

ARTICLES OF INCORPORATION

OF

USA-CANADA YOUTH EXCHANGE NETWORK, INC.

I, the undersigned natural person over the age of eighteen (18) years, acting as an incorporator, adopt the following Articles of Incorporation of USA-Canada Youth Exchange Network, Inc.:

ARTICLE 1

NAME

The name of the corporation is USA-Canada Youth Exchange Network, Inc.

ARTICLE 2

NONPROFIT CORPORATION

The Corporation is a nonprofit corporation. When it dissolves, all of its assets will be distributed to the State of Texas or an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) for one or more purposes exempt under the Texas franchise tax.

ARTICLE 3

DURATION

The Corporation will continue in perpetuity.

ARTICLE 4

PURPOSES

The purposes for organizing the Corporation are to perform educational and charitable activities within the meaning of Internal Revenue Code Section 501(c)(3) and Texas Tax Code Section 11.18(c). Specifically, the Corporation is organized to facilitate collaboration among youth

exchange officers in Rotary Districts and Multidistricts in Rotary Zones 22 through 34 in order to promote international goodwill and better understanding through youth exchange.

ARTICLE 5

POWERS

Except as these Articles otherwise provide, the Corporation has all the powers provided in the Texas Non-Profit Corporation Act. Moreover, the Corporation has all implied powers necessary and proper to carry out its express powers. The Corporation may reasonably compensate members, directors, or officers for services rendered to or for the Corporation in furtherance of one or more of its purposes.

ARTICLE 6

RESTRICTIONS AND REQUIREMENTS

The Corporation may not pay dividends or other corporate income to its members, directors, or officers, or otherwise accrue distributable profits, or permit the realization of private gain. The Corporation may not take any action prohibited by the Texas Non-Profit Corporation Act.

The Corporation may not take any action that would be inconsistent with the requirements for a tax exemption under Internal Revenue Code Section 501(c)(3) and related regulations, rulings, and procedures. Nor may it take any action that would be inconsistent with the requirements for receiving tax-deductible charitable contributions under Internal Revenue Code Section 170(c)(2) and related regulations, rulings, and procedures. Regardless of any other provision in these Articles of Incorporation or state law, the Corporation may not:

1. Engage in activities or use its assets in manners that do not further one or more exempt purposes, as set forth in these Articles and defined by the Internal Revenue Code and related regulations, rulings, and procedures, except to an insubstantial degree.

2. Serve a private interest other than one clearly incidental to an overriding public interest.
3. Devote more than an insubstantial part of its activities to attempting to influence legislation by propaganda or otherwise, except as provided by the Internal Revenue Code and related regulations, rulings, and procedures.
4. Participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office. The prohibited activities include publishing or distributing statements and any other direct or indirect campaign activities.
5. Have objectives characterizing it as an "action organization" as defined by the Internal Revenue Code and related regulations, rulings, and procedures.
6. Distribute its assets on dissolution other than for one or more exempt purposes. On dissolution, the Corporation's assets will be distributed to the state government for a public purpose, or to an organization exempt from taxes under Internal Revenue Code Section 501(c)(3) to be used to accomplish the general purposes for which the Corporation was organized.
7. Permit any part of the Corporation's net earnings to inure to the benefit of any private shareholder or member of the Corporation or any private individual.
8. Carry on an unrelated trade or business, except as a secondary purpose related to the Corporation's primary, exempt purposes.

ARTICLE 7

MEMBERSHIP

The Corporation will have one class of members or one or more classes of members as provided in the bylaws.

ARTICLE 8

INITIAL REGISTERED OFFICE AND AGENT

The street address of the corporation's initial registered office is 2703 Bellaire Ct., Arlington, Texas 76013. The name of the initial registered agent at such address is Charlie Prickitt.

ARTICLE 9

MANAGING BODY OF CORPORATION

The management of the corporation is vested in its Board of Directors and such committees of the board that the board may, from time-to-time, establish. The bylaws will provide the qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors. In electing directors, members may not cumulate their votes by giving one candidate as many votes as the number of directors to be elected or by distributing the same number of votes among any number of candidates.

The number of directors constituting the initial Board of Directors is fourteen (14) and the names and addresses of the persons who are to serve as directors until the first annual meeting of the members or until their successors are elected and qualified are:

Rick Russell
4883 S. Citation Dr. #205
Delray Beach, Florida 33445

John Baird
P.O. Box 897
Sioux Lookout, Ontario P8T 1B2
CANADA

Larry Tucker
P.O. Box 128
Scio, Oregon 97374

Bill Sturgeon
1100 Adella Ave., #32
Coronado, California 92118

J. R. Thompson
P.O. Box 430
Rocky Ford, Colorado 81067

Charlie Prickitt
2703 Bellaire Ct.
Arlington, Texas 76013

Paul Hennip
855 Golf Road, Suite 1139
Arlington Heights, Illinois 60005

Jeff Lichty
5854 S. Main Street
Clarkston, Michigan 48346

Irene Kalnins
400 Marion Street
St. Louis, Missouri 63119

Bill Perrine
260 Old Mount Tabor Rd. #18
Lexington, Kentucky 40502

Thomas G. Overbaugh
6061 Waterburg Rd.
Trumansburg, New York 14886

Theodore J. Krisanda
5 Hancock Dr.
Morristown, New Jersey 07960

Alan Gibbons
P.O. Box 489
Manning, South Carolina 29102

Robert A. White
7319 Dover Court
Parkland, Florida 33067

The number of directors may be increased or decreased by adopting or amending bylaws.

The number of directors may not be decreased to fewer than three.

ARTICLE 10

LIMITATION ON LIABILITY OF DIRECTORS

A director is not liable to the Corporation or members for monetary damages for an act or omission in the director's capacity as director except as otherwise provided by a Texas statute.

ARTICLE 11

INDEMNIFICATION

The Corporation may indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation as provided by the provisions of the Texas Non-Profit Corporation Act governing indemnification. As the bylaws provide, the Board of Directors may define the requirements and limitations for the Corporation to indemnify directors, officers, or others related to the Corporation.

ARTICLE 12

CONSTRUCTION

All references in these Articles to statutes, regulations, or other sources of legal authority refer to the authorities cited, or their successors, as they may be amended from time to time.

ARTICLE 13

INCORPORATOR

The name and street address of the incorporator is:

Anthony T. Sortino
14011 Park Drive, Suite 110
Tomball, Texas 77375

ARTICLE 14

ACTION BY WRITTEN CONSENT

Action may be taken by use of signed written consents by the number of members, directors, or committee members whose vote would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted. Each written consent must bear the date of signature of each person signing it. A consent signed by fewer than all of the members, directors, or committee members is not effective to take the intended action unless consents, signed by the required number of persons, are delivered to the Corporation within 60 days after the date of the earliest-dated consent delivered to the Corporation. Delivery must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Corporation's registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent, or an officer or agent having custody of books in which the relevant proceedings are recorded. If delivery is made to the Corporation's principal place of business, the consent must be addressed to the president or principal executive officer.

The Corporation will give prompt notice of the action taken to persons who do not sign consents. If the action requires documents to be filed with the secretary of state, the filed documents will state that the written-consent procedures have been properly followed.

A telegram, telex, cablegram, or similar transmission by a member, director, or committee member, or photographic, facsimile, electronic signature as allowed by Federal law, or similar reproduction of a signed writing is to be regarded as being signed by the member, director, or committee member.

I execute these Articles of Incorporation on _____, 2001.

ANTHONY T. SORTINO