

MEMORANDUM OF AGREEMENT

between

Nautilus Alumni Association, Inc.

and

Dolphin Scholarship Foundation

This Amendment made as of the 20th day of February, 2009 between the Nautilus Alumni Association, Inc., a Connecticut corporation, (hereinafter "NAAI") and the Dolphin Scholarship Foundation, a Virginia Corporation (hereinafter "DSF").

RECITALS

1. DSF is a tax exempt organization, as defined in section 501 (c) (3) of the Internal Revenue Code.

2. DSF maintains and administers a scholarship fund to provide financial assistance to certain of the children and stepchildren of officers and enlisted personnel of the Submarine Force of the United States Navy in order to enable and assist such dependents to pursue a post-secondary education at the undergraduate level.

3. The NAAI is an incorporated association established to perpetuate the permanent place in history of the USS NAUTILUS (SSN 571), to maintain the highest traditions of the United States Navy, and to bring together as many former and present shipmates as possible to perpetuate their memory.

4. The NAAI wishes to establish a scholarship in honor of crewmembers of the USS NAUTILUS (SSN 571) on Eternal Patrol to be administered by DSF.

NOW THEREFORE, it is agreed as follows:

1. The NAAI has donated to DSF the sum of \$8,570.00, the receipt of which is hereby acknowledged, in memory of all USS NAUTILUS (SSN 571) crewmembers and/or shipmates on Eternal Patrol to be invested and administered by DSF as a separate fund to be named the Nautilus Educational Assistance Fund (hereinafter "NEAF").

2. The NEAF will be dedicated by DSF to the provision of scholarships to be known as the "NAUTILUS Scholarships" to be awarded in accordance with the terms herein provided.

3. DSF will administer the NEAF in accordance with the rules and policies of DSF as adopted by the Board of Directors of DSF from time to time except as specifically provided as follows:

a. The NEAF shall be invested by DSF as the DSF Board of Directors shall determine in its sole discretion and consistent with the investment policies of DSF.

b. The amount of the NAUTILUS Scholarship shall be determined by the DSF Board of Directors prior to selection. In general, a NAUTILUS Scholarship equal to the income accrued by the NEAF during the prior twelve month period will be awarded annually to one recipient.

c. The NAUTILUS Scholarship shall be awarded to a spouse, child, grandchild, great grandchild, or stepchild, step grandchild or great step grandchild of a current or former crewmember of the USS NAUTILUS (SSN 571) who has served honorably aboard the USS NAUTILUS for a period of at least thirty (30) days. DSF shall send the names of the applicants to the Secretary of NAAI to verify eligibility.

d. Selection of recipients for the NAUTILUS Scholarship shall be separate from and non-competitive with applicants for the Dolphin Scholarship. Applicants for the NAUTILUS Scholarship who meet all eligibility requirements of the Dolphin Scholarship may also submit applications for the Dolphin Scholarship.

e. With the exception of eligibility restrictions set forth in this section 3, the selection criteria for the NAUTILUS Scholarship shall be the same as for the Dolphin Scholarship.

f. In the event no Nautilus Scholarship is awarded in any year for any reason, any income accrued in such year shall be available to fund the Nautilus Scholarship in future years.

4. In the event DSF receives no applications for the Nautilus Scholarship for three consecutive years, or the Board of Directors of DSF determines, after due investigation, that there are no individuals eligible to receive the Nautilus Scholarship, as verified by the NAAI Secretary, any funds remaining in the NEAF shall cease to be a separate fund and shall continue to be administered as part of the DSF to be distributed as scholarships in accordance with the general DSF scholarship program.

5. All donations to the NEAF shall be sent to DSF by the Treasurer of NAAI (the "NAAI Treasurer"). In the event DSF receives a donation directly from a donor, and such donation is

not first acknowledged or received by the NAAI Treasurer, DSF will notify the NAAI Treasurer regarding the amount and receipt of such donation.

6. Amendments to this agreement shall be in writing and signed by an authorized representative of both parties.

Witness the following signatures by the duly authorized representatives of the parties.

Nautilus Alumni Association, Inc.

Dated: 02/20/09

By: /S/ Ernest F. Holland, Pres. NAAI

Dolphin Scholarship Foundation

Dated: 02/25/09

By: /S/ Charles J. Beers, Jr., Pres DSF