

**RESOLUTION ESTABLISHING
OUR REDEEMER'S LUTHERAN CHURCH TRUST FUND**

Our Redeemer's Lutheran Church, Benson, Minnesota, has a living endowment of faithful members with rich gifts and varied talents.

"As each has received a gift, employ it for another, as good stewards of God's varied grace whoever renders it by the strength which God supplies, in order that in everything God may be glorified." (I Peter 1:10-11)

NOW THEREFORE, in order to establish a Trust Fund, consisting of a Perpetual Fund from which only income can be spent and an Ongoing Ministries Fund from which both principal and income can be used, all to enable the further growth and maintenance of our church, its ministries and stewardship opportunities:

BE IT RESOLVED:

That the membership of Our Redeemer's Lutheran Church establish two separate funds to be known as the " Perpetual Fund," and the "Ongoing Ministries Fund", to receive and administer bequests, estates, insurance, memorials, and other assets. And,

BE IT FURTHER RESOLVED:

That the efforts of Our Redeemer's Lutheran Church in establishing the Funds be dedicated to the Glory of Almighty God And,

BE IT FURTHER RESOLVED:

That the primary purpose of the Perpetual Fund is to enhance the work of the church by establishing new ministries and new stewardship opportunities additional to and apart from the general operation of the congregation except an annual budget to support ongoing ministries may be established by the Trust Fund Board. The purpose of the Ongoing Ministries Fund is to enhance the work of the church by supporting ongoing ministries of the congregation. And,

BE IT FURTHER RESOLVED:

That the Trust Fund Board shall be custodian of the Perpetual Fund and the Ongoing Ministries Fund. And,

BE IT FURTHER RESOLVED:

That while Our Redeemer's Lutheran Church has every intention of using the Trust Fund as set forth in these resolutions, it does recognize that with the passage of time and changing circumstances there may be a time when it is not feasible to utilize the Trust Fund as was intended. Should that situation develop, Our Redeemer's Lutheran Church or its successors in interest shall then be free to make such other use of the income and principal as is consistent with the charitable and religious purposes of Our Redeemer's Lutheran Church, in accordance with provisions of the laws of the State of Minnesota, and preserving the principal of those gifts designated to be perpetual, carrying out the donor's wishes.

BE IT FURTHER RESOLVED:

That the following shall constitute the Bylaws of the Our Redeemer's Lutheran Church Trust Fund Board:

I. THE BOARD

1. The board shall consist of seven (7) members, all of whom shall be voting members of Our Redeemer's Lutheran Church. Except as herein limited, the term of each member shall be three (3) years. At each annual meeting the congregation shall elect the necessary number of members for a term of three (3) years. No member shall serve more than two (2) consecutive terms. A partial term shall not be counted for this purpose. A former board member may be re-elected after a lapse of twelve (12) months between his/her election for a third term and the completion of his/her second term.

2. In the event of a vacancy on the board, the Congregation Council shall forthwith appoint a member to fill the vacancy until the next annual meeting of the congregation, at which time the congregation shall elect a member to fill the vacancy. The vacancy is to be filled within thirty (30) days after it occurs.

3. Nominations for membership on the board shall be made by the Nominating Committee of the church in consultation with the Congregation Council and the chair of the board. The persons receiving the greater number of affirmative votes at the annual meeting shall be elected.

4. All Trust Fund board members shall endeavor to maintain a high degree of communication with the Congregation Council, other organizations within the church, and members of the congregation to nurture the total life and mission of the church and of the Funds. Each board member must be a member in good standing of Our Redeemer's Lutheran Church. A Trust Fund board voting member may not serve concurrently on the Congregation Council. The pastors of the church, the president and vice-president and the treasurer of the church council shall be ex-officio non-voting members of the Trust Fund Board.

5. The board shall elect from its membership a chairperson and a secretary.

6. The board shall meet at least once a month at the church at a time fixed by resolution of the board and more frequently as it may be deemed by it for the best interests of the Fund. The board, when it deems it unnecessary to hold a particular monthly meeting, may by resolution cancel a meeting. Special meetings may be called on twenty four (24) hours written or oral notice to the members of the board by the chairperson or any two members. No notice other than recording of the resolution of the board fixing the time of the regular meetings need be given the members. Each member is charged with knowledge of the contents of the minute book. If all members are not present, consent in writing to the minutes by a member of the board shall constitute his/her approval of the action reflected in the minutes and taken at the meeting and shall have the same force and effect as though she/he had been present and voting at the meeting reflected by the minutes.

7. A quorum shall consist of four (4) voting members. The affirmative vote of a majority present and voting shall carry any motion or resolution.
8. The board shall establish written rules and regulations as may be necessary for the conduct of its business. It shall adopt standards and goals to guide in the expenditure of the income from the Fund, which it may amend all within the stated purposes of this Fund.
9. The board shall maintain accounts with such financial institutions as it may by resolution authorize and determine. All checks and other documents transferring or expending any funds or assets in the Fund shall be executed by the financial secretary of the church upon authorization of the chairperson of the board.
10. The board may ask other members of the congregation to serve as advisory members and may employ, at the expense of the Trust Fund income, such professional counseling on investments and legal matters as it deems to be for the best interest of the Trust Fund.
11. The board shall maintain complete and accurate books of accounts and may employ such professional help as it deems necessary in this connection.
12. The secretary shall maintain complete and accurate minutes of all meetings of the board and supply a copy thereof to each member and ex-officio members within ten (10) days after the meeting. Each member and ex-officio member shall keep a complete copy of minutes to be delivered to his or her successor.
13. The chairperson, or the member designated by the chairperson, shall preside at all board meetings.
14. No member of the board shall engage in any self dealing transactions with the Fund in which the member of the board has direct or indirect financial interest and shall at all times refrain from any conduct in which his/her personal interests would conflict with the interests of the Fund.

II. BOARD DUTIES

1. The Trust Fund Board shall investigate ways in which the Funds can be invested. Members of the congregation may make written suggestions to the board for its consideration.
2. The Trust Fund Board shall investigate ways in which income from the Funds can best be used. Members of the congregation may make written suggestions to the board for its consideration.
3. No church council approval shall be required for expenditures of Perpetual Fund income or Ongoing Ministries Fund principal or income authorized by the Trust Fund Board in accordance with the provisions of these Bylaws. All such expenditures will be reported to the church council via the Trust Fund Board minutes.

4. The Trust Fund Board, at each annual meeting of the congregation, shall render a full and complete account of the administration of the Trust Fund during the preceding year.
5. The Trust Fund Board or church may receive funds through gifts, memorials, bequests, wills, estates, etc. from any individual or corporation or organization or from any other source in cash or in other property acceptable to them. All Trust funds and property shall be kept and maintained separate, distinct and independent from the funds and property otherwise belonging to the church.
6. The Trust Fund Board may commingle the Funds and property of the Perpetual Fund and the Ongoing Ministries Fund and any other funds or property held in the Trust Fund, and administer such funds as a single fund, so long as the board records all times accurately reflect the receipts and disbursements properly allocable to each fund and the property in each fund.
7. The Trust Fund Board shall in no event be required to make physical segregation of the assets of the Trust Fund in order to conform to the directions of any individual donors, but may establish separate accounts in its accounting records.
8. The board is to inform the members of the congregation the purposes of the Funds, and may periodically arrange for members of the congregation to meet with professional counselors in the areas of charitable giving, wills, bequests, insurance, etc.
9. All new members of the Trust Fund Board shall receive a copy of the Trust Fund Bylaws to become acquainted with the function and purposes of the Fund.

III. BOARD POWERS

In the administration of this Trust Fund, the Trust Fund shall have all powers and authority necessary to carry out the purposes of the Fund, including the following powers and authority on behalf of Our Redeemer's Lutheran Church subject to the provisions of Section II hereof.

1. To take, have, hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects handle and manage and control the Trust Fund, or any part thereof, as they in their judgment and discretion shall deem wise and prudent;
2. Except as limited by law or by the Constitution of Our Redeemer's Lutheran Church, to retain any property in the form in which received; to convert and reconvert the Trust Fund, or any part thereof, into other kinds and forms of property, real or personal or mixed; and to invest or reinvest the Fund or assets herein, or any thereof, as they shall deem wise and prudent, including in such common or preferred stocks, bonds, debentures, mortgages, notes or other securities, investments or property whether real or personal, which they in their absolute discretion may select or determine, and including, without limitation, savings deposits or any bank, mutual savings bank, federal home loan bank or savings and loan association, or in Evangelical Lutheran Church of America, Mission Loan Fund, or in any common trust fund,

mutual fund, or any like fund, subject to the usual standards of prudence required of trustees of similar funds.

3. To receive the income, profits, rents and proceeds of the Trust Fund and to collect and receipt for the same, and pay all administrative and necessary expenses in connection with it. Expenses are to be paid from the Trust Fund income.
4. To make, deliver all instruments necessary or proper for the accomplishment of the purposes of Our Redeemer's Lutheran Church Trust Fund or of any of the foregoing powers, including deeds, bills of sale, transfers, leases, mortgages, assignments, conveyances, contracts, purchase agreements, waivers, releases and settlements, provided that all such instruments shall be executed by those officers of Our Redeemer's Lutheran Church having authority to do so pursuant to the Constitution of Our Redeemer's Lutheran Church.
5. To contribute, donate, support or distribute, from time to time, for the purposes herein stated, such payments or amounts as the Trust Fund Board in its discretion shall determine.
6. To determine what is principal and income according to accounting procedures;
7. To hold investments in the name of the Our Redeemer's Lutheran Church Trust Fund on behalf of the congregation and to sign checks and all other necessary documents on behalf of the congregation in furtherance of the Trust Fund purposes;
8. To employ and reasonably compensate from the Trust Fund income, accountants, agents, and attorneys to assist and advise in the execution of the Trust Fund, without liability for their omissions or neglect, but using reasonable care in their selection, and to rely on the advice of the persons so employed;
9. The Trust Fund Board shall not be liable for any losses, which may be incurred upon investments of the Trust Fund except to the extent that such losses shall have been caused by bad faith or gross negligence of the board members. No member shall be personally liable as long as he or she acts in good faith and with ordinary prudence in discharging the duties of the office. Each board member shall be liable only for his or her own willful misconduct or omissions in bad faith. No board member shall be liable for the acts or omissions of any other board member, or of any accountant, agent, attorney or custodian selected with reasonable care.
10. The Trust Fund Board members shall not receive any compensation, but may be reimbursed from the income of the Trust Fund for expenses reasonably incurred.

IV. THE CONGREGATION

1. The congregation at the annual meeting shall elect members to serve on the Trust Fund Board as provided in Section I:1 of this resolution.

2. Upon recommendation by the Trust Fund Board, the congregation may decide, by a two-thirds (2/3) majority vote of those present at the annual meeting of the members of the congregation or a special meeting of the members of the congregation legally called for that purpose, when and if any Fund principal, or corpus, shall be used.

3. This Trust Fund Resolution may not be altered or amended except by a two-thirds (2/3) vote of the members present at an annual meeting of the congregation, or at a special meeting called specifically for the purpose of amending this resolution.

V. ONGOING MINISTRIES FUND

There is hereby established, for administration by the Trust Fund Board, a separate fund to be known as the "Ongoing Ministries Fund." The Ongoing Ministries Fund will receive donations, gifts and contributions, which are not to be, included in the Perpetual Fund or in the general fund of the church. The Ongoing Ministries Fund shall be administered by the Trust Fund Board and distributed in the same manner as are herein stated for the Trust Fund, except that the Trust Fund Board may disburse both principal and Income from the Ongoing Ministries Fund for church purposes as designated by the donor or as provided for in this document.

VI. TAX EXEMPTIONS

1. Any gifts given to the Trust Fund, as well as all income derived there from, shall be used exclusively for religious charitable and educational purposes with Section 501(c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue law. This Trust Fund is created and shall be operated exclusively for charitable purposes. No part of the income or property of this Fund shall inure to the benefit or be distributable to any member, director or officer of the church or to any other private person, except that the Trust Fund Board is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth herein. No part of the activities of the Trust Fund shall be the carrying on of propaganda or otherwise attempting to influence legislation, and it shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the Trust Fund shall (a) not carry on any activities not permitted to be carried on by an entity 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 (b) do any act which would render contributions to the Trust Fund non-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.

2. This Trust Fund may be dissolved in accordance with the laws of the State of Minnesota. Upon dissolution of this Trust Fund, and after the payment of all liabilities, obligations, costs and expenses incurred by this Trust Fund, any remaining assets shall be distributed to such entities organized and operated exclusively for one or more purposes described in Sections 170 (c) (2) and 501 (c) (3) of the Internal Revenue Code of 1954 or the corresponding provision of any future United States Internal Revenue Law.

This Trust Fund Resolution, is hereby made an Addendum to the Bylaws of Our Redeemer's Lutheran Church. Nothing in this resolution shall be interpreted so as to be in any manner inconsistent with the provisions of the Constitution of Our Redeemer's Lutheran Church as approved and any inconsistencies shall be resolved in favor of the Language contained in the Constitution.

Dated this 27 day of January, 2008