

SECOND AMENDED AGREEMENT  
RELATED TO THE  
ROSEVILLE COMMUNITY FUND

This Second Amended Agreement is made by and between the City of Roseville (City) and the Roseville Area Community Foundation (RACF), a Minnesota nonprofit corporation, effective as of the date executed below.

WHEREAS, the City desires to establish, and RACF is willing to hold and administer, a charitable fund to be known as the Roseville Community Fund (Fund).

THEREFORE, the parties agree as follows:

1. RACF will hold and administer all property which the City or any other person or organization contributes to the Fund in accordance with the provisions of this Second Amended Agreement and the charitable purposes of the RACF as described in its Articles of Incorporation and effective Bylaws, all of which provisions and amendments are hereby incorporated by reference.
2. One half of the proceeds from lawful gambling received from the City shall be held and maintained by RACF as a permanent endowment. Subject to paragraphs 3, 4 and 5 of this Second Amended Agreement, RACF shall make available one half of the proceeds from lawful gambling received from the City and not more than 75% of the income from the endowment, as established annually by the RACF, for allocation.
3. The RACF shall make grants only to organizations that have established a charitable use that is a qualified exempt purpose under the Internal Revenue Code, is of primary benefit to the community of Roseville, and is in accordance with lawful purposes of Minnesota State gambling statutes.
4. Unless agreed to otherwise, the RACF shall
  - A. Continue to meet full IRS requirements for a tax-exempt community foundation.
  - B. Provide administration including legally required reports, proper banking and investment, administrative controls and an annual independent audit to the extent required by law.
  - C. Invest no less than 75% of the Fund's endowment and other available funds in investments as permitted under Minnesota law.
  - D. Provide quarterly or other such reports to the City Council, including participating in an annual meeting with the Council, upon request.
  - E. Disburse all funds provided by the City in strict accordance with Minnesota Statutes Chapter 349 and all other applicable law.

5. All eligible funds must be allocated by the RACF within 120 days after the close of the RACF's fiscal year.
6. The RACF shall be paid an administrative fee in accordance with the policies adopted by the RACF as amended from time to time.
  - A. Such fees shall not exceed three percent (3%) per annum of all Fund assets, plus 1% of all grants paid from the Fund. Asset value shall be based on the average of the annual market value computed on a quarterly basis.
  - B. In addition, the Fund shall pay for a pro-rata share of the audit fee.
  - C. The Fund shall provide for any legal fees incurred as a result of any action filed against the Directors acting in their capacity as Directors.
7. The RACF may commingle the assets of the Fund with the assets of any other fund or funds which the RACF holds and administers, provided that the separate identity of the Fund, and the distributions therefrom, are at all times maintained.
8. All records of the Fund shall be open for public inspection during reasonable hours.
9. This Second Amended Agreement may be terminated by either party upon a 180 day written notice. Upon termination, all unallocated assets, including the endowment fund, shall be distributed to a community foundation with similar purposes as the RACF.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amended Agreement as of the date indicated below.

Dated: June 30, 2016

ROSEVILLE AREA COMMUNITY FOUNDATION

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Tammy L. Pust  
President

Dated: June \_\_, 2016 CITY OF ROSEVILLE

Daniel Roe  
Mayor