

DECLARATION OF TRUST
THE NAIA EDUCATIONAL FOUNDATION

KNOW ALL MEN BY THESE PRESENTS, That the National Association of Insurance Agents, Inc., a nonprofit corporation organized and existing under the laws of the State of New York (hereinafter referred to as "NAIA"), hereby establishes the NAIA EDUCATIONAL FOUNDATION (hereinafter referred to as "FOUNDATION") and hereby declares the members of its Executive Committee, as described in ARTICLE ELEVENTH, Paragraph B, the trustees thereof. NAIA transfers Ten Dollars (\$10.00) to the FOUNDATION'S separate account with the execution of the Declaration of Trust, and may subsequently transfer property to the FOUNDATION, all of which along with property transferred or donated to the FOUNDATION by others besides NAIA will be held for the use of the FOUNDATION, and used exclusively for the purposes of the FOUNDATION as set forth below; this trust being created, established and governed, according to the following terms and conditions:

ARTICLE FIRST

This trust will be called the "NAIA EDUCATIONAL FOUNDATION."

ARTICLE SECOND

A. The purposes of the FOUNDATION are as follows:

1. To foster the establishment and development of a library available to the public for the accumulation and cataloging of books, papers, manuscripts, and data on all aspects of property and casualty insurance.
2. To foster projects for educational research into all aspects of property and casualty insurance.
3. To provide scholarships or other financial assistance to deserving young men and women in order to further their education in the field of insurance.

4. To foster educational programs, including seminars in a classroom setting, which will seek to develop and improve the knowledge of individuals in regard to the field of property and casualty insurance.

5. To engage in other educational programs, research, classroom or otherwise, and to pursue charitable, scientific, and literary purposes.

6. These purposes may be implemented through direct performance by the FOUNDATION under contracts let by the FOUNDATION or by grants by the FOUNDATION to qualified recipients.

7. The FOUNDATION may receive grants from, perform services for, or contract with any government or private organization.

8. The FOUNDATION may become involved in pilot and study programs incident to the above purposes, and/or may become involved in continuing or remedial programs.

9. The enumeration of purposes in items 1 to 5 above, is intended to show examples of the programs in which the FOUNDATION may participate, but is not to be construed as a limitation upon its power to act in pursuance to its general purposes, as set out in item 5 of this ARTICLE SECOND.

10. No enumeration of purposes under this ARTICLE SECOND is intended to violate the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954, as now in force or afterwards amended, and if any purposes set out herein do violate such provisions of the Code, then such purposes shall have no force and effect.

B. The administration of this trust for the accomplishment of these purposes is subject to the terms of this Declaration, in general, and the specific restrictions of ARTICLES FOURTH and FIFTH, below.

ARTICLE THIRD

A. The trustees of the FOUNDATION shall be (1) the members of the Executive Committee of NAIA (as described in ARTICLE ELEVENTH, Paragraph B), ex officio, or the members of any

successor body of NAIA which shall replace said Executive Committee, and (2) the Executive Vice President of NAIA, ex officio, or any officer of NAIA which shall replace said Executive Vice President.

B. Each trustee shall have an equal voice in the management and conduct of the trust. Unless otherwise provided, all decisions shall be made by majority vote; provided, however, that upon the concurrence of a majority of the trustees then in office as trustees, the functions of the trustees may be delegated to a group of trustees, which group shall not be less than three in number at all times, and which shall be empowered to act upon the concurrence of a majority thereof; and provided further, that a majority of the trustees in office at any time, i. e., the members of the NAIA Executive Committee, ex officio, may revoke any such delegation. Provided further, that the execution of documents on behalf of the FOUNDATION or the implementation of decisions of the trustees, or decisions of a group of trustees delegated to act, may be delegated to one or more trustees, if authorized by the trustees, or a group of trustees delegated to act for the trustees.

C. The trustees shall render an annual report of the FOUNDATION's activities to the National Board of State Directors of NAIA. This report shall include a statement of all contributions received, the names of all contributors, all distributions made for charitable purposes, the names of all persons and organizations receiving such distributions, brief descriptions of the purposes for which such distributions were made, and a complete financial statement showing all assets on hand at the end of the FOUNDATION's fiscal year. This report shall be rendered no later than one month after the end of the FOUNDATION's fiscal year.

ARTICLE FOURTH

The trustees may receive and accept property, whether real, personal or mixed, 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 Declaration of Trust; but no gift, bequest or devise of any such property shall be received and accepted if it be conditioned or limited in such manner as shall 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, or as shall, in the opinion of the trustees, jeopardize the federal income tax exemption of this trust granted pursuant to Section 501(c)(3) of the Internal Revenue Code of 1954, as now in force or afterwards amended.

ARTICLE FIFTH

A. The principal and income of all property received and accepted by the trustees to be administered under this Declaration of Trust shall be held in trust by them, and the trustees may make payments or distributions from income or principal, or both, to or for the use of such charitable organizations, within the meaning of that term as defined in Paragraph C, in such amounts and for such charitable purposes of the trust as the trustees shall from time to time select and determine; and the trustees may make payments or distributions from income or principal, or both, directly for such charitable purposes, within the meaning of that term as defined in Paragraph D, in such amounts as the trustees shall from time to time select and determine without making use of any other charitable organization. The trustees may also make payments or distributions of all or any part of the income or principal to states, territories or possessions of the United States, any political subdivision of any of the foregoing, or to the United States of the District of Columbia but only for charitable purposes, within the meaning of that term as defined in Paragraph D. Income or principal derived from contributions by corporations shall be distributed by the trustees for use solely within the United States or its possessions. No part of the net earnings of this trust shall inure or be payable to or for the benefit of any private shareholder or individual, and no substantial part of the activities of this trust shall be the carrying on of propa-

ganda, or otherwise attempting to influence legislation, or the participation in, or intervention in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

B. The trust shall continue forever unless the trustees terminate it and distribute all the principal and income, which action may be taken by the trustees in their discretion at any time. On such termination, the trust fund as then constituted shall be distributed to or for the use of such charitable organizations, in such amounts an/or for such charitable purposes as the trustees shall then select and determine. The trustees are authorized and empowered to form and organize a nonprofit corporation limited to the uses and purposes provided for in this Declaration of Trust, such corporation to be organized under the laws of any state or under the laws of the United States as may be determined by the trustees; such corporation when organized to have power to administer and control the affairs and property and to carry out the uses, objects and purposes of this trust. Upon the creation and organization of such corporation, the trustees are authorized and empowered to convey, transfer and deliver to such corporation all the property and assets to which this trust may be or become entitled. The charter, bylaws and other provisions for the organization and management of such corporation and its affairs and property shall be such as the trustees shall determine, consistent with the provisions of this Paragraph B.

C. In this Declaration of Trust 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 bene-

fit 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 the Paragraph C shall have been determined to be exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1954, as now in force or afterwards amended.

D. In this Declaration of Trust 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 1954, as now in force or afterwards amended.

E. No funds of, or contributions to, the FOUNDATION shall be used for or released to the general purpose of NAIA or any individual. The property of the FOUNDATION shall be held and administered separately from the property of NAIA, and separate records for the FOUNDATION will be kept and maintained by the trustees; provided, however, that nothing herein shall preclude the trustees from reimbursing NAIA or any person for the reasonable value of any goods sold to the FOUNDATION, or used for its benefit, or for services performed on behalf of the FOUNDATION; and provided, further, that no such transaction shall violate the provisions of Section 503 of the Internal Revenue Code of 1954, as now in force or afterwards amended.

ARTICLE SIXTH

A. Any trustee under this Declaration of Trust may by written instrument, signed and acknowledged, resign his office.

B. Unless otherwise provided by law, none of the trustees shall be required to furnish any bond or surety. None of them shall

be responsible or liable for the acts or omissions of any other of the trustees or of any predecessor or of a custodian, agent, depository, or counsel selected with reasonable care.

C. The trustees serving under the Declaration of Trust are authorized to pay themselves amounts for reasonable expenses incurred and reasonable compensation for services rendered in the administration of this trust.

D. No trustee shall incur any liability for any action or failure to act, excepting only liability for his own gross negligence or willful misconduct. The FOUNDATION shall indemnify and save harmless each trustee against any cost or expense including attorneys' fees and other costs of defense, for liability in any form including sums paid in settlement of claims with the approval of the trustees arising out of any loss, act or omission as a trustee of the FOUNDATION taken or omitted by him in good faith.

ARTICLE SEVENTH

In extension and not in limitation of the common law and statutory powers of trustees, and the other powers granted in the Declaration of Trust, the trustees shall have the following discretionary powers:

A. To invest and reinvest the principal and income of the trust in such property, real, personal or mixed, and in such manner as they shall deem proper, and from time to time change investments as they shall deem advisable; to invest in or retain any stocks, shares, bonds, notes, obligations or personal or real property (including without limitation any interests in or obligations of any corporation, association, business trust, investment trust, common trust fund, or investment company) although some or all of the property so acquired or retained is of a kind or size which but for this express authority would not be considered proper and although all of the trust funds are invested in the securities of one company. No

principal or income, however, shall be loaned, directly or indirectly to anyone except on the basis of an adequate interest charge and with adequate security.

B. To sell, lease, or exchange any personal, mixed, or real property, at public auction or by private contract, for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertakings relating to the trust property, as they consider advisable.

C. To borrow money for such periods, at such rates of interest, and upon such terms as the trustees consider advisable, and as security for such loans to mortgage or pledge any real or personal property with or without power of sale; to acquire or hold any real or personal property subject to any mortgage or pledge; and to assume any mortgage or pledge on or of property acquired or held by this trust.

D. To execute and deliver deeds, assignments, transfers, mortgages, pledges, leases, covenants, contracts, promissory notes, releases, and other instruments, sealed or unsealed, incident to any transaction in which they engage.

E. To vote, to give proxies, to participate in the reorganization, merger or consolidation of any concern, or in the sale, lease, disposition or distribution of its assets; to join with other security holders in acting through a committee, depository, voting trustees, or otherwise, and in that connection to delegate authority to such committee, depository, or trustees and to deposit securities with them or transfer securities to them; to pay assessments levied on securities or to exercise subscription rights in respect of securities.

F. To employ a bank or trust company as custodian of any funds or securities and to delegate to it such powers as they deem appropriate; to hold trust property without indication of fiduciary capacity but only in the name of a registered nominee, provided the trust property is at all times identified as such on the books of the trust;

to keep any or all of the trust property or funds in any place or places in the United States of America; to employ clerks, legal counsel, accountants, investment counsel, investment agents, and any special services, and to pay the reasonable compensation and expenses of all such services in addition to the compensation of the trustees.

G. To retain the trust's assets in cash without investing it, or to retain a nonproductive investment or asset.

ARTICLE EIGHTH

The trustees' powers are exercisable solely in a fiduciary capacity consistent with and in furtherance of the charitable purposes of this trust and not otherwise.

ARTICLE NINTH

This Declaration of Trust may be amended at any time or times by written instrument or instruments signed and sealed by a majority of the trustees, and acknowledged by any of the trustees, provided that no amendment shall authorize the trustees to conduct the affairs of this trust in any manner or for any purpose contrary to the provisions of Section 501(c)(3) of the Internal Revenue Code of 1954 as now in force or afterwards amended, or in any manner whatsoever which would jeopardize the trust's tax exemption under the aforementioned provisions of the Internal Revenue Code. An amendment of this ARTICLE NINTH (or any amendment substituting another Article in its place) shall be valid only if and to the extent that such amendment further restricts the trustees' amending power. All instruments amending this Declaration of Trust shall be noted upon or kept attached to the executed original of this Declaration of Trust held by the trustees.

ARTICLE TENTH

A. Any person may rely on a copy, certified by a notary public, of the executed original of this Declaration of Trust held by the trustees, and of any of the notations on it and writing or amendments

attached to it, as fully as he might rely on the original documents themselves. Any such person may rely fully on any statements of fact certified by anyone who appears to be a trustee under this Declaration of Trust as set out in the Certificate of Office. No one dealing with the trustees need inquire concerning the validity of anything the trustees purport to do. No one dealing with the trustees need see to the application of anything paid or transferred to or upon the order of the trustees or the trust.

B. At any time requested, and as soon after each election of NAIA affecting the membership on its Executive Committee, as appropriate in view of the certification required as set forth below any corporate officer of NAIA authorized to certify the authenticity of corporate records will issue a "Certificate of Office" for the duly elected members of the Executive Committee. Such Certificate of Office will certify, under corporate seal, the names of the persons currently serving on said Executive Committee, their titles and addresses, and that by reason of those persons being currently members of said Executive Committee, that they are thereby, ex officio, trustees of the FOUNDATION.

ARTICLE ELEVENTH

A. In this Declaration of Trust and in any amendment to it, references to "trustees" mean the trustees of the FOUNDATION, whether original or successor, for the time being in office.

B. As used in this instrument, the term "Executive Committee" shall mean the current Executive Committee of NAIA as currently organized, and any successor body to the Executive Committee, whether modified as to membership, or having a new designation, or both.

ARTICLE TWELFTH

This Declaration of Trust is to be governed in all respects by the laws of the State of New York.

IN WITNESS WHEREOF, this Declaration of Trust is signed,
executed and sealed this 7th day of January, 1975.

NATIONAL ASSOCIATION OF
INSURANCE AGENTS, INC.

By: Gerard R. TeBockhorst
Gerard R. TeBockhorst
President

ATTEST:
(Corporate Seal)

Arthur F. Blum
Arthur F. Blum
Executive Vice President

Gerard R. TeBockhorst James O. Burpo
Gerard R. TeBockhorst James O. Burpo
Trustee Trustee

M. Jay Wanamaker George T. Frazier
M. Jay Wanamaker George T. Frazier
Trustee Trustee

Robert P. Bliss, Jr. Lee R. Meyer
Robert P. Bliss, Jr. Lee R. Meyer
Trustee Trustee

Robert T. Clayton Frank L. Smith
Robert T. Clayton Frank L. Smith
Trustee Trustee

Bernard J. Burns Arthur F. Blum
Bernard J. Burns Arthur F. Blum
Trustee Trustee

State of Texas)
County of Dallas) Acknowledgement

On this 7th day of January, 1975, before me personally appeared in the State and County above, Arthur F. Blum, to me personally known, who being by me duly sworn did say that he is the Executive Vice President of the National Association of Insurance Agents, Inc., and that the seal affixed to the foregoing instrument was signed and sealed in behalf of the Corporation by authority of its Executive Committee, and said Arthur F. Blum acknowledged the foregoing instrument to be the free act and deed of said Corporation.

(Seal)

Thomas W. Haverbar
Notary Public in and for the
County of Dallas
State of Texas
My Commission Expires:
30 June, 1975

State of Texas)
County of Dallas) Acknowledgement

On this 7th day of January, 1975, before me personally appeared in the State and County above, Gerard R. TeBockhorst, to me personally known, who being by me duly sworn did say that he is the President of the National Association of Insurance Agents, Inc., and that the seal affixed to the foregoing instrument was signed and sealed in behalf of the Corporation by authority of its Executive Committee, and said Gerard R. TeBockhorst acknowledged the foregoing instrument to be the free act and deed of said Corporation.

(Seal)

Thomas W. Haworth
Notary Public in and for the
County of Dallas
State of Texas
My Commission Expires:
30 June, 1975