

Exhibit A

AGREEMENT
BETWEEN
DULUTH LIBRARY FOUNDATION AND
CITY OF DULUTH,
THROUGH THE DULUTH PUBLIC LIBRARY

THIS AGREEMENT, effective as of the date of attestation by the City Clerk (the "Effective Date"), by and between the CITY OF DULUTH, a municipal corporation under the laws of the State of Minnesota and acting through the Duluth Public Library, hereinafter referred to as "Library", and DULUTH LIBRARY FOUNDATION, a nonprofit corporation created and existing under the laws of the State of Minnesota, hereinafter referred to as "Foundation."

WHEREAS, the Foundation was established on February 14, 1990, to manage and grow an endowment bequeathed to the Library by Olga Thompson Walker in 1964; and

WHEREAS, the mission of the Foundation is to raise private support to enhance the Library's capacity to provide programming and materials above the level provided by public funding, and to champion the Library's role in meeting community needs.

WHEREAS, the Foundation has a board of directors responsible for the strategic management and investment policy of the endowment and an executive director ("Director") who manages the day to day activities of the Foundation; and

WHEREAS, the Library provides assistance to the Foundation to facilitate its operation, endowment growth and the fulfillment of its stated mission.

NOW THEREFORE, the Library and the Foundation agree as follows, subject to the continued approval of sufficient funding for these purposes:

I. FOUNDATION RESPONSIBILITIES

1. **Foundation Board of Directors.** In compliance with its bylaws, the Foundation will recruit sufficient Board members to conduct its activities and to fulfill the organization's mission;

2. **Regulatory and Legal Compliance.** The Foundation will engage in an annual financial review and prepare necessary government reports. The Foundation Board of Directors will comply with the Foundation's articles of incorporation, attached as Exhibit A, bylaws, attached as Exhibit B, and applicable federal and state laws and regulations. The Director will inform the Library of compliances on a regular basis.

II. LIBRARY RESPONSIBILITIES

1. **Marketing and Volunteer Activities.** The Library may assist the Foundation with marketing support, as needed, and help coordinate volunteers for Foundation events.

2. **Charges to Foundation.** In recognition of the support provided to the Library by the Foundation, the Library will lease office space with telephone and internet access to the Foundation for a reasonable rate.

III. FUNDRAISING, GRANTMAKING AND MARKETING.

1. **Collaborative Marketing.** Library agrees to consult with the Foundation about marketing needs. The Foundation agrees to consult with the Library about the Foundation's marketing plans through annual and long range planning.
2. **Collaborative Fundraising.** Library agrees to consult with the Foundation about fundraising needs. The Foundation agrees to consult with the Library about the Foundation's fundraising plans through annual and long range planning.
3. **Committing Library Resources.** Because the Library is a government entity and accountable to the city administration, the Foundation may not commit the Library to any program or effort without explicit approval from the Library.
4. **Management of Funds for Benefit of Library.** The Foundation Board of Directors and Director will manage the proceeds of the Foundation according to its bylaws, investment policy statement, attached as Exhibit C, and articles of incorporation and ensure that all funds not needed for operating expenses are used to further the mission of the Foundation. The Foundation will provide the Library annually with a report on the Foundation's investment performance and annual budget.
5. **Library Fundraising.** The Library retains the authority to seek fundraising alliances and partnerships with entities other than the Foundation.
6. **Restricted Gifts.** All gifts restricted for a specific library service must be authorized by the Library manager before being accepted by the Foundation.
7. **Dissolution.** In the event the Foundation is dissolved or changes its mission, all Foundation assets will be dispensed according to statute and to the articles and bylaws of the Foundation.

IV. MISCELLANEOUS PROVISIONS

1. **Review and Amendment of Agreement.** The Library and Foundation agree that this Agreement will be reviewed every five years. This Agreement may be amended in writing and signed by the parties.
2. **Governing Law.** This Agreement shall be governed by Minnesota law.

In witness whereof, the parties have hereunto set their hands:

CITY OF DULUTH, MINNESOTA

BOARD OF DIRECTORS OF THE
DULUTH LIBRARY FOUNDATION

By _____
Mayor

By _____

ATTEST: _____
City Clerk

Dated: _____

COUNTERSIGNED:

City Auditor

APPROVED AS TO FORM:

City Attorney

State of Minnesota

SECRETARY OF STATE

CERTIFICATE OF INCORPORATION

I, Joan Anderson Grove, Secretary of State of Minnesota, do certify that: Articles of Incorporation, duly signed and acknowledged under oath, have been filed on this date in the Office of the Secretary of State, for the incorporation of the following corporation, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

This corporation is now legally organized under the laws of Minnesota.

Corporate Name: DULUTH LIBRARY FOUNDATION

Corporate Charter Number: 1E-441

Chapter Formed Under: 317A

This certificate has been issued on 02/14/1990.



Joan Anderson Grove
Secretary of State.

1E-441

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ARTICLES OF INCORPORATION

OF

DULUTH LIBRARY FOUNDATION

We, the undersigned, being natural persons of full age, hereby associate ourselves together for the purposes of forming a corporation under the Minnesota Nonprofit Corporation Act, Minnesota Statutes, Chapter 317A, and hereby make, adopt, subscribe, and acknowledge the following Articles of Incorporation:

ARTICLE 1 - NAME

The name of this corporation is "DULUTH LIBRARY FOUNDATION."

ARTICLE 2 - PURPOSE

This corporation is organized and operated exclusively for charitable and educational purposes, all as contemplated and permitted by Sections 170(c)(2) and 501(c)(3) of the Internal Revenue Code, particularly, but not limited to, the raising, holding, and administration of a fund to be known as the Duluth Library Foundation Fund, to be used to promote the development of and to improve the service capabilities of the Duluth Public Library, its branch libraries, and/or any other extensions of its services. The Fund is not intended to be used to reduce the City of Duluth's or any other governmental entity's responsibility to financially support the present operations of the Duluth Public Library system, but rather is intended to lessen the burden of government to support such additional programs, services, and development beyond those for which government is ordinarily responsible, yet which are necessary to meet the needs of the public. The corporation shall cooperate with and assist any governmental units or other groups with similar objectives. The corporation shall also operate for the educational purpose, as defined in Treasury Regulation Section 1.501(c)(3)-(1)(d)(3)(i)(a) and (b), of funding, developing, and arranging instructional and educational programs for the public.

Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law).

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vote. The initial Board of Directors shall consist of five directors, who shall hold office until the annual meeting of the corporation in the year 1991, or until such director's successor shall have been elected or otherwise shall qualify.

The names and addresses of the members of the first Board of Directors of this corporation are:

<u>NAME</u>	<u>ADDRESS</u>
Thomas Conklin	Norwest Bank Trust Department Duluth, MN 55802
Beth Kelly	Duluth Public Library 520 West Superior Street Duluth, MN 55802
Betty High	8325 Congdon Blvd. Duluth, MN 55804
Charles House	130 West Superior St. Duluth, MN 55802
Gilbert Harries	1000 First Bank Place Duluth, MN 55802

The members of the Board of Directors of this corporation shall be the only members of this corporation with voting rights. Each member of the Board of Directors of this corporation automatically shall become and be a member of this corporation concurrently with his or her becoming a member of such Board of Directors, shall continue to be a member of this corporation for so long as he or she is a member of such Board of Directors, and automatically shall cease to be a member of this corporation concurrently with his or her ceasing to be a member of the Board of Directors of this corporation. Members of the Board of Directors shall have voting rights only as directors and shall have no voting rights as members.

The Board of Directors may create one or more classes of non-voting members of the corporation, and may establish the criteria and procedures applicable to such members.

ARTICLE 8 - WRITTEN ACTION

An action required or permitted to be taken at a Board meeting may be taken by written action signed by the number of directors that would be required to take the same action at a meeting of the Board at which all directors were present, provided that all directors must be notified of the text of the written action prior to the signing by any of the directors. Written action is defined

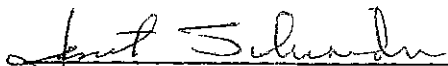
the Internal Revenue Code, that are described in Section 501(c)(3) and in Section 509(a)(1), (2), or (3) of the Internal Revenue Code, and that are exempt from federal income taxes under Section 501(a) of the Internal Revenue Code, or to the Federal government, the State of Minnesota, or the City of Duluth, Minnesota, for a public purpose, all in such proportions as shall be determined (1) by the Board of Directors of this corporation if the dissolution of this corporation is not required by the laws of the State of Minnesota then in existence to be conducted under court supervision, or (2) by a court of competent jurisdiction if the dissolution of this corporation is required by the laws of the State of Minnesota then in existence to be conducted under court supervision, to be used in such manner as in the judgment of the court will best accomplish the general purposes for which the dissolved organization was organized. Notwithstanding anything apparently or expressly to the contrary hereinabove contained in this Article 13, if any assets are then held by this corporation in trust or upon condition or subject to any executory or special limitation and if the condition or limitation occurs by reason of the dissolution of this corporation, such assets shall revert or be returned, transferred, or conveyed in accordance with the terms and provisions of such trust, condition, or limitation.

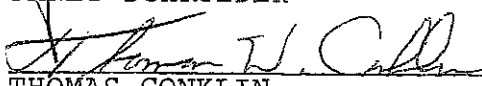
Upon dissolution of the corporation, none of the assets of this corporation shall, directly or indirectly, be distributed to or inure to the benefit of any of the officers, directors, or members of this corporation.

ARTICLE 13 - AMENDMENT OF ARTICLES

These Articles of Incorporation may be amended in accordance with the procedures set forth in Minnesota Statutes Sections 317A.133 and 317A.139, or in accordance with the applicable laws of the State of Minnesota then in existence.


IN WITNESS WHEREOF, we have here unto set our hands this 9th day of February, 1990.



 JANET SCHROEDER


 THOMAS CONKLIN

Witness:



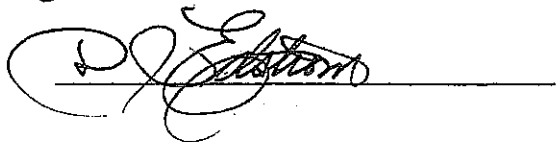


Exhibit B

BYLAWS OF
DULUTH LIBRARY FOUNDATION

Approved February 13, 2017

ARTICLE I

OFFICES, CORPORATE SEAL

Section 1.01. Registered Office. The city, town, or other community in which the registered office of this corporation is located in Minnesota shall be as set forth in the Articles of Incorporation of this corporation, or in the most recent amendment or restatement of such Articles of Incorporation, or in a certificate of change of registered office filed with the Secretary of State of Minnesota reflecting the adoption of a resolution by the Board of Directors of this corporation changing the registered office.

Section 1.01. Other Offices. This corporation may have such other offices, within or without the State of Minnesota, as the Board of Directors may from time to time determine.

Section 1.03. Corporate Seal. This corporation shall have no corporate seal.

ARTICLE II

MEMBERS: MEETINGS, PROPERTY RIGHTS

Section 2.01. Members and Meetings. The Articles of Incorporation of this corporation provide that the members of the Board of Directors of this corporation shall be the only members of this corporation with voting rights and that such persons shall have voting rights only as directors and shall have no voting rights as members. Accordingly, there shall be no meetings of the members of this corporation. The Board of Directors may create one or more classes of non-voting members of the corporation, and may establish the criteria and procedures applicable to such members.

Section 2.02. Property Rights. No member shall have any right, title, or interest in or to any property of this corporation.

ARTICLE III

BOARD OF DIRECTORS

Section 3.01. General Powers. The Board of Directors shall manage the property, affairs, and business of this corporation. The Board of Directors shall establish a formal system of recommendations for carrying out the general programs of the corporation.

Section 3.02. Number, Qualification, and Terms of Office. The number of directors shall be no more than fifteen (15). Each director shall be a natural person and shall hold office until the expiration of his/her term, his/her resignation, death or removal as hereinafter provided. Unless elected to fill a vacancy as hereinafter provided, a director shall serve a term

of three (3) years from the date of his/her election. No director may serve more than three (3) terms of three (3) years each.

Section 3.03. Election of Directors. The Board of Directors at the annual meeting shall elect directors for three (3) year terms. Each director shall cast one vote by secret ballot for each open position on the Board. Candidates receiving the highest number of votes up to the number of directors to be elected shall be elected.

Section 3.04. Ex Officio Directors. The corporation may have ex officio directors. Ex officio directors shall not have any voting rights or privileges. The Manager of the Duluth Public Library shall be an ex officio director without a vote.

Section 3.05. Organization. At each meeting of the Board of Directors, the President of this corporation or, in his or her absence, the Vice-President of this corporation or, in his or her absence, a chairperson chosen by a majority of the directors present, shall preside. The Secretary of this corporation or, in his or her absence, any person whom the chairperson shall appoint, shall act as secretary of the meeting.

Section 3.06. Resignation. Any director of this corporation may resign at any time by giving written notice to the President, the Vice-President, or to the Secretary of this corporation. The resignation of any director shall take effect at the time, if any, specified therein or, if no time is specified therein, upon written receipt thereof by the office of this corporation to whom such written notice is given; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.07. Vacancies. Any vacancy in the Board of Directors caused by death, resignation, removal, an increase in the number of directors, or any other cause, shall be filled by a vote of the remaining directors (though less than a quorum), and each director so chosen shall hold office until the next annual election and thereafter, if elected, for one (1) or more three (3) year terms as otherwise provided for in these Bylaws.

Section 3.08. Place of Meetings. The Board of Directors may hold its meetings at such place or places, within or without the State of Minnesota, as it may from time to time determine.

Section 3.09. Regular Meetings. Regular meetings of the Board of Directors shall be held at least four (4) times a year.

Section 3.10. Annual Meeting. The Annual meeting of the Board of Directors shall be held in the first quarter of each calendar year for the purpose of electing the directors and officers of this corporation, reviewing the written reports of the officers, and for the transaction of such other business as shall come before the meeting. Notice of such meeting shall be given as provided below in Section 3.08 for special meetings of the Board of Directors, unless excused in accordance with Section 3.09. The notice of such meeting need not specify any purpose of the meeting other than the fact that it is the annual meeting.

Section 3.11. Special Meetings; Notice. Special meetings of the Board of Directors shall be held whenever called by the President, the Vice-President, or by any two (2) of the other directors. Notice of each such special meeting shall be mailed to each director, addressed to

him or her at his or her last known residence or usual place of business according to the last available corporate records, at least ten (10) but not more than thirty (30) days before the day on which the meeting is to be held, excluding the day of the meeting, or be delivered to him or her personally or by telephone, not later than one (1) day before the day on which the meeting is to be held, excluding the day of the meeting. Each such notice shall state the time, place, and purpose of the meeting.

Section 3.12. Notices Excused. Notice of any meeting of the Board of Directors need not be given to any director who shall be present at such meeting; and any meeting of the Board of Directors shall be a legal meeting without any notice thereof having been given if all of the directors of this corporation then in office shall be present thereat or waive such notice in writing before, at, or after such meeting.

Section 3.13. Quorum and Manner of Acting. Except as otherwise provided by statute or by these Bylaws, at least one-half (1/2) of the total number of directors, one of whom shall be an officer) shall be required to constitute a quorum for the transaction of business at any meeting, and the act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors. A director will be deemed present at a meeting if the director participates in the meeting by telephone or through use of other technology. In the absence of a quorum, a majority of the directors present may adjourn any meeting from time to time until a quorum be had. Notice of any adjourned meeting need not be given other than by announcement at the meeting which adjournment is taken. Roberts' Rules of Order shall govern conduct of the meeting.

Section 3.14. Removal of Directors. Any director may be removed, either with or without cause, at any time, by a vote of a majority of the total number of directors, at a special meeting of the Board of Directors called for the purpose, and the vacancy in the Board of Directors caused by any such removal shall be filled in the manner specified in Section 3.03.

Section 3.15. Proxies. Proxies shall not be allowed or used.

ARTICLE IV OFFICERS

Section 4.01. Number. The officers of this corporation shall be a President, a Vice-President, a Secretary, a Treasurer, and the Board of Directors may appoint such other officers as they may deem necessary. The same person may hold any two (2) or more offices, except those of President and Vice-President

Section 4.02. Election, Term of Office, and Qualifications. All officers shall be directors of this corporation and shall be elected by the Board of Directors at the annual meeting, or at a special meeting called for the purpose of filling a vacancy in an office because of death, resignation, removal, or any other cause, and, except in the case of officers appointed in accordance with the provisions of Section 4.10 below, each shall hold office until the next annual election of officers and until his or her successor shall have been duly elected and qualified, or until his or her death, or until he or she shall resign, or until he or she shall have been removed in the manner hereinafter provided.

Section 4.03. Resignations. Any officer may resign at any time by giving written notice of his or her resignation to the Board of Directors, to the President, to the Vice-President, or to the Secretary of this corporation. Any such resignation shall take effect at the time, if any, specified therein or, if not time is specified therein, upon receipt thereof by the Board of Directors, President, Vice-President, or Secretary of this corporation; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.04. Removal. Any officer may be removed, either with or without cause, by a majority vote of the total number of directors, at any annual or special meeting called for the purpose, and such purpose shall be stated in the notice or waiver of notice of such meeting unless all the directors of this corporation shall be present at such meeting.

Section 4.05. Vacancies. A vacancy in any office because of death resignation, removal, or any other cause shall be filled for the un-expired portion of the term in the manner prescribed in these Bylaws for election or appointment to such office.

Section 4.06. President. The President shall be the chief executive officer of this corporation and shall have general active management of the business of this corporation; shall, when present, preside at all meetings of the Board of Directors and at all meetings of the Executive Committee, if any; shall see that all orders and resolutions of the Board of Directors are carried into effect; may execute and deliver in the name of the corporation (except in cases in which such execution and delivery shall be expressly delegated by the directors or by these Bylaws to some other officer or agent of this corporation or shall be required by law to be otherwise executed and delivered) any deeds, mortgages, bonds, contracts, or other instruments pertaining to the business of this corporation; shall, when necessary, certify proceedings of the Board, and be responsible for recording, maintaining and certifying proceedings of the Executive Committee, if any; shall perform such other duties as may from time to time be prescribed by the Board of Directors; and, in general, shall perform all duties usually incident to the office of the President.

Section 4.07. Vice-President. The Vice-President shall have such powers and shall perform such duties as may be prescribed by the Board of Directors or by the President. In the event of absence or disability of the President, the Vice-President shall succeed to his or her powers and duties.

Section 4.08. Secretary. The Secretary shall be Secretary of, and when present, shall record proceedings of all meetings of the Board of Directors; shall maintain records of the proceedings of the Board of Directors; shall keep a register of the names and addresses of all members of this corporation; shall at all times keep on file a complete copy of the Articles of Incorporation and all amendments and restatements thereof and a complete copy of these Bylaws and all amendments and restatements hereof; shall, when directed to do so, give proper notice of meetings of the Board of Directors or by the President and the Vice-President; and, in general, shall perform all duties incident to the office of the Secretary.

Section 4.09. Treasurer. The Treasurer shall keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its

assets, liabilities, receipts and disbursements; shall receive, and give receipt for, monies payable to the corporation from any source whatsoever; shall deposit all monies, drafts, and checks in the name of, and to the credit of, this corporation in such banks and depositories as a majority of the Board of Directors shall from time to time designate; shall have power to endorse for deposit all notes, checks and drafts received by this corporation; shall disburse the funds of this corporation as ordered by the Board of Directors, making proper vouchers therefore; shall render to the President, the Vice-President and the directors, whenever required, an account of all his or her transactions as Treasurer and of the financial condition of this corporation; shall perform such other duties as may from time to time be prescribed by the Board of Directors or by the President; and, in general, shall perform all duties usually incident to the office of the Treasurer.

Section 4.10. Other Officers, Agents, and Employees. This corporation may have such other officers, agents and employees the Board of Directors may deem necessary. Such other officers, agents, and employees shall be appointed in such manner, have such duties, and hold their offices for such terms as may be determined by resolution of the Board of Directors.

Section 4.11. Bond. The Board of Directors of this corporation shall from time to time determine which, if any, officers of this corporation shall be bonded and the amount of each bond.

Section 4.12. Multiple Offices. Any number of offices or functions may be held or exercised by the same person.

ARTICLE V EXECUTIVE COMMITTEE

Section 5.01. Number, Qualifications, Terms of Office. The Board of Directors may, by resolution adopted by a majority of the total number of directors, establish an Executive Committee of the Board of Directors of this corporation and appoint three (3) or more directors to serve on such Executive Committee, one of whom shall be the President of this corporation. The Library Administrator will be an *ex officio* member of the Executive Committee.

Section 5.02. Powers. Except for the power to amend the Articles of Incorporation and the Bylaws of this corporation, which power is expressly reserved solely to the Board of Directors of this corporation as hereinafter provided, the Executive Committee shall have all the powers and authority of the Board of Directors of this corporation in the management of the property, business, and affairs of this corporation in the intervals between the meetings of the Board of Directors, subject always to the direction and control of the Board of Directors.

Section 5.03. Meetings. If an Executive Committee is established it shall hold such regular or other periodic meetings, and special meetings called by the President as may be necessary and appropriate, at such times and places, and upon such notice, if any, as may from time to time be fixed by resolution adopted by a majority of the members of the Executive Committee.

Section 5.04. Quorum and Manner of Acting. One-half (1/2) of the total number of members of the Executive Committee (but not less than two (2)) shall be required to constitute a quorum for the transaction of business at any meeting, and the act of a majority of the members of the Executive Committee present at any meeting at which a quorum is present shall be the act of the Executive Committee. In the absence of a quorum, a majority of the members of the Executive Committee present may adjourn any meeting from time to time until a quorum is had. Notice of any adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken. Any action that may be taken at a meeting of the Executive Committee may be taken without a meeting when authorized in writing signed by all of the members of the Executive Committee.

Section 5.05. Recording of Meetings. If the Secretary is a member of the Executive Committee, the President may assign the duty of recording the proceedings of any meeting of the Executive Committee to the Secretary.

ARTICLE VI ADDITIONAL COMMITTEES

Section 6.01. Nominating Committee. The Board of Directors shall establish a Nominating Committee for the purpose of nominating individuals for election as directors or officers. The Nominating Committee shall be comprised of not less than two (2) directors.

Section 6.02. Standing and Ad Hoc Committees. The corporation shall have such standing and ad hoc committees as may be designated by the Board of Directors.

ARTICLE VII FINANCIAL MATTERS

Section 7.01. Books and Records. The Board of Directors of this corporation shall cause to be kept:

1. Records of all proceedings of the Board of Directors and the Executive Committee, if any; and
2. Such other records and books of account as shall be necessary and appropriate to the conduct of the corporate business.

Section 7.02. Documents Kept at Registered Office. The Board of Directors shall cause to be kept at the registered office of this corporation originals or copies of:

1. Records of all proceedings of the Board of Directors and the Executive Committee, if any;
2. All financial statements of this corporation; and
3. Articles of Incorporation and Bylaws of this corporation and all Amendments and restatements thereof.

Section 7.03. Accounting System and Audit. The Board of Directors shall cause to be established and maintained, in accordance with generally accepted accounting principles applied on a consistent basis, an appropriate accounting system for this corporation. The Treasurer shall cause the records and books of account of this corporation to be audited, at least once in each fiscal year, and at such other times as it may deem necessary or appropriate, and may retain such person or firm for such purposes as it may deem appropriate.

Section 7.04. Compensation. The Board of Directors of this corporation may at any time and from time to time, by resolution adopted by a majority of the directors who are present at the meeting, provide for the payment of compensation to, and for the payment or reimbursement of expenses incurred by, any director, officer, agent, or employee of this corporation for personal services rendered to this corporation by, or for any expenses necessarily paid or incurred by, any such director, officer, agent, or employee, but only if and to the extent that the performance of such service or the incurrence of such expenses is directly in furtherance of the purposes of this corporation as set forth in the Articles of Incorporation, and the compensation or the amount of expenses paid or reimbursed, as the case may be, is reasonable and not excessive.

Section 7.05. Fiscal Year. The fiscal year of the corporation shall begin on the first day of January and shall end on the last day of December.

Section 7.06. Fund. The Board of Directors shall have the following specific duties and responsibilities with respect to the Duluth Library Foundation Fund:

1. Appointing or hiring an investment manager, corporate agent, or custodian for the purpose of managing the investment of the monies and other property in the Fund; if a trust is established, the Board of Directors or its designates should retain the positions of trustees of the trust plan.
2. Setting investment objectives for the monies in the Fund.
3. Approval of all purchases and sales of investments in the Fund or delegation of this authority to the investment manager or corporate agent/custodian based on the investment goals and parameters established by the Board of Directors.
4. A quarterly review of the Fund's investment performance to ensure that the goals of the Fund are adequately met.
5. At least annually review the investment goals and objectives of the Fund.

Section 7.07. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise (hereinafter referred to as contribution) for the general purposes or any special purpose of the corporation. Contributions may be made and accepted to provide specific library materials or services only to the extent that such library materials and services fit within the Library's mission, materials selection policy, Library services policy, and the City of Duluth's policies and functions. Contributions may be made and accepted for, but are not limited to, the following purposes: purchase of library materials; purchase of library equipment; construction or remodeling of library buildings; remodeling of leased facilities; furniture; special service projects; salaries for special projects outside the regular library budget; public programs or other purposes named by the donor and accepted

by the Library, which fit within the Library's scope, abilities, and policies, and the City of Duluth's policy and functions. The corporation may not dictate the ultimate specific expenditure of funds, but may assist in determining how available funds are to be used to meet needs expressed by the Library Administrator. For example, the Board of Directors may designate funds to be used to purchase books, equipment, or sponsor an ongoing program to meet the wishes of donors. The corporation should not recommend specific items unless requested to do so by the Library Administrator.

7.08 Disbursement of Funds. The following conditions shall be applicable to the disbursement of funds from the Duluth Library Foundation Fund:

1. Fund monies will only be disbursed on the contingency that the Library provide an annual accounting of its expenditures of Fund monies, and that any money disbursed to the Library but not spent or encumbered by the Library at the end of the fiscal year must be returned to the corporation unless the corporation extends the time.
2. Specific bequests must be used as dictated by the donor if at all possible. Non-specific bequests should be invested. The Board of Directors may disburse up to three percent (3%) of the Fund's value, based on a rolling average of the Fund's value on December 31 of the prior three years. Any amount less than the maximum three percent (3%) not disbursed in any one year may be disbursed in a succeeding year.
3. Any change in the minimum or maximum percentage to be disbursed to the Library shall require two-thirds majority of the Board of Directors.

Section 7.09. Appointment of Trustee. The Board of Directors shall have the power to appoint any person or persons to act and hold in trust for the corporation any property belonging to the corporation or in which it is interested, or for any other purposes, and to perform all such duties and responsibilities as may be requisite in relation to any such trust, providing it is not inconsistent with the purposes of the corporation.

Section 7.10. Execution and Delivery of Contracts or Other Instruments. The Board of Directors may authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of the corporation, and such authority may be general or confined to specific instances.

Section 7.11. Checks, Drafts, and Other Matters. All checks, drafts, or other orders for the payment of money and all notes, bonds, or other evidences of indebtedness issued in the name of this corporation shall be signed by such officer or officers, agent or agents, employee or employees of this corporation and in such manner as may from time to time be determined by resolution of the Board of Directors.

Section 7.12. Deposit of Funds. All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies, foundations, or other depositories as the Board of Directors may select.

ARTICLE VIII
WAIVER OF NOTICE

Whenever notice of any meeting is required to be given by these Bylaws or any of the corporate laws of the State of Minnesota, such notice may be waived in writing, signed by the person or persons entitled to such notice, whether before, at, or after the time stated therein or before, at, or after the meeting.

ARTICLE IX
AMENDMENTS

The Board of Directors may amend this corporation's Articles of Incorporation, as from time to time amended or restated, and these Bylaws, as from time to time amended or restated, to include or omit any provision that could lawfully be included or omitted at the time such amendment or restatement is adopted. Any number of amendments or an entire revision or restatement of the Articles of Incorporation or Bylaws, either (1) may be submitted and voted upon at a single meeting of the Board of Directors and be adopted at such meeting, upon receiving the affirmative vote of not less than two-thirds (2/3) of the total number of directors, or (2) may be adopted, in accordance with Article 8 of the Articles of Incorporation, by a writing signed by two-thirds (2/3) of the directors of this corporation.

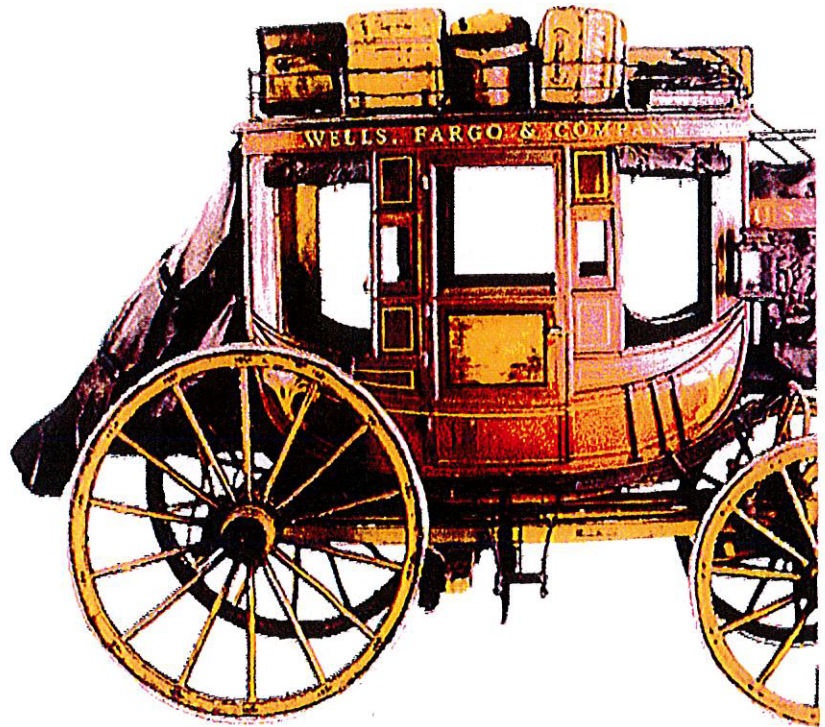


Investment Policy Statement

Prepared for:
Duluth Library Foundation

Regarding Duluth Library Foundation TUA, [REDACTED]

Prepared by:
David Gunderson



Investment Products: > NOT FDIC Insured > NO Bank Guarantee > MAY Lose Value [REDACTED]

Purpose of the Investment Policy Statement

The purpose of this Investment Policy Statement is to establish an understanding as to the investment goals, objectives, and management policies for this portfolio.

The investment policy will also:

- Establish overall standards for the management of the assets held in the Portfolio.
- Define overall investment parameters to help manage risk in the Portfolio in accordance with the identified risk tolerance.
- Communicate the intent of this plan to the appropriate parties.
- Provide a written strategy and standard, which will guide the decisions regarding the management of the Portfolio assets, including any restrictions to the management of the assets.

In selecting appropriate advisors, Wells Fargo may choose from one or more of its affiliates. In that event, a portion of the fees charged to your account for investment management will be paid directly to an affiliate of Wells Fargo.

This statement should be reviewed periodically and revisions should be made as necessary to reflect changes in circumstances or objectives. All revisions must be made in writing and distributed to the appropriate parties.

Investment Authority

Sole Authority

Investment Objective

Balanced Appreciation Biased

Emphasis on potential capital appreciation with some consideration for current income. Investments are primarily in equity securities and other asset classes with growth as the primary objective. Fixed Income securities are utilized for risk control. Real assets (real estate and commodities) are utilized for diversification. This objective can be considered for investors with above-average risk tolerances for principal volatility and intermediate to longer-term time horizons. Alternative investments (hedge funds and private equity) may be utilized to improve the return/risk relationship of the portfolio. Client suitability, liquidity needs, investment minimum requirements, and investor qualifications will be considered before investing in alternative investments.

Investment Horizon

Your investment horizon is 11 years or more.

Investment horizon means the amount of time before you anticipate liquidating all, or a significant portion of portfolio assets. We use the investment time horizon as one of several factors in determining the assets selected for your portfolio. In general, a portfolio designed for a longer term horizon may hold more assets that are not easily converted to cash, which could impact your ability to liquidate or transfer assets if your circumstances should change.

Tax Sensitivity

Some investments in the Account may generate unrelated business taxable income ("UBTI"). The receipt of UBTI can have adverse tax consequences for certain types of tax-exempt entities. The Investment Professional will not knowingly invest in assets that generate more than a de minimus amount of UBTI.

Client is strongly urged to consult with Client's own legal advisors regarding the types of investments to be made in this account to determine the U.S. tax consequences of such investments.

If applicable, external money managers utilized by the Bank will manage client assets in accordance with previously disclosed investment styles. The money managers will not alter their investment selections or their investment style to take into consideration the U.S. Federal or State tax consequences of such investments to non-resident alien clients, which may result in an account being subject to certain U.S. Federal or State taxes and/or reporting.

Risk Tolerance

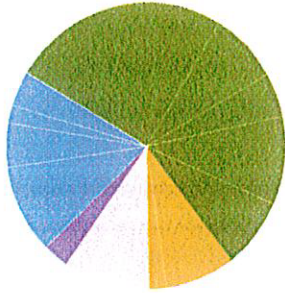
You have indicated a Moderate risk tolerance.

Moderate

The risk tolerance is the amount of market correction you can tolerate without making an emotional decision to sell. Moderate investors seek a balance between capital appreciation and stability.

Asset Allocation Strategy

After consideration of your investment objective, risk tolerance, liquidity requirements and other portfolio specifications, the asset allocation will be:



ASSET CLASS	VALUE	PERCENTAGE
Cash & Equivalents	\$30,022.14	3.00%
Cash & Equivalents		3.00%
Fixed Income	\$210,154.99	21.00%
U.S. Investment Grade		10.00%
Preferred Stock		0.00%
High Yield Debt		5.00%
Int'l Developed Mkts Debt		2.00%
Int'l Emerging Mkts Debt		4.00%
Equity	\$560,413.30	56.00%
U.S. Large Cap		25.00%
U.S. Mid Cap		8.00%
U.S. Small Cap		5.00%
Int'l Developed Markets Equity		10.00%
Int'l Emerging Markets Equity		8.00%
Int'l Frontier Markets Equity		0.00%
Real Assets	\$100,073.80	10.00%
Global Public REITS		8.00%
Master Limited Partnerships		0.00%
Private Real Estate		0.00%
Commodities		2.00%
Alternative Investments	\$100,073.80	10.00%
Hedge - Relative Value		2.00%
Hedge - Macro		2.00%
Hedge - Event Driven		3.00%
Hedge - Equity Hedge		3.00%
Private Equity		0.00%
Other	\$0.00	0.00%
Other - Unclassified		0.00%
Total Investable Assets	\$1,000,738.03	100.00%

In establishing the percentage allocations above, Wells Fargo has determined a target exposure for each asset class based on the needs, objectives and risk tolerance of the client. The portfolio may be managed +/- 10% to the targets shown to allow for market fluctuations, opportunistic rebalancing based on our tactical outlooks and client preferences. Out-of-balance portfolios will be rebalanced back to the targets, depending on market factors, tactical outlooks, client circumstances and other considerations. Sub asset classes may be added or removed from the approved asset class structure from time to time. Additional information is available upon request.

At a minimum, the Plan's assets, governed by this policy, shall be reviewed annually, and trading costs shall be considered if cash flow is insufficient to effect the rebalancing. The allocation does not involve market timing and is intended to represent a diversified approach to investing based upon the investment time horizon.

Specialty Assets

There are no Specialty Assets, including real estate, closely held business, mineral interests, loans and notes as part of the Portfolio.

Investment Vehicles

Each asset class may include individual securities, separately managed accounts, mutual funds, ETFs and other investment vehicles.

Timing of Initial Allocation

You have indicated a desire to have the Wells Fargo Investment Professional fully allocate the portfolio represented in this plan toward the recommended asset allocation within the next 6 months.

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Liquidity and Distribution Requirements

You have not indicated a need for regular distributions from the assets under this Investment Policy Statement; therefore the investment decisions may not be designed to ensure immediate liquidity. If your needs change significantly please notify Wells Fargo.

Performance Evaluation or Monitoring

1. Performance of the Portfolio will be monitored, and measured no less than on an annual basis. Performance will be measured against the appropriate benchmarks as determined by Wells Fargo.
2. In addition, the following qualitative standards will be a basis for measurement when Mutual Funds and Separate Account Managers are selected:
 - a) The Manager's adherence to any unique client specific requirements
 - b) The Manager's consistency in the application of its own investment philosophy
 - c) The Manager's risk control management versus the Portfolio's tolerance for risk

Special Circumstances

You have not indicated a need for special consideration and, as such, does not require separate handling.

Restrictions

You have not indicated any investment restrictions.

Additional Client Information

No additional information provided.

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Signature Page

I/We, the Client(s) or the undersigned person(s) delegated with Investment Authority for the assets under this Investment Policy Statement, accept the above description and direction of investment objectives.

By: DAN D'ALAIRO
Client or Delegate Name

[Signature]
Client or Delegate Signature

Date: 9/22/16

By: William M. AREZZO TREAS
Client or Delegate Name

[Signature]
Client or Delegate Signature

Date: 9/22/16

The Bank acknowledges the Investment Policy as outlined herein and agrees to monitor and/or restructure the objectives of this policy as deemed necessary on an ongoing basis.

By: _____
Authorized Individual Name

Authorized Individual Signature

Date: _____

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Disclosures

Wells Fargo Wealth Management provides products and services through Wells Fargo Bank, N.A. and its various affiliates and subsidiaries.

Wells Fargo & Company and its affiliates do not provide legal advice. Please consult your legal advisors to determine how this information may apply to your own situation. Whether any planned tax result is realized by you depend on the specific facts of your own situation at the time your taxes are prepared.

To help us assess your investment needs, we have developed risk tolerance categories. Your risk tolerance level, as stated above, will provide guidance regarding the types of investment vehicles that may be appropriate for you. As circumstances change, your risk tolerance should be reviewed and adjusted as needed.

This investment policy statement is meant to be updated from time to time as changes occur in your life, your needs, and your goals. It is imperative to review and revise your investment policy statement regularly to keep pace with changes in the tax laws, economic conditions, and other impacting circumstances. If you fail to review your investment policy statement on a regular basis and contact us to adjust it as necessary, your actual financial outcome could differ dramatically from those of a strategy more suited to your needs.

All investing involves risks of fluctuating prices and the uncertainties of rates of return and yield inherent in investing. Foreign Investing does pose special risks including currency fluctuation, economic and political risks not found in investments that are solely domestic. Emerging Market stocks may be especially volatile. Investing in stocks of Small- and Mid- Sized Companies may entail greater volatility and less liquidity than larger companies. Concentration of investments in one or more real estate industries, may subject funds to greater volatility than a portfolio which is less concentrated. Price volatility, liquidity and other risks accompany investments in Global Real Estate Equities. Risks of REIT's are similar to those associated with direct ownership of Real Estate, such as changes in real estate values and property taxes, interest rates, cash flow of underlying real estate assets, supply and demand, and the management skill and credit worthiness of the issuer. Some funds may use derivatives, such as options and futures, which can be illiquid, may disproportionately increase losses and have a potentially large impact on fund performance.

Fixed income securities are subject to availability and market fluctuation. Certain high-yield/high-risk bonds carry particular market risks and may experience greater volatility in market value than investment-grade corporate bonds. Government bonds and Treasury bills are guaranteed by the U.S. government and, if held to maturity, offer a fixed rate of return and fixed principal value. Interest from certain municipal bonds may be subject to state and/or local taxes and in some instances, the alternative minimum tax.

Relative to broad, long-only traditional asset class mutual funds, alternative mutual funds may employ more complex strategies, investments, and portfolio structures. In doing so, some of these strategies may expose investors to additional risks, including but not limited to the following: short selling, leverage risk, counterparty risk, liquidity risk, commodity price volatility risk, and/or managed futures roll yield risk.

Some alternative investments may be available to pre-qualified investors only. Hedge strategies and private investments may be speculative and involve a high degree of risk. Hedge strategies and private investment performance can be volatile. An investor could lose all or a substantial amount of his or her investment. There is no secondary market for the investor's interest in a hedge fund or private equity investment and none is expected to develop. There may be restrictions on transferring interests in a hedge fund or private equity investment.

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