

BYLAWS

UNITARIAN CHURCH OF SHARON

(Adopted May 11, 2001 and amended June 8, 2001, June 11, 2004, June 9, 2006 and June 8, 2007.)

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>	
		ARTICLE 1: NAME
1.1	Name 3	
		ARTICLE 2: PURPOSE
2.1	Purpose 3	
		ARTICLE 3: MEMBERSHIP
3.1	Members 3	
3.2	Voting 3	
3.3	Termination 3	
3.4	Friends 4	
		ARTICLE 4: POLITY
4.1	Governing Body 4	
	Executive Committee 4	
	Congregational Committees 4	
	Operating Committees 4	
	Other Boards 4	
		ARTICLE 5: CONGREGATIONAL MEETINGS
	Annual Congregational Meeting 5	
	Special Congregational Meetings 5	
	Notification 5	
	Quorum 5	
	Procedure 5	
	Affirmation 5	
		ARTICLE 6: OFFICERS AND TRUSTEES
	Officers 5	
	Election 5	
	Terms 5	
		ARTICLE 7: DUTIES OF OFFICERS AND TRUSTEES-AT-LARGE
	President 6	
	Vice President 6	

Treasurer	6
Clerk	6
Trustees-at-Large	7

ARTICLE 8: BOARD OF TRUSTEES

Function	7
Members	7
Meetings	7
Quorum	7
Procedure	7

ARTICLE 9: STANDING COMMITTEES

General	7
Finance Committee	8
Religious Education Committee	8
Buildings and Grounds Committee	8
Nominating Committee	8
Worship Committee	8
Committee on Ministry	8

ARTICLE 10: AUDITOR

10.1 Auditor	9
--------------	---

ARTICLE 11: MINISTER

Ministerial Search Committee	9
Call	9
Duties	9
Ministerial Freedom	9
Termination	9

ARTICLE 12: FISCAL AND PROGRAM YEARS

12.1 Fiscal and Program Years	10
-------------------------------	----

ARTICLE 13: CAPITAL RESERVE FUND

13.1 Capital Reserve Fund	10
---------------------------	----

ARTICLE 14: DISSOLUTION

14.1 Dissolution	10
------------------	----

ARTICLE 15: UNITARIAN CHURCH OF SHARON ENDOWMENT FUND

15.1 Purpose	10
15.2 The Fund's Board	10
15.3 Distribution of Income	11
15.4 Amending the Article 15	12
15.5 Disposition or Transfer of the Fund	12

ARTICLE 16: MEETINGHOUSE PRESERVATION FUND

- 16.1 Purpose 13
- 16.2 Organization 13
- 16.3 Duties of the Trustees 13
- 16.4 Amendments to Article 16 14
- 16.5 Dissolution 14

ARTICLE 17: INDEMNIFICATION

- 17.1 Indemnification 14

ARTICLE 18: PROTECTION OF ASSETS

- 18.1 Protection of Assets 14

ARTICLE 19: AMENDMENTS

- 19.1 Amendments 14

ARTICLE 1: NAME

Section 1.1 Name. - - 9 The name of this Congregation shall be the Unitarian Church of Sharon, Massachusetts.

ARTICLE 2: PURPOSE

Section 2.1 Purpose. - - The purpose of this Congregation shall be to provide and maintain a liberal religious presence and liberal religious services in this community, and to instill and reinforce in the hearts and minds of its Members, the high ideals of a rational, progressive, and exalting religion in accordance with the dictates of individual conscience and in harmony with the ideals and principles of the Unitarian Universalist Association.

This congregation affirms and promotes the full participation of persons in all our activities and endeavors; including membership, programming, hiring practices, and the calling of religious professionals; without regard to race, color, gender, physical or mental challenge, sexual or affectional orientation, family structure, age, class or national origin.

ARTICLE 3: MEMBERSHIP

Section 3.1 Members. -- Any person 14 or older who is in sympathy with the purpose and methods of the Congregation, and who signifies a desire to become a Member, can be admitted to Membership. Admission is effected by an affirmative vote of the Board of Trustees at a monthly meeting, acting on behalf of the Congregation. No test of creed, faith, or national origin, race or color, of gender, sexual or affectional orientation, of physical ability, or other similar test shall be imposed as a condition of membership. Maintaining Membership is conditional on, within the previous year, at least one of the following:

1. Making a recorded contribution as part of an annual pledge,
2. Attending three or more regular services,
3. Participating in one or more official Congregational activities other than Congregational Meetings,
4. Maintaining a recognized concern and support for the Congregation.

Only the Board of Trustees may remove a Member for failure to meet these conditions, but it may be guided in this determination by a Member or Members specifically designated by the Board of Trustees to recommend such removals.

Only Members shall be counted in the official census of the Congregation.

Section 3.2 Voting. -- Only Members who have been such for at least thirty days may vote at a Congregational Meeting. The Clerk shall compile a correct roll of Members eligible to vote at least two weeks prior to a Congregational Meeting. One copy of this roll shall be given to the Board of Trustees and a second copy shall be available for inspection at the church office two weeks prior to and at the Congregational Meeting.

Section 3.3 Termination: -- Membership shall cease upon:

Death

Resignation in writing

Failure to maintain conditions of membership (Section 3.1) as determined by the Board of Trustees

Dismissal for a cause inimical to the Congregation. This requires an affirmative vote of at least 50% of the Members present at an official Congregational Meeting, upon recommendation of the Board of Trustees, and after personal notification and publication in the Warrant for the Meeting.

Section 3.4. Friends. -- A Friend is any person who is in general sympathy with the purposes and methods of the Congregation, and who may make a pledge or contribution, but who chooses not to apply for membership.

Friends are not voting members of the Congregation.

ARTICLE 4: POLITY

Section 4.1. Governing Body. -- The governing body of this Congregation shall be the Members of record. The Members may delegate specific duties and responsibilities to the Officers, Trustees, Committees, and Boards set forth in these Bylaws.

Section 4.2 Executive Committee. -- The Board of Trustees is the executive committee of the Congregation (Article 8) and reports directly to the Members.

Section 4.3 Congregational Committees. -- Two other committees report directly to the Congregation. The Nominating Committee (Section 9.5) is a standing committee. The Ministerial Search Committee is an ad hoc committee (Section 11.1).

Section 4.4 Operating Committees. -- Operating committees report to the Board of Trustees. The Board of Trustees annually appoints the chairs of the operating committees (except the Finance Committee and the Committee on Ministry). The committee chairs (except the Nominating Committee and the Committee on Ministry Sections 9.5 and 9.7) shall select other committee members annually, subject to the approval of the Board of Trustees.

The standing operating committees are the Finance Committee, the Buildings & Grounds Committee, the Worship Committee, the Religious Education Committee (which may be organized separately into Youth and Adult Committees) and the Committee on Ministry.

The Board of Trustees may create additional committees it deems desirable. It should provide each such created committee with a written charge. These committees shall stay in existence indefinitely or until dissolved by the Board of Trustees.

All standing committees (including the Board of Trustees) are encouraged to develop written policies and procedures to be passed along to successor committees.

The Board of Trustees may also create temporary committees or task forces to perform specified tasks, which, on completion of the task, are dissolved.

Section 4.5. Other Boards. -- Two other boards shall exist, the Unitarian Church of Sharon Endowment Fund Board (Article 15) and the Meetinghouse Preservation Fund Board (Article 16).

ARTICLE 5: CONGREGATIONAL MEETINGS

Section 5.1 Annual Congregational Meeting. -- The Members of the Congregation shall meet annually, on the second Friday of June, to elect new officers, trustees, and other committee and board members; to hear annual reports of the Minister, and of all elected officers, and representatives from all boards, committees, and organizations; to consider and approve a budget for the next fiscal year, and to consider and act on any other business of the Congregation. The agenda for a Congregational Meeting shall be in writing and shall be included in the warrant for that meeting.

Section 5.2 Special Congregational Meetings. -- A Special Congregational Meeting may be called at any time by the President, or by petition signed by at least 20 percent of the Members, to consider and act on any subject of immediate concern to the Congregation.

The agenda for a Special Congregational Meeting shall be in writing and shall be included in the warrant for that meeting. Only business specifically stated in the agenda may be acted upon. Any other business may be discussed, but may not be acted upon.

Section 5.3 Notification. -- Notice of all Congregational Meetings shall be given at least seven days prior to the meeting by mailing or delivering in person a copy of the warrant to all Members and other concerned persons, and by nailing (or otherwise affixing) the warrant for the meeting to the main door of the Church.

Section 5.4 Quorum. -- A quorum of at least 20 percent (except as otherwise provided in these bylaws) of all Members of record must be present to transact any business at a Congregational Meeting.

Section 5.5 Procedure. -- The President shall conduct every Congregational Meeting according to accepted rules of procedure, which are reviewed before the start of business. Any conflict regarding procedure shall be resolved according to Robert's Rules of Order.

Section 5.6 Affirmation. -- A simple majority affirming any motion properly brought to a vote shall carry, unless specified elsewhere in these Bylaws or agreed on in the same meeting.

ARTICLE 6: OFFICERS AND TRUSTEES

Section 6.1 Officers and Trustees. -- The officers of this Congregation shall consist of a President, a Vice-President, a Treasurer, and a Clerk. In addition, there shall be

three Trustees-at-Large.

Section 6.2 Election. -- All officers and trustees shall be Members elected at an Annual Congregational Meeting. Officers must be at least 18 years of age. The Board of Trustees shall appoint people to fill vacant offices until the next Annual Congregational Meeting.

Section 6.3 Terms. -- The terms of all officers and trustees shall commence at the beginning of one program year on July 1 and shall terminate on June 30 of the second program year.

All officers and trustees of the Congregation shall serve two-year terms, and may serve consecutive terms.

The terms of the officers and trustees shall be staggered, with the President, Vice-President, and two Trustees-at-Large elected in even numbered years, and the Treasurer, Clerk, and the other three Trustees-at-Large elected in odd numbered years. At the first election following the adoption of these bylaws, a complete slate of officers and trustees shall be elected for one- or two-year terms as required to implement this section.

Article 7: DUTIES OF OFFICERS AND TRUSTEES-AT-LARGE

Section 7.1 President. -- The President shall call and preside at all meetings of the Congregation and the Board of Trustees; render a written report of all pertinent matters considered and acted upon during the year at the Annual Congregational Meeting; and supervise the business and administration of all Congregational affairs

Section 7.2 Vice President. -- The Vice President shall:

- Assist the President in carrying out the duties of that position, by accepting special assignments from the President,
- Assume the duties of the President in the absence of the President,
- Become the Acting President in the event of the death, resignation or incapacity of the President,
- Serve as an ex-officio member of the Endowment Fund Board (Article 15).

Section 7.3 Treasurer. -- The Treasurer shall:

- Call and preside at all meetings of the Finance Committee,
- Purchase, sell, and hold in safe custody investments of the Congregation, (except those of the Endowment Fund Sect. 15.1 and the Meetinghouse Preservation Fund - Sect. 16.1),
- Collect and hold in custody all monies and funds of the Congregation (except those of the Endowment Fund Sect. 15.1 and the Meetinghouse Preservation Fund - Sect. 16.1),
- Serve as an ex-officio member of the Endowment Fund Board (Article 15),
- Render a written report of all investments at the Annual Congregational Meeting and whenever requested by the Board of Trustees,

Collect and hold in custody all monies and funds of the Congregation,
Oversee the payment of all salaries and bills, account for all receipts,
expenditures, and pledge records,
Be responsible for the submission, in timely fashion, of all tax-related
materials required of the church,
Aid in the annual canvass by providing supporting financial and pledge
history and statistics,
Maintain financial historical records including annual financial reports,
restrictions on funds and claims on assets, and pledges,
Maintain insurance policies to ensure adequate coverage is in place at all
times,
Submit a financial report giving an accounting of the annual budget's
income and expenses to each monthly Board of Trustees meeting and the
Annual Congregational Meeting,
Provide a proposed budget for consideration at the Annual Congregational
Meeting.

Section 7.4 Clerk. -- The Clerk shall maintain a correct roll of all Members of the Congregation; comply with Section 3.3; notify all officers and trustees, of all Board of Trustees meetings; notify all Members and other concerned persons of every Congregational Meeting; make a record of all such meetings; present for approval at each meeting the record of the previous meeting; hold in custody all non-financial records of the Congregation; and perform other such duties as may be required by the Office.

Section 7.5 Committee Liaisons. -- Each Trustee may be assigned by the President to liaise between one or more committees and the Board of Trustees.

ARTICLE 8: BOARD OF TRUSTEES

Section 8.1 Function. -- The Board of Trustees shall represent the Congregation in conducting all business activities. It shall have responsibilities for:

Hiring, overall supervision, and termination of all employees, except the Minister,
Contracting for and approving payment for all purchased services and supplies,
provided all payments can be met by the cash on hand,
Approving all official Congregation activities and the use of all Congregation
property,
Appointing members to the Committee on Ministry (Section 9.7),
Appointing the chairs, approving the membership, and overseeing the activities
of all temporary and standing committees not otherwise constituted elsewhere in
these bylaws,
Creating and disbanding such temporary committees and task forces as may be
necessary or desirable for specific purposes,

Appointing Members to vacant positions,
Preparing the annual budget,
In consultation with the Committee on Ministry, preparing a salary and benefits package for the Minister, and,
Any other business that may occur.

The Board of Trustees may not, without prior approval by two-thirds of the Members at a Congregational Meeting, make any contract for, or otherwise obligate the Congregation for, any monetary expenditure that would cause the total expenditures to exceed the total current budget by 5%.

Section 8.2 Members. -- The Board of Trustees shall consist only of the elected Officers and Trustees-at-Large. The Board of Trustees may invite others to attend Board of Trustees meetings.

Section 8.3 Meetings. -- The Board of Trustees shall meet regularly once each month and at any other time as necessary, provided its members are notified at least one day in advance. Notice of all regular meetings shall be published in the Order of Service and in the church newsletter. These meetings are to be open to all Congregation Members and invited persons.

Section 8.4 Quorum. -- No business shall be conducted at any Board of Trustees meeting unless a quorum of at least half of the Board of Trustees (Section 6.1) is present.

Section 8.5 Procedure. -- The Board of Trustees meetings shall be conducted according to accepted rules of procedure. Any questions regarding procedure shall be resolved according to Robert's Rules of Order. A simple majority shall carry any motion properly brought to a vote, unless otherwise designated in these Bylaws.

ARTICLE 9: STANDING COMMITTEES

Section 9.1 General. -- The Chairs of all standing committees shall call and preside at all meetings of their individual committees; they shall communicate the essence of all pertinent matters to the Minister and the Board of Trustees, and shall render a separate written report at the Annual Congregational Meeting on all matters considered and acted upon during the year with regard to their individual committees.

Section 9.2 Finance Committee. -- The Finance Committee shall oversee the financial activities of the Congregation, managing and holding in trust all gifts, trust funds and investments (except the Endowment and Meetinghouse Preservation Funds) of the Congregation. The Treasurer shall chair the Finance Committee.

Section 9.3 Religious Education Committee. -- The Religious Education Committee

shall be responsible for planning and providing religious education for all who desire such education for themselves and for their children, and also for the care and well-being of the children during school and worship services.

Section 9.4 Buildings and Grounds Committee. -- The Buildings and Grounds Committee shall be responsible for the upkeep, repair, and improvement of the buildings and grounds of the Congregation.

Section 9.5 Nominating Committee. -- The Nominating Committee shall be responsible for preparing a slate of qualified Members for election to Congregation Offices, and shall propose this slate at the Annual Congregational Meeting. The Nominating Committee shall consist of three Members. At the first election following the adoption of these bylaws, one member shall be elected for a one-year term, one for a two-year term and one for a three-year term. Thereafter, one member will be elected each year for a three-year term to replace the member whose term has expired.

The Nominating Committee shall each year select one of its members to serve as Chair. The Nominating Committee shall nominate people for the following offices:

Congregation Officers and Trustees-at-Large (Section 7.1)

Nominating Committee (Section 9.5)

Ministerial Search Committee (Section 11.1)

Endowment Fund Board (Section 15.2)

The Nominating Committee shall assist the Board of Trustees in selecting committee chairs.

Section 9.6 Worship Committee. -- The Worship Committee shall work with and assist the Minister in the conduct of the worship services. In the absence of the Minister, the Worship Committee shall be responsible for planning and providing regular worship services.

Section 9.7 Committee on Ministry. The purpose of the Committee on Ministry is to strengthen the quality of ministry within the congregation. It serves as a sounding board for the Minister, maintains a channel of communication between the Minister and the Congregation, and nurtures the shared ministry of the congregation.

The Committee on Ministry shall consist of no less than three, nor more than six members. For the first appointment following the adoption of these bylaws, one-third of the members shall be appointed for one-year terms, one-third for two-year terms and one-third for three-year terms. Thereafter, members will be appointed each year for three-year terms to replace members whose terms have expired.

Each year the Board of Trustees shall appoint members to this committee from a list provided by the Minister of twice as many candidates as positions to be filled. The Committee on Ministry shall each year select one of its members to serve as Chair.

ARTICLE 10: AUDITOR

Section 10.1 Auditor. - - An Auditor (or Audit Team) shall be appointed by the Board of Trustees prior to the Annual Congregational Meeting who shall be responsible for examining the accounts of the Treasurer for completeness and accuracy, verifying the existence of proper vouchers for all non-salary disbursements, checking total expenditures against budgeted amounts, assuring the integrity of all funds and investments, and rendering a written account of these findings to a subsequent Congregational Meeting.

ARTICLE 11: MINISTER

Section 11.1 Ministerial Search Committee. -- When the Congregation has decided to seek a Minister, a Ministerial Search Committee shall be formed to search for, evaluate and recommend a ministerial candidate to the Board of Trustees, and then to the Congregation Members. Eligibility for minister of the church shall not be restricted on the basis of age, national origin, race or color, gender, family structure, sexual or affectional orientation, or physical challenge.

The Ministerial Search Committee shall consist of five or more Members who shall be elected at a Special Congregational Meeting called for this purpose. The Nominating Committee shall assemble and present a slate of candidates that exceeds the number to be elected by at least 50 percent. Voting shall be by preferential order, using secret ballots. A quorum of at least 50 percent of the Members of record must be present at this meeting.

Section 11.2 Call. -- A Minister, upon recommendation by both the Board of Trustees and the Ministerial Search Committee, shall be called to serve the Congregation by an affirmative vote of at least 80 percent of the Members present and voting at a Special Congregational Meeting called for this purpose. A quorum of at least 50 percent of the Members of record must be present to vote at this meeting.

Section 11.3 Duties. -- The principal duties of the Minister shall include, but not be restricted to, the following:

1. Providing religious leadership, guidance and support to the Members of the Congregation,
2. Leading regular worship services and other Congregation activities as appropriate,
3. Maintaining close relations between the Congregation and the Unitarian Universalist Association,
4. Performing weddings, funerals, memorial services, and similar functions whenever required,
5. Representing the Congregation in the community and in the Unitarian Universalist Association,

6. Providing day-to-day supervision of the paid staff,
7. Performing such other duties and functions as may be specified in any agreement with the Congregation or may be expected of the position.

Section 11.4 Ministerial Freedom. -- The Minister shall have complete freedom to choose and talk on any topic, both in the pulpit and in public.

Section 11.5 Termination. -- The Minister shall cease to serve the Congregation upon resignation, retirement, death, or dismissal. The Minister shall give at least three months' notice before resigning or retiring, unless a shorter time is approved by the Board of Trustees. The Minister may be dismissed at the will of the Congregation for incompatibility, ineffectiveness, or cause inimical to the Congregation. The Minister shall be dismissed by a majority vote at a Special Congregational Meeting called for this purpose, and at which a quorum of at least 50 percent of the Members of record are present. Position, duties, pay and benefits shall cease three months after dismissal for incompatibility or ineffectiveness, and immediately after dismissal for cause.

ARTICLE 12: FISCAL AND PROGRAM YEARS

Section 12.1 Fiscal and Program Years. - - Both the fiscal and program years shall start on July 1 and end with June 30.

ARTICLE 13: CAPITAL RESERVE FUND

Section 13.1 Capital Reserve Fund. - - The Congregation may authorize a Capital Reserve Fund, to be used for major improvements to, reconstruction of, and acquisition of the Congregation's property. This fund may also be used for capital purchases greater than an amount approved from time to time by the Board of Trustees based on a recommendation of the Treasurer. This Fund shall be budgeted for annually, for not less than five percent of the annual budget. Additional deposits to the Fund may be made by interested individuals, from surplus funds from the Congregation's annual budget, etc. The Treasurer will maintain the Fund. Purchases or projects covered by this fund must be approved by the Board of Trustees, and those in excess of \$5000, must also be voted on by the Members at an Annual or Special Congregational Meeting.

ARTICLE 14: DISSOLUTION

Section 14.1 Dissolution. - - The Congregation may be dissolved by an affirmative vote of at least 80 percent of the Members present and voting at a Special Congregational Meeting called, with 90 days prior notice, for this purpose. Upon dissolution, all assets of the Congregation shall be transferred to the Unitarian Universalist Association or its successor in accordance with existing laws and regulations.

ARTICLE 15: UNITARIAN CHURCH OF SHARON ENDOWMENT FUND

Section 15.1 Purpose. -- The purpose of the fund is to enhance the mission of the Congregation apart from the general operation of the Congregation. Except where authorized otherwise in this article and the terms of the gift, all principal amounts shall be retained and only the income expended. The Endowment Fund Board shall be the custodian of the Fund.

Section 15.2 The Fund's Board. -- The Fund's Board shall consist of seven (7) members, all of whom shall be voting Members of the Congregation. Except as herein limited, the term of each elected member shall be three (3) years. Upon adoption of this article by the Congregation, it shall elect five (5) members of the Fund's Board: two (2) for a term of three (3) years, two (2) for a term of two (2) years and one (1) for a term of one year. Thereafter, at each Annual Congregational Meeting, the Congregation shall elect the necessary number for a term of three (3) years. No member shall serve more than three (3) three-year terms. After a lapse of one (1) year, former Fund Board members may be reelected.

The Congregation's Vice President and the Chair of the Finance Committee shall also serve ex-officio as voting members of the Fund's Board. Including the two ex-officio members, no more than three (3) members of the Fund's Board may be members of the Board of Trustees at any time.

The Minister shall serve as an advisory member of the Fund's Board. The Nominating Committee of the Congregation shall nominate members for the Fund's Board and report at the Annual Congregational Meeting in the same manner as for other officers, trustees, and committees. In the event of a vacancy on the Fund's Board, the Nominating Committee shall recommend a new member to the Board of Trustees, which shall appoint the new member until the next Annual Congregational Meeting, at which time the Congregation shall elect a member to fulfill the term of the vacancy.

The Fund's Board shall meet at least quarterly, or more frequently as deemed necessary by the Fund's Board in the best interest of the Fund. A quorum shall consist of five (5) members, who must be present to vote.

The Fund's Board shall elect from its membership a Chairperson, Financial Secretary, and Recording Secretary.

The Chairperson, or a member designated by the Chairperson, shall preside at all Fund Board meetings.

The Chairperson shall sign all transactions and all other necessary documents on behalf of the Fund's Board in furtherance of the purposes of the Fund. All checks shall be signed by both the Chairperson and the Congregation's Vice President, who

serves on the Fund's Board ex-officio.

The Recording Secretary shall maintain complete and accurate minutes of all meetings of the Fund's Board and supply a copy thereof to each member of the Fund's Board. Each member shall keep a complete copy of minutes to be delivered to his or her successor. The Recording Secretary shall also supply a copy of the minutes to the Board of Trustees and the Minister. The Recording Secretary shall also be responsible for making all deposits into the fund.

The Financial Secretary shall record all deposits into the Fund, prepare all checks for the signatures of the Chairperson and the Congregation's Vice President, and maintain complete and accurate books of accounts for the Fund.

The books shall be audited annually by a certified public accountant, or other appropriate person, who is not a member of the Fund's Board.

The Fund's Board shall report on a quarterly basis to the Board of Trustees and, at each Annual Congregational Meeting, shall render a full and complete audited account of the administration of the Fund during the preceding year.

The Fund's Board may request other Members of the Congregation to serve as advisory members and, at the expense of the Fund income, may provide for such professional counseling on investments or legal matters as it deems to be in the best interest of the Fund.

No member shall engage in any self-dealing or transactions with the Fund in which the member 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 interest of the Fund.

All assets are to be held in the name of the Unitarian Church of Sharon Endowment Fund.

Recommendations to hold, sell, exchange, rent, lease, transfer, convert, invest, reinvest, and in all other respects to manage and control the assets of the Fund, including stocks, bonds, debentures, mortgages, notes, and other securities, as in their judgment and discretion they deem wise and prudent, are to be made by the Fund's Board.

Section 15.3. Distribution of Income. -- Gifts and bequests to the Fund shall accumulate until the principal amount of \$50,000. has been reached, after which the income generated from the investment of the principal may be expended.

The amount available for annual distribution shall be calculated as follows. The Fund's Board shall track the fair market value of the fund on a quarterly basis. Annually, the Fund's Board may distribute up to five percent (5%) of the average fair market value of the fund over the past eight (8) quarters.

Income from the Fund shall be distributed annually and at such other times as deemed necessary and/or feasible to accomplish the following purposes:

Up to one quarter (1/4) for the physical plant of the Congregation, such as, but not limited to, maintenance of buildings, capital improvements, renovations, or debt reduction. Such disbursement shall not exceed funds either budgeted at the Annual Congregational Meeting or contributed during a Capital Fund Drive.

Up to one quarter (1/4) for the operating budget of the Congregation, except that

the amount disbursed shall not exceed ten percent (10%) of the pledges received for the budget year in which the funds would be spent.

Up to one quarter (1/4) for scholarships or grants to members of the Congregation for the purpose of attending college, theological school, nursing or medical school; for the Minister's Discretionary Fund established for persons in our community who are in spiritual or economic need; for UU-related camping or leadership conferences; or such other training which enables members of this congregation to grow in faith and service to Unitarian Universalism.

Up to one quarter (1/4) for outreach into the community and the wider mission of the Unitarian Universalist Association, including, but not limited to, grants to UUA camps and conference centers, theological schools, social service agencies or institutions, new church development, professional leadership, educational ministries, world mission, and capital financing.

Programs for support shall be recommended by the Fund's Board and approved by the Board of Trustees for funding. Suggestions or requests may be submitted to the Fund's Board by any official committee or board of the congregation, and shall be submitted by May 1 of each year.

The Fund's Board may vote to release principal when particular, major, unforeseen and rare circumstances occur, and where the integrity of the gift restrictions permit. Expending principal shall require the unanimous vote of all seven (7) members of the Fund's Board and the approval of the congregation at an Annual or Special Congregational Meeting. A maximum of one third (1/3) of the principal may be released at any one time and the Fund's Board may not vote to release principal more than once within any three (3) year period.

Section 15.4. Amending the Article 15. -- Any amendment to this article, that will change, alter or amend the purpose for which the Fund is established, shall be adopted by a two-thirds vote of the members present at Special Congregational Meeting called specifically for the purpose of amending this resolution.

Section 15.5. Disposition or Transfer of the Fund. -- In the event the Congregation ceases to exist through merger, disposition or transfer of the Fund shall be at the discretion of the Board of Trustees in conformity with the approved Congregational bylaws and in consultation with the Unitarian Universalist Association. Consultation with the UUA may also be desirable for continuation of Endowment Fund obligations to grantors of gifts. In the event the Congregation ceases to exist through dissolution, the Fund shall be transferred to the Unitarian Universalist Association, which shall hold the Fund in escrow for five years. If the congregation is re-incorporated within five years, the Unitarian Universalist Association shall return the Fund's principal to the congregation. If the congregation is not re-incorporated within five years, the Fund shall belong to the Unitarian Universalist Association, which shall, to the best of its ability, ensure continuation of Endowment Fund obligations to grantors of gifts.

ARTICLE 16: MEETINGHOUSE PRESERVATION FUND

Section 16.1 Purpose. -- The Meetinghouse Preservation Fund is established to provide a permanent endowment fund for the purpose of assisting the Unitarian Church of Sharon or its successors in the preservation of the grounds and the historic portions of the building now known as the Unitarian Church of Sharon and hereinafter referred to as the Meetinghouse. Monies from this fund shall be restricted to the purpose cited above and not be used to support the regular budget of the Unitarian Church of Sharon. These funds shall be kept separate from the operating funds of the Unitarian Church of Sharon and shall not be commingled with any other funds.

The Meetinghouse Preservation Fund shall be administered by the Fund's Board of Trustees. The trustees may authorize planning studies, architectural studies and engineering estimates for projects they deem necessary in conjunction with the Congregation's Board of Trustees or its successors. No funds may be expended for construction unless authorized by the Congregation's Board of Trustees or its successors. Responsibility for all contracts for and administration of such construction shall be vested in the Congregation or its successors.

Section 16.2 Organization. -- The address of the Meetinghouse Preservation Fund shall be

4 North Main Street, Sharon Massachusetts 02067.

The Meetinghouse Preservation Fund shall be administered by up to nine trustees. At least five of the members shall be Members of the Congregation. They shall include the current Treasurer and Buildings and Grounds Chair.

Section 16.3 Duties of the Trustees. -- Each year, the trustees shall elect a Chair, a Secretary and a Treasurer at their first meeting. The trustees shall meet at least twice during the year to manage and invest funds under their jurisdiction. A quorum of five members is required to conduct business.

The trustees shall plan to augment the fund and provide a suitable system for the receipt and management of additional resources from individual donations or special events.

The trustees shall entertain requests from the owners of the building for monies from the Fund for the purpose of preservation or maintenance of the Meetinghouse and of its grounds. No funds may be spent without the approval of at least five of the trustees. In no case shall the principal be reduced to an amount less than one thousand dollars (\$1000.).

The trustees shall not be empowered to borrow against the assets of the Meetinghouse Preservation Fund. The fiscal year of the Meetinghouse Preservation Fund shall be from January 1 to December 31.

All elected trustees shall serve three-year terms. Initially, trustees will be elected for three-, two-, and one- year terms to provide for the sequence of staggered terms. Terms of trustees shall start on July 1 after the Annual Congregational Meeting.

Regular nominations shall be made by the Congregation's President after consultation with the trustees of the Fund. If a vacancy occurs between annual meetings the President of the Congregation shall be authorized to appoint additional trustees giving consideration to the advice of the remaining trustees.

The Chair, the Secretary and the Treasurer of the Fund shall be the three members authorized to deposit or to withdraw funds.

The Chair or its designee shall be responsible for the following:

Trustee meetings are held as required,

Minutes of all trustees' meetings are recorded and preserved,

The financial affairs of the Meetinghouse Preservation Fund are open to inspection by any Member of the Unitarian Church of Sharon or its successors. Statements of the financial condition of the Meetinghouse Preservation Fund are rendered to the Congregation's Board of Trustees and to its Finance Committee at least annually or whenever they may require it. All legal reporting requirements are to be met.

All donations to the Fund are acknowledged.

A permanent ledger of donors to the Meetinghouse Preservation Fund is established and maintained.

An annual report is prepared and presented to the Congregation at each Annual Congregational Meeting.

7. Recommendations for election of trustees at Annual Congregational Meeting are submitted to the Congregation's President thirty days prior to the meeting.

Section 16.4 Amendments to Article 16. -- Changes to this article shall be presented to the Fund's Board of Trustees for their recommendation prior to presentation and vote by the Congregation at a formally called Congregational Meeting.

Section 16.5 Dissolution. -- (a) In the event that the Unitarian Church of Sharon no longer remains the owner of the building at 4 North Main Street in the Sharon Historic District the assets of the Meetinghouse Preservation Fund shall go to the new owner of the building.

(b) If the present 1842 building no longer stands, and the Unitarian Church of Sharon decides against replacing the building with a similar one, the resources of the Meetinghouse Preservation Fund may only be used for the preservation of those portions of the historic building and grounds that survive. The trustees shall vote to donate any residual funds to an organization dedicated to historic preservation in the Town of Sharon.

ARTICLE 17: INDEMNIFICATION

Section 17.1 Indemnification. - - The Congregation shall indemnify any person who is or was an employee, agent, representative, member of the Board of Trustees, committee member, or volunteer of the Congregation against any liability asserted against such person and incurred in the course and scope of his or her duties or functions within the Congregation to the maximum extent allowable by law, provided

the person acted in good faith and did not engage in an act or omission that is intentional, willfully or wantonly negligent, or done with conscious indifference or reckless disregard for the safety of others. The provisions of this article shall not be deemed exclusive of any other rights to which such person may be entitled under any bylaw, agreement, insurance policy, vote of Members or otherwise.

ARTICLE 18: PROTECTION OF ASSETS

Section 18.1 Protection of Assets. - - The encumbrance, sale, or transfer of any real property of the Congregation shall be authorized only upon the two-thirds vote of the Members present at a Special Congregational Meeting called for this purpose, and at which a quorum of at least 50 percent of the Members of record are present.

ARTICLE 19: AMENDMENTS

Section 19.1 Amendments. - - These Bylaws (except Articles 15 and 16 Sections 15.4 and 16.4) may be amended or replaced at any Congregational Meeting provided notice of intent to amend, copies of the proposed amendments, and copies of the existing and proposed Bylaws are included in the Warrant for the meeting. An affirmative vote of at least two-thirds of the Members present is required to adopt a proposed amendment.