

**Texas Speleological Association  
Foundation Agreement**

This Agreement, made this 24th day of February, 1996, by and between the Texas Speleological Association, a Texas nonprofit organization (the "Foundation"), and the National Speleological Society 1994 Convention Committee (the "Donor") and Texas Cave Management Association, a Texas nonprofit corporation (the "Trustee.")

Witnesseth:

Whereas, the Donor and Trustee desire to contribute \$500 to the Foundation; and

Whereas, the Foundation desires to accept the monetary amount from the Donor and Trustee to establish with such amount a permanent endowment fund to expend and distribute the principal and income from such fund as provided in this Agreement;

Now, therefore, in consideration of the mutual premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Purpose. The Donor and Trustee hereby agree to give to the Foundation a \$500 honorarium from the Society through its 1994 Convention Committee, which honorarium was held in trust by the TCMA when the convention committee wound up its affairs.

2. Nature of Fund. The Foundation agrees to accept the gift to be made by the Donor and Trustee as set forth in Paragraph 1 and to use the monetary amount of the gift to establish and maintain a permanent endowment fund (the "Fund"), which Fund the Foundation shall maintain and administer pursuant to this Agreement as an identifiable and separate fund. The amount of the gift shall constitute the principal of the Fund.

3. Name of Fund. The Fund shall be named the "Texas Speleological Association (TSA) Endowment Fund."

4. Investment of Fund. The Foundation shall invest the Fund within its discretion in a manner which will emphasize high yield consistent with prudent investment as determined by the Foundation. The Foundation makes no guarantee regarding the investment of the Fund and the Foundation shall not be liable to the Donor and Trustee, or to any other individual or entity, for losses realized by the Fund from any such investment.

5. Expenditure Guidelines. The Foundation shall expend only the interest of the Fund for Foundation operational purposes: To obtain a permanent Texas Cavers Reunion and TSA meeting site and further the goals of cave conservation. The Foundation shall not expend the principal of the Fund.

6. Pool. The Foundation may, in its discretion, augment the Fund with contributions to be expended for operational purposes and pool the assets of the Fund for investment purposes with any other funds maintained by the Foundation or managed by an investment advisor, if any, appointed by the Foundation.

7. Books and Records. The Foundation shall at all times maintain accurate books of account recording the investments of the Fund and all income and distributions of income from the Fund. If an investment advisor is appointed by the Foundation to invest all or any portion of the Fund, the Foundation shall require a detailed accounting from such advisor no less frequently than quarterly. All books, records and reports maintained or received by the Foundation with respect to the Fund shall be open to inspection by the Donor during normal business hours.

8. Termination of the Foundation. If for any reason the Foundation is terminated or its assets are distributed generally, the assets of the Fund shall be transferred by the Foundation to any other cave conservation organization or organizations located in Bexar, Dallas or Travis counties, Texas that are exempt from Federal income tax.

9. Powers. The Foundation shall have, without reservation, all powers, express or implied, necessary and appropriate to administer this Agreement pursuant to its terms.

10. Amendments. This Agreement may be amended at any time and from time to time by a written instrument duly executed by the Foundation and a representative of the Donor and/or Trustee.

11. Total Agreement. This Agreement constitutes the total agreement between the Donor and the Foundation.

In Witness Whereof, the Foundation, the Donor and Trustee, acting by and through their duly authorized officers, have each executed this Agreement as of the day and year first above written.

Texas Speleological Association

S/by: Officers

FOUNDATION

National Speleological Society 1994 Convention Committee  
Texas Cave Management Association

S/by: Treasurer

DONOR AND TRUSTEE