

BYLAWS  
OF  
THE MAINE MARITIME ACADEMY ALUMNI ASSOCIATION, INC.

ARTICLE I

**Name, Principal Office, Corporate Seal**

Section 1. Name. The name shall be ~~THE~~ MAINE MARITIME ACADEMY ALUMNI ASSOCIATION, INC. (Hereafter referred to as the “MMA Alumni Association” or “MMAAA”.)

Section 2. Principal Office. The location and Principal Office of the MMA Alumni Association shall be in the Town of Castine, but the MMA Alumni Association may also maintain other offices in such places, either within or without the State of Maine, as the Board of Directors may designate or as the business of the Association may require from time to time.

Section 3. Registered Office. The Registered Office of the MMA Alumni Association in the State of Maine may (but need not) be the same as the Principal Office.

Section 4. Corporate Seal. The Corporate Seal of the MMA Alumni Association shall have inscribed thereon the Name of the Association, the year of its organization and the word “Maine”.

ARTICLE II

**Purpose**

Section 1. Purposes. The MMA Alumni Association is a non-profit organization, organized and existing pursuant to the “Non-Profit Corporation Act”, Title 13-B M.R.S.A., and the Internal Revenue Code Sec. 501 (c) (3) of the Internal Revenue Code of 1954. The purposes of the Association shall be: A) to assure the permanence of the Maine Maritime Academy (hereafter referred to as the “Maine Maritime Academy” or “Academy”); B) to furnish financial support to the Maine Maritime Academy, its graduates, and undergraduates; C) to assist, by united efforts, in advancing the welfare of the Maine Maritime Academy for men and women desirous of entering upon seafaring careers as officers in the United States Merchant Marine, the Armed Forces of the United States, marine sciences, logistics, technical or managerial operations and other fields related to their education and training; D) to uphold and foster high standards for graduates of the Maine Maritime Academy; E) to cement relations among the graduates by creating and preserving a feeling of fellowship and a means to perpetuate common

memories; F) and to work with other maritime academies and their alumni associations in the common cause to perpetuate the growth and future of the U.S. Merchant Marine.

Section 2. Statement of Intent. The MMA Alumni Association is an independent alumni association that maintains close ties with the Maine Maritime Academy.

### ARTICLE III

#### **Membership**

Section 1. Types of Membership. Membership in the Maine Maritime Academy Alumni MMA Alumni Association, Inc. shall consist of voting and non-voting members.

(a) Voting Members:

All Graduates of the Maine Maritime Academy are Members of the Association and are entitled to hold office.

(b) Non-voting Members

(i) Honorary Membership may be conferred on eminent individuals who have distinguished themselves in affairs beneficial to the aspirations of the Academy, only by unanimous vote of the Board of Directors of the MMA Alumni Association. Honorary Members shall have all the privileges of membership except the right to vote and to hold office.

(ii) Associate Memberships: Individuals who have manifested a strong, helpful, constructive interest in the Academy and its' graduates, or in the ideals and aspirations of the MMA Alumni Association, may be admitted to membership as associates by the 2/3 vote of the Board of Directors of the MMA Alumni Association. Associate Members will have all the privileges of membership except the right to vote and to hold office

Section 2. Expulsion. Any Member may be ~~dropped~~expelled from membership by a 2/3 vote by the Board of Directors of the MMA Alumni Association after a ten (10) day written notice has been sent to the Member in question and to all Members of the Board of Directors. The Member being considered for expulsion shall have the right and is entitled to appear at the meeting to be heard and to express any reason he or she may have to show why he or she should not be expelled from membership.

Section 3. Dues. Dues for Members may be fixed from time to time at such amounts as the Board of Directors may determine. Contributions to the MMA Alumni Association may be made in lieu of dues.

## ARTICLE IV

### Officers

Section 1. Officers. The Officers of the MMA Alumni Association shall consist of a President, a Vice President, a Treasurer, a Registered Agent (Clerk), and such other officers and assistant officers and agents as may be deemed necessary by the Board of Directors. The Officers shall be elected at each election by the membership and shall serve until their successors are elected. The President and Vice President may not serve more than two (2) two-year consecutive terms in the same office.

Section 2. Nominating Committee. The President, with the approval of the Board of Directors, will name three (3) Members to comprise a Nominating Committee for the purpose of nominating the Board of Directors and Officers. The Nominating Committee will present a slate of candidates for consideration as Officers and Board of Directors to the alumni at each election. No more than three (3) graduates from each class may be nominated for election to the Board of Directors at any time.

Section 3. President. The President shall be the principal executive ~~Offieer-officer~~ of the MMA Alumni Association. The President shall, when present, preside at all meetings of the MMA Alumni Association. The President may appoint standing or ad hoc committees, as necessary, to fulfill the objectives of the MMA Alumni Association, and the President shall be a member, ex officio, of all committees except the nominating committee. The President shall also perform such duties as are provided by these ~~Bylaws,~~ ~~and Bylaws and~~ shall be responsible for the conduct of the MMA Alumni Association.

Section 4. Vice President. In the absence or disability of the President, the Vice President shall perform the duties and exercise the powers of the President. The Vice President shall perform other duties as these Bylaws may require or as the Board of Directors or the President may prescribe.

Section 5. Treasurer. The Treasurer shall be the financial Officer of the MMA Alumni Association, and shall have the custody of the corporate funds and securities. The Treasurer shall deposit such funds in the name of the MMA Alumni Association in such depositories as may be designated by the Board of Directors. The treasurer shall disburse the funds of the Association as directed by the Board of Directors and the Treasurer shall keep records of account showing accurately at all times the financial condition of the MMA Alumni Association, and shall perform such other duties as these Bylaws require or the Board of Directors may prescribe.

Section 6. Registered Agent, (Clerk). The Registered Agent shall be a resident of the State of Maine, shall tend and keep the record of all meetings of the general membership

and shall discharge all other duties required of the Registered Agent by the laws of the State of Maine or by the Board of Directors. The Registered Agent shall act as the Agent of the Association in the State of Maine upon whom service of process against the MMA Alumni Association may be served. In the absence of the Director of Alumni Affairs, the Registered Agent may keep records of meetings of the Board of Directors.

## ARTICLE V

### Meetings

Section 1. (a) Annual Meeting. The Annual Meeting of the MMA Alumni Association shall be held at a place within the State of Maine, the date and time to be determined by the Board of Directors, for the purpose of electing Directors and Officers, receiving reports of funds and progress and for the transaction of other business as may come before the meeting. At least sixty (60) days notice shall be given to the members. In order to save time and expense, and relying on the efficiency and reliability of the internet, the MMA Alumni Association has the authority to post all notices of meetings, elections, and their purpose by email/internet.

(b) Elections. Elections by voting will be conducted by ballot every two years, which will be mailed, or emailed as stated above, to Members sixty (60) days prior to the Annual Meeting.

Section 2. (a) Special Meetings. Special Meetings of the Board of Directors, the Officers, or the general membership of the MMA Alumni Association shall be held whenever the President, or a majority of the Board of Directors calls such a meeting.

(b) Notice of Meeting. Notices by way of written notice or email ~~as above stated~~ stating the time, place, day and hour of the meeting, the purpose or purposes for which the meeting is called shall be delivered not less than five nor more than thirty (30) days before the date of the meeting to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed delivered when deposited with postage prepaid in the United States mail addressed to the member at his address as it appears on the membership books of the MMA Alumni Association.

Section 3. Annual Meeting of the Board of Directors. The Annual Meeting of the Board of Directors shall be held without other notice than this Bylaw, immediately after, and at the same place as the Annual Meeting of the MMA Alumni Association.

Section 4. Quorum. A majority of the number of Directors, including at least two Officers, shall constitute a Quorum for the transaction of business. Any Director who is unable to attend a meeting in person shall have the authority to appear by telephone or

videoconferencing to facilitate the MMA Alumni Association's ability to attain a Quorum to conduct the business of the MMA Alumni Association. Less than a Quorum may, however, adjourn the meeting to a stated time and place without further notice. The act of the majority of the Directors present at a meeting, at which a Quorum is present, shall be the act of the Board of Directors.

## ARTICLE VI

### **Board of Directors**

Section 1. Number and Qualifications. The Board of Directors shall consist of eighteen (18) voting members. Sixteen Directors need not be residents of the State of Maine, but must be graduates of the Maine Maritime Academy. The remaining two Directors shall be enrolled students of Maine Maritime Academy. Board of Director membership shall include the President, Vice President, Treasurer, and Clerk during their term in office.

Section 2. Past President. The immediate Past President shall be a non-voting member of the Board of Directors.

Section 3. Election. (a) Six Directors shall be elected at each election and each Director shall hold office for the term of four years from the date of the Annual Meeting of the MMA Alumni Association and until his/her successor have been elected and qualified.

(b) Student Directors shall be appointed to the Board of Directors after applications have been reviewed. Positions will be filled by one junior and one senior class representative. Student Directors will be appointed beginning their junior year for a 2-year term.

Section 4. Vacancies. Any Vacancy occurring in the Board of Directors shall be filled for the unexpired term by the vote of the Board of Directors.

Section 5. Compensation of Directors. Directors, as such, shall not receive any stated salary for their services, but by resolution of the Board of Directors, a fixed sum and expense of attendance may be allowed for attendance at any meeting of the Board of Directors. Any Director may serve the MMA Alumni Association in any other capacity and receive compensation or reimbursement as such.

Section 6. Powers and Duties. The policies of the MMA Alumni Association shall be set by the Board of Directors. The management of the property, the disbursement of funds, and affairs of the MMA Alumni Association shall be vested in the Board of Directors. The Directors, upon election, shall immediately enter upon the performance of their duties, and shall continue in office until their successors have been duly elected.

Section 7. Proxies. The Members of the Board of Directors may, in their absence, vote by proxy. All Proxies shall be confirmed in writing or email to the Registered Agent (Clerk) and recorded by the Director of Alumni Affairs Relations, or designee at least one calendar day prior to the next Board of Directors meeting. No Member shall hold more than one (1) proxy vote.

Section 8. Expulsion. Any Member of the Board of Directors may be dropped from membership the Board of Directors by a 2/3 vote by the Board of Directors of the MMA Alumni Association after a ten day written notice has been sent to the Member in question and to all Members of the Board of Directors. The Member being considered for expulsion shall have the right and is entitled to appear at the meeting to be heard and to express any reason he or she may have to show why he or she should not be expelled from membership.

## ARTICLE VII

### **Director of Alumni ~~Affairs~~ Relations**

Section 1. Director of Alumni ~~Affairs~~ Relations. The day--to--day business of the MMA Alumni Association will be managed by a Director of Alumni ~~Affairs~~ Relations. The Director of Alumni ~~Affairs~~ Relations appointed by Maine Maritime Academy shall be appointed~~endorsed~~ by the Board of Directors, ~~and serve at the pleasure of the Board of Directors.~~ The Director of Alumni ~~Affairs~~ Relations shall attend meetings of the Board of Directors and shall keep, or cause to be kept in a book provided for that purpose, a true and complete record of the proceedings of such meetings. The Director of Alumni ~~Affairs~~ Relations shall attend to the giving and serving of all notices of the MMA Alumni Association, and shall perform other such duties as these Bylaws may require or as the Board of Directors may prescribe.

## ARTICLE VIII

### **Finances**

Section 1. Fiscal Year. Fiscal year of the MMA Alumni Association shall be the same as the Academy.

## ARTICLE IX

### **Standard of Conduct of Officers and Directors**

Section 1. No person shall be liable to the MMA Alumni Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by an individual as a Director or Officer of the MMA Alumni Association in good faith, if such

person (i) exercised or used the same degree of care and skill as a prudent person would have exercised or used under the circumstances in the conduct of one's own affairs, or (ii) took, or omitted to take, such action in reliance upon under the circumstances in the conduct of the individual's own affairs, or (iii) took, or omitted to take, such action in reliance upon counsel for the MMA Alumni Association, or upon statements made or information furnished by Officers, Directors, or Members of the MMA Alumni Association which one had reasonable grounds to believe to be true, or upon a financial statement of the MMA Alumni Association prepared by an Officer, Director, -or Member of the MMA Alumni Association in charge of its accounts or certified by a public accountant or firm of public accountants.

## ARTICLE X

### **Indemnification of Directors and Officers**

Section 1. To the extent permitted by the laws of the State of Maine as they may now or hereafter exist, the MMA Alumni Association shall indemnify an Officer or any of the Officers and Directors of the MMA Alumni Association from and against all expenses actually and necessarily incurred by them in connection with the defense of any action in which such Director or Officer by virtue of his/her office is made a party except that, in any action by or in the right of the MMA Alumni Association, if such Officer or Director is finally adjudged liable for negligence or misconduct in the performance of his/her duties to the MMA Alumni Association, he/she shall not be so indemnified unless the court in which the action is brought shall determine in view of all the circumstances that such person is fairly and reasonably entitled to indemnify for such expenses.

Section 2. No transaction in which a Director or Officer has a personal or adverse interest (as that term is defined in title 13-B of the Maine Revised Statutes Annotated), shall be void or voidable solely for this reason, because the Director or Officer is present at, or participates in, the meeting of the Board of Directors or committee thereof which approves such transaction, or because his/her vote is counted if;

- (a) The material facts as to his/her interest and as to the transaction are disclosed or are known to the Board of Directors or the committee, and are noted in the minutes, and the Board of Directors or committee authorizes, approves, or ratifies the transaction by a vote sufficient for such purposes without counting the vote of the interested Directors even though the disinterested Directors be less than a Quorum or,
- (b) Although the requirements of subparagraph (a) have not been satisfied, the transaction is fair and equitable as to the MMA Alumni Association at the time it is authorized or approved, and the party asserting the fairness of the transaction establishes fairness.

Common or interested Directors may always be counted in determining the presence of a Quorum at a meeting of the Board of Directors or of a committee which authorizes, approves or ratifies a transaction.

## ARTICLE XI

### ~~Local~~ Alumni Chapters

Section 1. Organizations. ~~Local~~ Alumni Chapters (Hereafter referred to as “~~Local~~ Chapters”) may be organized upon written application to the Director of Alumni ~~Affairs~~Relations, signed by not less than ten (10) Alumni ~~residents in any locality~~. They shall be entitled to recognition upon the approval of the Board of Directors of the MMA Alumni Association and a written agreement to conform to the purposes of the Association, as stated in Article II.

Section 2. Membership. Any Member of the Association shall be considered eligible for membership in a ~~Local~~ Chapter. Voting members will also include student directors included under Article VI, Section 3b.

Section 3. Meetings. Each ~~Local~~ Chapter shall meet at least ~~once~~twice annually.

Section 4. Recognition. The Board of Directors of the MMA Alumni Association is not required in all circumstances to recognize ~~local~~ Chapter charters.

Section 5. Separate Entity. Although recognized as a ~~local~~ chapter of the MMA Alumni Association, the MMA Alumni Association cannot control the ~~local~~ chapter’s elections, management and/or operations. Thus, although recognized, ~~local~~ chapters are considered separate, independent and distinct entities. If a ~~local~~ chapter wishes to operate as its own independent ~~non-profit~~nonprofit entity with any entitlements under any government rules or regulations it may do so but is not considered in any measure whatsoever a ~~non-profit~~nonprofit entity under the MMA Alumni Association’s entitlements, if any.

## Article XII

### Official Publication

Section 1. Official Publication. The Mariner shall be the Official Publication of the MMA Alumni Association.

## ARTICLE XIII

### Parliamentary Authority

Section 1. Parliamentary Authority. The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these Bylaws.

#### ARTICLE XIV

##### **Amendments**

Section 1. Amendments. These Bylaws may be amended by a two-thirds vote of the Members present and voting at the Annual Meeting of the MMA Alumni Association. Notice of the proposed Amendments shall have been provided to all members in accordance with these Bylaws at least sixty (60) days prior to the date of the Annual Meeting.

#### ARTICLE XV

##### **Contributions, Donations and Gifts**

Section 1. Contributions, Donations and Gifts. Any Contributions, Donations or Gifts received by the MMA Alumni Association which are not dues or annual giving or specifically dedicated to another fund may be deposited by the Treasurer of the MMA Alumni Association in any fund as approved by the Board of Directors.

Section 2. General Fund. The Association shall establish and maintain a General Fund. It's intended purpose it to serve as a repository of funds necessary to cover any event unfunded by the Academy, such as for political events, or any other purpose where access to funds by the MMA Alumni Association are necessary to carry out the intended Purpose of the Association. Contributions, Donations and Gifts that are not initially designated to a specific fund or purpose may otherwise be deposited into the General Fund until such time that the Board of Directors determines otherwise.

Section3. Income. Income generated by the General Fund may be granted to Academy undergraduates for tuition, aid, room and board or other student fees or other uses of the Academy.

Section 4. Awarding of the Grant. The Grant to a student shall be at the sole discretion of the Board of Directors of the Association. The Director of Alumni Affairs after consultation with the Finance Office of the Academy shall make recommendations to the Board of Directors of the MMA Alumni Association at least annually.

Section 5. Award Criteria. In recommending the Grant to a student, the Director of Alumni Affairs shall consider the financial status and needs of the student and his or her academic standing in his or her class.

Section 6. Other Funds. Other Funds that the MMA Alumni Association has established, except the daily working checking account, are designated Endowment Funds. The interest generated from these Funds shall be reported by the Treasurer of the MMA Alumni Association and may be used for the stated purposes of these Bylaws.

Section 7. Standards and Rules for Acceptance of Contributions, Donations and Gifts. The Board of Directors of the Association is authorized to establish standards and rules for acceptance of Contributions, Donations and Gifts to the MMA Alumni Association.

Section 8. Administration of Funds. The Treasurer of the MMA Alumni Association shall administer Funds and may commingle the principle amounts of Funds with other Funds of the Association. The Treasurer shall keep a separate accounting ledger for these Funds. The Treasurer shall report to the Board of Directors the dollar amount above and beyond the initial established principal(s) of these funds available each year for Grants, as a part of a financial annual report. The Board of Directors may grant all of these available Funds for the stated purposes but not less than one half of such Funds.

~~Section 9. Discretionary Spending. Majority vote for expenditures. Expense limits. Monetary cap for day to day expenses. Define day to day expenses and make exceptions.~~

## ARTICLE XVI **Attachments**

Section 1. Attachments. Attachments to these Bylaws are to memorialize certain transactions, funds, policies or other such instruments necessary to carry out and administer the intent of these Bylaws. Such Attachments and/or exhibits shall be modified from time to time by the Board of Directors as necessary in keeping with the intent of the Bylaws.

**BYLAWS**  
**OF THE**  
**MAINE MARITIME ACADEMY ALUMNI ASSOCIATION**

**ATTACHMENTS**  
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1. Endowments and Scholarship Funds
2. ~~Local~~ Chapters - Autonomy
3. Association Investment Policy

## **ATTACHMENT 1** **Endowments and Scholarship Funds**

A: **Golden Endowment Fund:** In 1981, the Association established a permanent endowment fund which has become the Golden Endowment Fund. The principle of this fund (\$99,000.00) shall remain invested and the interest shall be used in granting of scholarship and for awards. The liquidation or disestablishment of this endowment may be made by a two-thirds vote of the Alumni Association at an annual meeting.

B: **The Jean A. Wark Fund:** The will of Jean A. Wark granted to the Alumni Association in 1978, \$6,000 to establish a Jean A. Wark Student Loan Fund. Gifts may be made from interest only. If any part of the original principle is advanced to a student, it will have to be by loan.

C: **The Maine Maritime Academy Alumni Association Scholarship Fund:** A permanently endowed trust fund established by a generous gift from the Maine Maritime Academy Alumni Association to Maine Maritime Academy during the capital campaign, "On Course for Greatness" in 1990; said fund to be used to provide scholarship assistance to deserving students in accordance with the Academy's program of financial aid to students.

*The administration and reporting of this Endowment Fund is the responsibility of Maine Maritime Academy in accordance with its established criteria.*

D: **The General Fund:** A Fund established by the Association for the benefit of the Association as needed. Such Fund shall be used at the discretion of the Board of Directors to carry out the intended Purpose of the Association.

E: **The MMA - Bangor Seadogs Alumni Chapter Scholarship Fund:** A scholarship fund established by the Bangor Seadogs Chapter of the Maine Maritime Alumni Association in 2006 and administered by the Alumni Association beginning in 2015. The principal (\$30,000) of the fund shall remain invested and the interest / earnings shall be used in granting of scholarships per the criteria established by the Bangor Seadogs Chapter. The liquidation or disestablishment of this scholarship fund may be made by a two-thirds vote of the Alumni Association at the annual meeting.

The Bangor Seadogs scholarship criteria for awards is as follows: Student must have completed the sophomore year, a Maine resident and Regimental member from within 100 mile radius of Bangor, with a 3.20 GPA and a financial need. The individual shall also exhibit leadership capabilities and be active in extra circular activities.

### **ATTACHMENT REVISIONS:**

1. Aug. 24, 2021 – Item B: removal of word "endowment" from name of fund

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September 17, 2022

2. Aug. 24, 2021 – Item D: removal of word “endowment” from name of fund
3. Aug. 24, 2021 – Item E: removal of phrase “permanently endowed” from fund description

**ATTACHMENT 2**  
**~~Local~~ Chapters – Autonomy**

Recognized ~~local~~ chapters, by simply receiving these Bylaws and attachments, by regular mail, hand delivery, telefax, and/or email, hereby acknowledges notice that although recognized as a ~~local~~ chapter, ~~local~~ chapters of the Maine Maritime Academy Alumni Association control their own elections, management, and operations.

Thus, ~~Local~~ Chapters are independent, separate and distinct entities from the Maine Maritime Academy Alumni Association. ~~Local~~ Chapters within their own discretion should maintain their own liability / property insurance and seek entitlement under any government nonprofit rules and regulations.

## **ATTACHMENT 3**

### **Maine Maritime Academy – Alumni Association Investment Policy**

#### **Investment Policy**

##### **1. Purpose**

1.1 The primary purpose of all the Endowment Funds (hereafter endowment) is to support the needs of the MMA Alumni Association. This includes, but is not limited to, the needs of operations, facilities, programs, outreach, scholarships, or other such needs as determined by the Board of Directors. The secondary purpose is to increase the value of the fund's investments.

##### **2. Philosophy**

2.1 The Endowment should be managed by The Alumni Association Board of Directors through the Treasurer and Director of Alumni Affairs on a total return basis under the assumption that it will persist in perpetuity. Future generations should benefit from the endowment at the same level as the current generation. .

2.2 Because of the volatility of the marketplace, a policy that seeks to maintain purchasing power should be maintained. It is expected that there will be years when the income distribution from the Endowment will be less than the total return realized by the Endowment and that in such years the excess income will be retained. Distributions from the Endowment will be governed and recommended by the Treasurer and Director of Alumni Affairs and adopted by the Association's Board of Directors.

##### **3. Investment Objective**

3.1 The maximum annual income distribution from the Endowment will be 5% of the average fair market value of the Endowment for any year period ending each June 30<sup>th</sup>. If the maximum distribution is not required, the excess will be retained and reinvested.

3.2 The long-term growth objective is that, after distribution, the Endowment will appreciate at a rate equal to or greater than the rate of inflation as determined by the Consumer Price Index each June 30<sup>th</sup>.

3.3 The secondary investment objective of the Endowment is to achieve annualized total rates of return that compare favorably to appropriate benchmarks including the S&P 500 Index, the International Government/Corporate Bond Index, The Russell 2000, etc.

#### **4. Statement of Responsibilities and Asset Manager Standards**

4.1 Board of Directors –Their responsibilities include establishing policy for the Alumni Association Endowment and the management of the Endowment funds. Contracts may be established with independent investment managers, banks, trust companies, insurance companies or mutual funds for the purpose of investment or reinvestment of these funds. The Endowment is to be managed with care, skill, prudence and diligence that a prudent person familiar with such matters would use. Exercising ordinary business care and prudence, Directors shall consider long-term and short-term needs of the Endowments, its present and anticipated financial requirements, expected total return on investments, price-level trends, and general economic conditions.

4.2 Treasurer & Director of Alumni Affairs – These individuals are tasked with close liaison with the Investment Consultant/Asset Manager and to pass on to the Alumni President and Board of Directors recommendations to be voted on and to forward documents to the Associations auditing firm, as deemed necessary.

4.3 Investment Consultant/Asset Manager – Responsibilities include, but are not limited to, providing the Association with strategic investment management counsel, custody of securities, cash flow management and execution of trades, assisting with the most efficient way of receiving gifts of securities or funds into the Endowment. Counseling functions include guidance as to the establishment and refinement of objectives and policies, the selection and monitoring of the asset manager(s), an investment information resource and trustee education. To perform portfolio management in accordance with the objectives, policies and restrictions stated herein.

#### **5. Asset Allocation**

5.1 To the extent consistent with the objectives, the Board of Directors with the Portfolio Manager appointed by the committee may alter the asset allocation within the following ranges:

Equity:	40% to 60%
Fixed Income:	up to 60%
Cash Equivalents:	up to 20%

## **6. Investment Constraints**

- 6.1 The frequency and duration of substantial deviations from the Endowment's strategic asset allocation shall be minimized.
- 6.2 The Endowment's equity portfolio shall be broadly diversified across business sectors and industries.
- 6.3 No more than 10% of the total Endowment's market value may be invested in the Security of any one company and its affiliates.
- 6.4 The Endowment's fixed income portfolio shall be diversified with respect to maturities, shall have an average maturity of not less than six months nor more than 10 years, shall include government obligations, and shall exclude securities rated below investment grade by the credit evaluation services of Moody's or Standard and Poor's.
- 6.5 The fixed income securities of any one business firm and its affiliates shall comprise no more than 5% of the Endowment's market value. No more than 10% of the Endowment's market value shall consist of the fixed income securities of any one industry. The debt obligations of the U.S. government and its agencies and corporations are exempted from the foregoing limitations.
- 6.6 No more than 15% of the Endowment's market value shall be invested in the securities of non-U.S. corporations and governments or in non U.S. dollar denominated securities, or in mutual funds invested in such securities. Foreign securities that are not listed on the New York Stock Exchange shall not be held in the Endowment.
- 6.7 Any asset selected for inclusion in the Endowment's portfolio must be readily marketable. Bank certificates of deposit are exempted from this requirement.
- 6.8 The following types of transactions and assets are expressly prohibited:
- Leveraged transactions (i.e. margin purchases)
  - Short sales
  - Option contracts (except covered calls and purchase of puts)
  - Restricted securities
  - Private Placements
  - Direct venture capital investment
  - Non-FDIC insured bank deposits
  - Non-collateralized repurchase agreements
  - Securities lending
  - Hedge Funds
  - Derivatives

## **7. Management**

7.1 A Management review and/or search will be initiated in the event of any of the following:

- Endowment objectives and/or policy provisions are not met.
- Deviation from the minimal manager standards.
- Change of ownership of the investment management firm.
- For valid reasons agreed to by the Directors.

7.2 Investment Consultant/Asset Manager – Will provide for monthly account statements online and will maintain quarterly performance monitoring summaries for presentations to the Directors.

7.3 Investment Consultant/Asset Manager – Will provide investment results and significant developments within the economy or financial markets, which might affect investment strategy, asset allocation and account performance. The Manager will be available to meet with Directors, as requested and at least annually.

7.4 Policy Review – This policy should be reviewed annually and amended as appropriate. If, at any time, the Asset Manager feels this policy should be revised, the Directors shall be so informed.

## **8. Amendment of the Investment Policy Statement**

8.1 This Policy may be amended in whole or in part by a majority vote of the Board of Directors of the Maine Maritime Academy Alumni Association at any duly constituted regular or special meeting.

### **ATTACHMENT REVISIONS:**

4. Nov. 24, 2015 – Item 1.A – added (\$99,000.00)
5. Nov. 24, 2015 – Item 1.E – added new entirely
6. Nov. 24, 2015 – Item 3 – Major revisions & changes to the policy