

**DECLARATION OF IRREVOCABLE ENDOWMENT FUND  
OF THE BLOOMER AREA AQUATIC AND RECREATION CENTER, INC.**

This Agreement is hereby established between the Bloomer Area Aquatic and Recreation Center, Inc. (the Center) and the Finance Committee for the Board of Directors of the Center (the Committee). The Committee hereby declares and agrees that it will hold and manage all property received and any additions to it, in an endowment fund (the Endowment Fund), as follows:

**I. NAME OF ENDOWMENT FUND**

The Endowment Fund shall be known as the "BLOOMER AREA AQUATIC AND RECREATION CENTER ENDOWMENT FUND."

**II. PURPOSE OF ENDOWMENT FUND**

**A. General.** The purpose of the Endowment Fund is to provide a source of funding for the Bloomer Area Aquatic and Recreation Center, Inc. to carry out its purposes to the extent that such purposes constitute charitable or educational purposes within the meaning of these terms as used in Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future tax laws of the United States), but only as they also constitute charitable purposes under the laws of the State of Wisconsin. The Endowment Fund shall operate in perpetuity.

**B. Specific Restrictions.** Only the income earned from the invested principal of the Endowment fund will be disbursed, except that the Board of Directors of the Bloomer Area Aquatic and Recreation Center may, upon recommendation by the Committee, decide when and if any Endowment Fund principal shall be used. Such a decision shall require a vote of three-quarters (3/4) of the Board of Directors of the Bloomer Area Aquatic and Recreation Center.

**III. PROPERTY OF THE ENDOWMENT FUND**

**A. Payments/Distributions.** Reference in this Agreement to the Endowment Fund shall be deemed a reference to either principal or income of the Endowment Fund. All property received and accepted by the Committee shall be administered under this Agreement and shall be held in the Endowment Fund. The Committee shall make payments or distributions from the Endowment Fund only for operating the Center, as a "charitable organization," within the meaning of that term as defined in Paragraph C below. No payments from the Endowment Fund shall inure or be payable to or for the benefit of any private shareholder or individual, and no substantial part of the activities of the Endowment Fund shall be for the carrying on of propaganda or otherwise attempting to influence legislation. No part of the activities of the Endowment

Fund shall be for the participation in or intervention in (including the publishing or distributing of statements) of any political campaign on behalf of any candidate for public office.

**B. Indefinite Life.** The Endowment Fund shall continue forever unless all of the Endowment Fund has been distributed or depleted or when the Committee in its sole discretion determine that it is not economically prudent to administer the Endowment Fund. On such termination, the Endowment Fund as then constituted shall be distributed pursuant to Article VIII below.

**C. Charitable Organization Defined.** In this Agreement and in any amendments to it, references to "charitable organizations" or "charitable organization" mean corporations, trusts, funds, foundations or community chests created or organized in the United States or in any of its possessions, whether under the laws of the United States, any state or territory, the District of Columbia or any possession of the United States organized and operated exclusively for charitable purposes, no part of the net earnings of which inures or is payable to or for the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which do not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office. It is intended that the organization described in this Paragraph C is entitled to exemption from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as now in force or afterwards amended.

**D. Charitable Purpose Defined.** In this Agreement and in any amendments to it, the term "charitable purposes" shall be limited to and shall include only religious, charitable, scientific, literary, or educational purposes within the meaning of those terms as used in Section 501(c)(3) of the Internal Revenue Code of 1986 but only such purposes as also constitute public charitable purposes under the laws of the State of Wisconsin.

**E. Not A Separate Trust.** All money and property in the Endowment Fund shall be held as general assets of the Center. The receipts and disbursements of the Endowment Fund shall, however, be accounted for separately and apart from other gifts to the Center.

#### **IV. PROPERTY RECEIVED**

**A. Initial Contribution.** The Center hereby contributes to the Endowment Fund the property described in Exhibit A, attached hereto and incorporated herein by reference.

**B. Subsequent Contributions.** The Committee may receive and accept cash or cash equivalents by way of gift, bequest, or devise, from any person, firm, trust, or

corporation, to be held, administered, and disposed of in accordance with and pursuant to the provisions of this Agreement; but no gift, bequest or devise of any such property shall be received and accepted if it is conditioned or limited in such manner as to require the disposition of the income or its principal to any person or organization other than a "charitable organization" or for other than "charitable purposes" within the meaning of such terms as defined in Article Third of this Agreement, or as shall, in the opinion of the Committee, jeopardizes the Federal income tax exemption of the Center pursuant to Section 501(c)(3) of the Internal Revenue Code of 1986, as now in force or afterwards amended.

## V. APPOINTMENT OF COMMITTEE MEMBERS

**A. Committee Member Defined.** Reference in this Agreement to the term "Committee Member" shall be deemed a reference to the individual or institution serving as a Committee Member, whether acting as a single member or original, alternate, or successor Committee Member. The number of Committee Members shall be at all times not less than three, and whenever for any reason the number is reduced to less than three, there shall be, and at any other time there may be, appointed one or more additional Committee Members. Any Committee Member under this Agreement may resign, by submitting a written instrument, signed and acknowledged by the Committee or the Center.

**B. Appointments.** Appointments shall be made by a majority vote of the then existing directors of the Board of Directors of Bloomer Area Aquatic and Recreation Center, Inc. Appointments shall be acknowledged by written instrument signed by a majority of the Board of Directors. No person shall be appointed to serve as a Committee Member unless he or she is also a Director of Bloomer Area Aquatic and Recreation Center, Inc. Any succeeding or additional Committee Member shall, upon acceptance of the office by written instrument signed and acknowledged, have the same powers, rights and duties, and the same title to the Endowment Fund jointly with the surviving or remaining Committee Member or Committee Members as if originally appointed.

**C. Initial Appointments.** Unless specifically elected by a majority of the Board of Directors, the members of the Finance Committee shall serve as Committee Members of the Endowment Fund. Committee Members' terms shall run concurrently with their terms on the Center's Finance Committee.

**D. Application to Court.** This Endowment Fund shall not fail for want of a Committee Member, and if all the Committee Members named herein are deceased or unable to serve or refuse to serve as a Committee Member for any reason whatsoever and the resigning Committee Member or the Center declines or fails to name a successor Committee Member, then a court of competent jurisdiction may name a Committee Member in accordance with then existing laws of the state of Wisconsin.

**E. No Bond Required.** Neither the Committee nor any of the Committee Members shall be required to furnish any bond or surety. None of them shall be responsible

