

BY-LAWS
SLOCUM-LUNZ FOUNDATION, INC.
Adopted July 26, 1974
Last Amended April 26, 2013

Organized as an eleemosynary and non-profit corporation in the year 1946, as Bears Bluff Laboratories, Inc.

FIRST: The name of the Corporation is Slocum-Lunz Foundation Inc.

SECOND: The principal office of the corporation, hereinafter referred to as the Foundation, shall be in the County of Charleston, State of South Carolina, or at such other place in South Carolina as its Board of Trustees may designate.

THIRD: The territory in which the Foundation's operations are to be conducted principally is the State of South Carolina, but its operations shall not be limited to such territory.

FOURTH: The purpose of this foundation is the advancement of scientific knowledge and education by the encouragement and support of scholars and educational institutions (or other institutions which meet the requirements of Sect 501(C) (3) of the IRS) in the fields of marine biology and other natural sciences and by any other means which may be considered appropriate by the Board of Trustees.

FIFTH: In carrying out this purpose, the Foundation shall have the power to do the following:

- a) make grants and loans to scholars in pursuit of higher education, and to make grants and loans to educational or other institutions meeting the requirements of Section 501(C) (3) of the Internal Revenue Code and engaged in the collection or dissemination of scientific information. Any such grants or loans will be made at such time and in such amounts and in such manner as may be determined by the Trustees, but exclusively for educational and scientific purposes;
- b) accept by gift, devise, bequest, or otherwise, property of every kind and description, without limits as to amount;
- c) purchase, lease, or otherwise acquire, hold, invest, re-invest, use, mortgage, pledge, exchange, sell, assign, transfer, or otherwise dispose of both real and personal property of every kind and description, and any interest in any property; and to exercise in respect of any and all property any and all rights and privileges of ownership;
- d) have offices, employ needful staff and advisors, and promote and carry out its objects and purposes, and exercise its powers, within and without the State of South Carolina.
- e) enter into, make, perfect, and carry out any contracts or agreements for any purposes or objects herein set forth, without limit as to amount, with any individual, firm, association, institution, corporation, or entity;
- f) do any act suitable and proper in the accomplishment of the purposes or the attainment of the objects or the furtherance of the powers herein set forth, either also or in association with other corporations, individuals or otherwise;

- g) solicit, collect, and otherwise secure by volunteer means money or other assets, when recommended by the officers and approved by a majority of Trustees, from individuals, corporations, other foundations, and other sources, exclusively for the eleemosynary and educational heretofore stated general and particular purposes;
- h) do every other necessary, useful, suitable, desirable, or proper act or acts incidental; or appurtenant or growing out of aforesaid objects and purposes, provided the same are not inconsistent with the laws of the State of South Carolina;
- i) undertake these acts or activities which further the stated purpose of the Foundation, such statement not being deemed to limit or restrict the general powers conferred and consistent with the laws under which the Foundation is organized;
- j) see that investment and operational guidelines are adhered to (Guidelines to be attached to By-Laws);

The Foundation shall not be operated for profit, and the foregoing objects, purposes, and powers are each and all subject to the limitation that no part of the net earnings of the Foundation shall inure to the benefit of any member, officer, or trustee of the Foundation, except as provided in articles six and seven.

SIXTH: In the event of the liquidation, dissolution, or termination of the Foundation, whether voluntary, involuntary, or by operation of law, except as may be otherwise provided by law, when and as authorized by the affirmative vote of a majority of the Trustees given at a Trustee's meeting duly called for the purpose or when authorized by written consent of a majority of the Trustees, the Trustees of the Foundation shall have the power to dispose of the total assets of the Foundation in such a manner as they may by a majority vote determine, subject, however, to the provision that such disposition shall be calculated exclusively to carry out the purposes of this Foundation as stated by these By-Laws.

In the event of dissolution of the Foundation, all real and personal property then owned by the Foundation shall be conveyed, transferred and paid over to such corporations certified as income tax exempt by the Internal Revenue Service, in such shares, amounts, and proportions as the Board of Trustees shall select and determine as being most in furtherance of the Foundation's purposes and in no event shall any of the assets of the Foundation accrue to the individual benefit of any Trustee, officer, or member except that the Board of Trustees may, in their discretion, pay salaries for work actually performed and may reimburse Trustees and officers for out-of-pocket expenses.

SEVENTH: The board of directors of the Foundation, which shall be known as the Board of Trustees, shall be composed of nine trustees upon adoption of these amended By-Laws and their successors, who shall be chosen by lot in groups of three over each of three successive years. Each group of three Trustees will serve a term of six years, rotating off the Board at the same time in each of three successive years. This three-member rotational cycle is intended to ensure continuity on the Board and the retention of "institutional knowledge" from one year to the next.

A trustee whose term is completed may not be reelected for a period of two years except that he may be elected to fill an unexpired term caused by death or resignation of a trustee.

New trustees to replace those whose terms are about to expire, will be nominated in writing or by e-mail, conference call, or face-to-face meeting of the existing Board, and elected at the following annual meeting of the Board of Trustees. All trustees may vote in the election of new trustees, including the outgoing trustees whom the new trustees will succeed. New trustees

to fill vacancies created by death or resignation may be elected by the remaining Board members at any duly called meeting, or by on-line poll or conference call.

- a) Quorum. A majority of the Board of Trustees shall constitute a quorum at any meeting of the Board.
- b) Meetings. The annual meeting of the Trustees shall be held during the month of April or May of each year at a time and place to be agreed upon by a majority of the Trustees, and to be arranged by the Chairman of the Board of Trustees. The Chairman shall give the Trustees at least five days' notice of the time and place of said annual meeting; provided, however, that nothing herein shall prevent the Trustees from waiving notice of such annual meeting and, upon such waiver, the notice required herein shall not be required. The Chairman shall notify the other Trustees of the meeting time and place either in person, in writing, by telephone, or by e-mail. Special meetings of the Board of Trustees may be called at any time by the Chairman of the Board of Trustees or by a majority of the Trustees. Notice of such meeting shall be served, as described above, not less than two days before the date set for such meeting, provided, however, that nothing contained herein shall prevent a Trustee from waiving notice of any such meeting, and if such waiver is executed, then the notice of such Trustee required herein shall not be required. Regular meetings of the Board of Trustees may be held at such time as the Board of Trustees determines by resolution.
- c) Committees. The Board of Trustees may appoint from time to time such committees, including an Executive Committee of three or more Trustees, as they may deem desirable for furtherance of the objects and purposes of the Foundation, and may delegate to such committees such purposes and powers as deemed appropriate and desirable by the Board.
- d) Compensation of Trustees. Trustees shall not receive any salary from the Foundation for their services as Trustees, but by resolution of the Board of Trustees a fixed fee may be allowed for attendance at each meeting of the Board and of any Committee appointed by the Board. Nothing herein contained shall be construed to preclude any Trustee from serving the Foundation in any capacity as an officer, agent, or otherwise and receiving compensation therefor. Trustees may receive reimbursement for all expenses reasonably incurred by them in the performance of their service as Trustees and as member of any Committee appointed by the Board.

EIGHTH: OFFICERS

- A) Election of Officers. At the annual meeting of the Board, the Trustees shall elect from among their number a Chairman, a Vice-Chairman, and a Secretary,, each to serve for two years. The office of Vice-Chairman and Secretary may be held by the same person. The Board of Trustees shall also elect or appoint a Treasurer, who need not be a Trustee. The Board of Trustees may also elect or appoint other assistant officers, none of whom need be a Trustee, and may define their duties. The Treasurer and any assistant officers shall hold

office until their successors are elected and qualified. The Board of Trustees may confer upon the assistant officers such powers as the Board deems appropriate and desirable.

- B) Chairman. The Chairman shall have general charge of the business of the Foundation relating to the objects and purposes of the Foundation, and shall generally do and perform all acts incident of the office of the Chairman which are authorized and required by law. The Chairman shall make and sign contracts and agreements in the name of and on behalf of the Foundation and shall do and perform such other duties as may be assigned to him or her by the Board of Trustees.
- C) Vice Chairman. The Vice Chairman shall, in the absence or incapacity of the Chairman, perform the duties and exercise the powers of the Chairman, and shall perform such other duties as may be assigned from time to time by the Board of Trustees.
- D) Treasurer. The Treasurer, except as may be otherwise provided by the Board of Trustees, shall have custody of and charge of, and shall be responsible for, all funds and securities of the Foundation that may be placed into his or her hands. The Treasurer shall promptly collect, or cause to be collected, all monies and accounts due to the Foundation, and shall make, or cause to be made, all payments for the Foundation purposes upon properly drawn checks, drafts, and other orders for the payment of money for authorized disbursements of the Foundation, except as may be otherwise provided for payments to be made from any special or limited bank account, and shall perform all duties customary to the office of Treasurer.
- E) Secretary. The Secretary shall keep the minutes of meetings of the Board of Trustees and a record of the membership of committees appointed by the Board. The Secretary shall have the custody of the seal of the Foundation and shall affix the same to documents when authorized to do so. He shall perform all the other duties usual to that office. The Secretary may also be elected to serve as Vice-Chairman, whose duties are described above.
- F) Removal. Any officer, agent, or employee, or any member of any committee, may be removed at any time, with or without cause, by a majority vote of the Trustees at a meeting of the Board of Trustees called for that purpose.

NINTH: MISCELLANEOUS PROVISIONS

- a) Fiscal Year. The fiscal year of the Foundation shall end on the 31st day of December of each year.
- b) Notices. Whenever any notice is required by these By-Laws to be given, personal notice is not meant unless expressly so stated; and any notice so required shall be sufficient if given in person, in writing, by telephone, or by e-mail. Any notice required to be given under these By-Laws may be waived by the person entitled to such notice.

- c) Foundation Seal. The Foundation seal shall be in such form as shall be adopted by the Board of Trustees.
- d) Payments. All checks, drafts, or orders for the payment of money shall be signed by such officer(s) or agent(s) as the Board of Trustees or any officer or committee acting under its authority may designate.
- e) Financial Statement. A review of the accounts of the Foundation may be prepared as requested by the Trustees by a certified public accountant and copies of the review shall be provided to each Trustee.
- f) Membership. The Board of Trustees, from time to time, may elect interested individuals as members of the Slocum-Lunz Foundation, Inc. Members who are not Trustees shall not have any power to vote or to exercise any of the corporate powers. They shall be kept informed as to the activities of the Foundation, and may be called upon by the Trustees for advice. They shall pay dues in an amount determined by the Trustees. The members shall be organized in any manner determined by the Board of Trustees. The Trustees may, by majority vote, remove any individual membership. There shall be an annual meeting of the members at such time and place, and in such manner as determined by the Trustees. Other meetings may be called by the Chairman of the Board of Trustees as required. Members shall be limited to a total of fifty (50).

TENTH: AMENDMENTS

These By-Laws may be amended, altered, or repealed at any regular meeting or special meeting of the Board of Trustees by affirmation of a majority of the Board of Trustees, provided notice of the proposed amendment is given to all Trustees at least five days in advance of such meeting. Any such meeting may be conducted in person, by conference call, or by e-mail.

Slocum-Lunz Foundation Operational Guidelines

(updated April 26, 2013)

I. Investment Guidelines

1. Investment Objectives (in order of priority)

1. The assets should be prudently managed to protect the principal from decrease in actual terms and should provide reasonable income to be distributed as required.
2. The income objectives will be based upon the needs of the fund and the ability of the assets to provide income without subjecting the asset principal to excessive risk.
3. Recognizing the impact of inflation, the Treasurer should make every effort to protect the purchasing power of the assets.

2. Investment Implementation

1. To achieve the Investment Objectives, the assets will be invested in securities of high liquidity.
2. Investments will consist of high quality securities from the fixed income markets.
3. Fixed income investments will be confined to U.S. Government securities or FDIC insured deposits.
4. Assets not currently committed to fixed income investments described above will be invested in high quality short term securities and short term deposit accounts of insured institutions.

3. Investment Restrictions

1. In the management of fund assets, the Treasurer is to adhere to the following restrictions:
 - a) No investments shall be made in options or futures contracts.
 - b) No short sales shall be made.
 - c) No margin purchases shall be made nor borrowed funds.
 - d) No purchases of private placements shall be made.
 - e) It is the policy of the Board of Trustees to provide grants not to exceed eighty (80) percent of the estimated annual income of the current year minus expenses. The remaining twenty (20) percent or more of the annual income will be added to the Foundation's corpus for re-investment. This policy may be waived temporarily by majority vote of the Board at its annual meeting. Any such waiver will expire at the end of the fiscal year. Any extension of such waiver beyond the end of the fiscal year will be determined by majority vote of the Board at the next annual meeting.

II. Indirect Costs

1. It is the policy of the Slocum-Lunz Foundation to not pay indirect costs on its grants. Funds are to be used only as described in grant proposals submitted to and approved by the Trustees.

Updated 25 May , 2001 _____ David Whitaker, Chairman

Updated 26 April, 2013 _____ Priscilla Wendt, Chairman