

**ESTABLISHING THE  
CENTRAL OF LUNENBURG CLASS OF 1967 SCHOLARSHIP FUND ENDOWMENT**

THIS DOCUMENT is made this 1st day of February, 2018, BY THE CENTRAL OF LUNENBURG ALUMNI SCHOLARSHIP FOUNDATION ("Foundation"), a corporation organized under the nonprofit corporation law of the State of Virginia with its principal office located at 1128 S. Broad Street - Kenbridge, VA 23944:

WITNESSETH:

WHEREAS, the Foundation is a qualified charitable organization (as defined herein); and WHEREAS, the Foundation has been established with a principal purpose to receive and administer funds for various educational purposes in Lunenburg County Virginia; various interested persons and in particular the Donors have expressed a desire to establish a fund in the Foundation in the nature of endowment to provide for the purposes set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Foundation agrees as follows:

1. Establishment of Fund. A fund shall be established on the books of Foundation which shall be known as the **CENTRAL OF LUNENBURG CLASS OF 1967 SCHOLARSHIP FUND** ("Fund"). The initial amount of \$28,000.00 is endowed to this fund in perpetuity.

Neither, the current board, or any future board of the foundation or its successors shall have any authority to alter the terms of this document establishing this endowment.

2. Property of the Fund. The Fund shall include the property received herewith, such property as may from time to time be transferred to Foundation by Donors for inclusion in the Fund, such property as may from time to time be transferred from any other source for inclusion in the Fund and accepted by Foundation, and all undistributed income from the foregoing property. The Fund shall be the property of Foundation held by it in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. Foundation shall have the ultimate authority and control over all property in the Fund, and the income derived therefrom, in accordance with the Articles of Incorporation and Bylaws of Foundation (as they may be amended from time to time), and the terms of this document applied in a manner not inconsistent with said Articles and Bylaws.

3. Designation of Purposes. The purpose of the Fund shall be to award annual scholarship grants according to the following guidelines:

The net income of the Fund up to a total of \$1000.00 will be distributed annually to provide a scholarship to a student (or students) who is a graduate of Central of Lunenburg High School, or any future Public High School serving the citizens of Lunenburg County Virginia. Any net income of the endowed funds exceeding the annual award amount will be retained in the fund. Excess income funds retained may be used to supplement the award in any year in which the net income of the endowed funds are less than the designated distribution amount. The designated distribution amount may be changed by a vote of the Foundation Board as needed to use excess accumulated net income.

4. Distributions.

*(a) To be eligible the recipient must: be a graduate from a Public High School located in Lunenburg County Virginia, and have enrolled in a post-secondary college or university in the United States;*

*(b) Having met the criteria set forth above, the annual scholarship grants shall be awarded based on the following considerations: financial need, academic achievement, extracurricular school activities or employment, community service, personal integrity, and character. Written recommendations from teachers, pastors, counselors, coaches, etc. will be accepted by the Scholarship Advisory Committee.*

*(c) One or more awards may be made each year. The award(s) need not be made in advance in a lump sum amount, but may be made in installments on a periodic basis. Expenses, which are covered, shall include tuition, books, room and board, and other such related educational expenses.*

*(d) A Scholarship Advisory Committee ("Committee") consisting of at least three (3) and no more than five (5) individuals shall by majority approval, recommend and advise the Foundation concerning the selection of the award recipient(s) and the amount(s). The original Committee shall consist of the Foundation Board of Directors. Replacements for any vacancies that occur on the Committee shall be selected by majority approval of the members of the Committee remaining at the time such vacancies occur. If any member of the Committee shall have son, daughter, grandchild, niece, nephew, brother, sister or stepson, stepdaughter, etc. or is the legal guardian of any applicant for the scholarship award, said Committee member shall be removed from the Committee during such year.*

5. Variance.

(a) If the Foundation ceases to be a qualified charitable organization, or if the Foundation proposes to dissolve, the assets of the Fund shall, after payment or making provision for payment of any liabilities properly chargeable to the Fund, be distributed in such manner and to such organization in Virginia as satisfies the requirements of qualified charitable organization at the time and serves purposes similar to those of the Foundation. Any organization receiving these funds must maintain the herein, initially endowed funds in perpetuity and continue to award an annual scholarship according to the guidelines herein established and in the name of the herein established fund.

6. Definitions and Construction.

(a) As used in this Agreement

(1) "Qualified charitable organization" means an organization described in 501(c)(3) of the Internal Revenue Code.

(2) References to any provision of the Internal Revenue Code shall be deemed to refer to the U.S. Internal Revenue Code of 1986, as the same may be amended from time-to-time and the corresponding provision of any future U.S. Internal Revenue Code.

(b) It is intended that the Fund shall be a component part of Foundation and that nothing in this Agreement shall affect the status of Foundation as an entity which is a qualified charitable organization. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the Internal Revenue Code and any regulations issued pursuant thereto applicable to the intended status of Foundation.

IN WITNESS WHEREOF, the Foundation has executed this Document by its duly authorized officers effective as of the day and year first above written.

BY: <u>Al Vaughan</u>	TITLE: President	Al Vaughan
BY: <u>Nancy Snead Chappell</u>	TITLE: Vice President	Nancy Snead Chappell
BY: <u>Gene Hart</u>	TITLE: Treasurer	Gene Hart
BY: <u>David Arthur</u>	TITLE: Secretary	David Arthur
BY: <u>Louie Love</u>	TITLE: Member	Louie Love

**ADDENDUM I**  
**CENTRAL OF LUNENBURG CLASS OF 1967 SCHOLARSHIP FUND ENDOWMENT**

THIS ADDENDUM is made this 9TH day of February, 2021, BY THE CENTRAL OF LUNENBURG ALUMNI SCHOLARSHIP FOUNDATION BOARD OF DIRECTORS. We vote to designate \$6000.00 of current Endowment Earnings as additional endowed funds. We vote to transfer \$4000.00 of donor funds as additional endowed funds. These funds increase the total endowed funds from \$28,000 to \$38,000 which is endowed to this fund in perpetuity.

IN WITNESS WHEREOF, the Foundation has executed this Document by its duly authorized officers effective as of the day and year first above written.

BY: <u>Al Vaughan</u>	TITLE: President	Al Vaughan
BY: <u>Nancy Snead Chappell</u>	TITLE: Vice President	Nancy Snead Chappell
BY: <u>Gene Hart</u>	TITLE: Treasurer	Gene Hart
BY: <u>David Arthur</u>	TITLE: Secretary	David Arthur
BY: <u>Louie Love</u>	TITLE: Member	Louie Love