees appointed for 3 year terms ... two terms expire every year, except every third year only one term expires
 - Club President
 - Foundation Treasurer
 - for meetings and votes, quorum = 4 voting members
 - b. 3 non-voting members:
 - Club President-Elect
 - Club Immediate Past President
 - Investment Coordinator
 - c. Grant Coordinator will be appointed by the Board from one of the voting members.
 - d. Get rid of term limit for Trustees.
2. Eliminate offices of Vice President, Secretary and Assistant Treasurer, with those duties to be absorbed or assigned by the President.
3. Get rid of all committees:
 - a. Grant Committee duties to be assumed by the Board of Trustees responsibilities managed by a Grant Coordinator (one of the voting Trustees).
 - i. Add grant guidelines to Bylaws under Grant Coordinator section.
 - ii. Add requirement for unanimous vote for any grant that is greater than the IRS-required annual distribution.
 - b. Audit Committee duties assigned to Treasurer and Board.
 - c. Investment Committee duties assumed by the Board of Trustees, with Investment Coordinator advising.
 - d. Gift Committee duties to be assumed by the Board of Trustees.
4. Special committees at President's option ... to be for specific purpose and limited duration.
5. Provide that no amendment can be made to the Bylaws that violates the Declaratory Judgment or the Archer Fund bequest.
6. Remove all extraneous language throughout and update/cleanup as needed.