

ARTICLE IX -- BYLAWS OF ASCENSION LUTHERAN CHURCH
ENDOWMENT FUND

I. Name.

Ascension Lutheran Church, 1225 East Morehead Street, Charlotte, North Carolina, shall have a Congregational Fund. The Fund shall be called Ascension Lutheran Church Endowment Fund. It shall not be a separate entity, but shall be one of the Funds of this congregation.

II. General Purpose.

- A. This Fund's purpose shall be to receive gifts and bequests and to use them for the mission and ministry of Ascension Lutheran Church.
- B. The income from unrestricted gifts and bequests to the Fund is to be used for the uses, projects and programs recommended by the Parish Planning Council (PPC) and approved by a simple majority of the Congregational Meeting provided, that the uses, projects and programs shall be consistent with the general purpose for which this Fund has been established.
- C. The PPC shall make, at least annually, recommendations to the Congregational Meeting for distribution of the income and/or principal of the Fund for the designated uses, projects and programs. None of the income or principal from unrestricted gifts shall be distributed to the congregation's operating budget, except as hereinafter set forth. The principal may be used under the same conditions and approval as expressed in Section B.

III. Duration.

The Ascension Lutheran Church Fund shall continue in existence and be used as hereinabove provided, unless earlier revoked so long as Ascension Lutheran Church shall continue to exist. If Ascension Lutheran Church should cease to exist, then the assets constituting the Fund will be distributed under the provision of Article VII of the Constitution, with the recommendation that the remaining fund balance be donated to the Southeastern District Endowment Fund.

IV. Governing Board and Officers.

- A. The PPC shall recommend an Endowment Fund Management Committee for the promotion and management of the Fund. The Committee of the congregation shall be responsible for receipts and disbursements from the Fund, upon approval by the PPC and a simple majority vote of the Congregational Meeting, shall maintain complete and accurate books of accounts, and shall provide at least annually a written financial report of the

Fund to the Congregational Meeting. The Committee shall consist of a minimum of six (6) members and shall include the Senior Pastor; the Executive Director, who shall serve as chairperson of the committee; the Treasurer and three other members. These three (3) members shall be elected by the Congregation for a term of two (2) years and shall coincide with the regular church elections.

- B. The Management Committee, if it deems it to be in the best interest of the congregation, may recommend to the PPC that the assets of the Fund be delivered to an asset management firm for investment management. Any agreement entered into for the management of the Fund shall be valid only if approved by a two-thirds (2/3) majority of the voting members present at a duly called and constituted meeting of the Congregation.
- C. The Endowment Fund Management committee shall meet quarterly at a time fixed by resolution of the Committee and more frequently as may be deemed by it for the best interests of the Fund. The Committee, when it deems it unnecessary to hold a particular 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 Committee by the chairperson or any two members. No notice other than recording of the resolution of the Committee 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 Committee shall constitute his approval of the action reflected in the minutes and taken at the meeting and shall have the same force and effect as though he had been present and voting at the meeting reflected by the minutes.
- D. A quorum shall consist of three (3) members. The affirmative vote of a majority present and voting shall carry any motion or resolution.
- E. The Fund Committee shall establish written rules and regulation 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. This expenditure recommendation shall be directed to the Congregational Meeting through the PPC.
- F. The Committee 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 Congregational Treasurer and the Chairperson of the Committee.
- G. Any members of the Fund Committee with check signing authority, at the expense of the Fund, shall be covered by a corporate fidelity bond in a principal amount to be determined from time to time by the Committee.
- H. The Committee may ask other members of the congregation to serve as advisory members and may employ, at the expense of the Fund income, upon

the approval of the PPC, such professional counseling on investments and legal matters as it deems to be for the best interest of the Fund.

- I. The Committee shall maintain complete and accurate books of account and may employ, upon the approval of the PPC, such professional help as it deems necessary in this connection.
- J. The secretary shall maintain complete and accurate minutes of all meetings of the committee and supply a copy thereof to each member within seven (7) days after the meeting. Each member shall keep a complete copy of minutes to be delivered to his or her successor. Minutes shall also be kept on file in the church office.
- K. The Chairperson, or a member designated by the Chairperson, shall preside at all Committee meetings.
- L. No member of the Committee shall engage in any self-dealing or transactions with the Fund in which the member of the Committee has direct or indirect financial interest.

V. Fiscal Year.

- A. For tax, accounting, distribution, or other purposes, the fiscal year (whether terminating December 31 or otherwise) of Ascension Lutheran Church shall be the fiscal year of the Fund.
- B. Within 30 days after the close of the Fund's fiscal year, and quarterly, an itemized written statement accurately reflecting the position of the Fund's income and corpus accounts. The receipts, disbursements and changes therein since the Fund's inception or the previous accounting, as the case may be, shall be submitted to the Ascension Lutheran Church Congregational Meeting.

VI. Duties.

- A. The Committee shall, at least annually, render a full and complete account of the administration of the Fund during the preceding year at a Congregational Meeting.
- B. Unrestricted gifts and contributions from any individual, firm or corporation, in money, in securities, or in any other form of property including, by way of explanation and not in limitation, direct gifts for the purpose of the Fund, gifts in memory of any deceased person or in appreciation or recognition of any living person, gifts in the form of a devise or bequest under Will or trust instrument, and gifts or proceeds or portions of proceeds of insurance, annuity, or endowment policies or contracts, may be received by the Fund at any time.
- C. Means for acknowledging the receipt of each gift and contribution shall be established and maintained, including, whenever feasible, a designation of the value ascribed to each gift.

- D. All funds and property shall be kept and maintained separate, distinct and independent from the funds and property otherwise belonging to the church.
- E. The Committee is to inform the members of the congregation of the purpose of the Fund, and may periodically arrange for members of the congregation to meet with professional counselors in the areas of charitable giving, wills, bequests, insurance, etc.
- F. All new members of the committee and PPC are to receive a copy of the Fund bylaws to become acquainted with the function and purposes of the Fund.

VII. Powers

The manager of the Fund, whether the Fund is managed and administered by the Committee, or whether the Fund is delivered to an asset management account for management and administration, shall have the following powers and authority.

- A. The property constituting the corpus of the Fund shall be invested and reinvested in any kind of property, (whether real or personal, tangible or intangible, and/or domestic or foreign), including, but not limited to, securities, real estate, oil, gas, and other natural resources and/or accounts or certificates of banks or other lending institutions, and each investment shall be managed and protected in accordance with the principles herein established. In exercising the authority granted in this Section, the decisions with respect to investment shall be guided by the concept of a prudent investor whose investment purpose includes both income and capital appreciation and shall not otherwise be restricted by any law, rule or custom (i) requiring safety of corpus as a primary consideration, (ii) regarding investment in income producing property, or (iii) requiring diversification of investments. In amplification, but not limitation, or the foregoing, authority is granted:
 - 1. to acquire interests in property by purchase, lease, rental or other method; to sell, option, exchange, redeem or convert any property interests; and to rent or lease property of the Fund.
 - 2. to exercise all rights and privileges accruing to a holder of securities, including (without limitation) all conversion, subscription, and preemptive rights; to deposit any securities with, delegate discretionary power to, and participate, cooperate and contract with, as a member or otherwise, any protective committee of security holders; and to effectuate any merger, consolidation, dissolution, reorganization or financial adjustment of the issuer of any securities and/or any transfer, demise, or encumbrance of any of its properties;
 - 3. to manage and/or develop any real property owned, leased or otherwise held by the Fund; to erect, repair, remodel, reconstruct, demolish or remove buildings or other improvements on it; to partition or subdivide

it; to dedicate all or any part of it to public or semi-public use, and to grant easement or other charges with respect to it;

4. to abandon any property interest deemed worthless or of insignificant value;
5. to borrow money from any source, to encumber property of the Fund and to repay any loan due by the Fund;
6. to foreclose any mortgage, lien, or other encumbrance, and to purchase the encumbered property, whether through foreclosure or private arrangement;
7. to establish and maintain, out of income, depreciation, depletion and/or amortization reserves;
8. to maintain a portion or all of the property constituting the Fund in liquid or nearly liquid form, even though little or no income is earned thereon;
9. to use income or corpus funds (irrespective of their derivation) for any purpose of the Fund and with respect to any property of the Fund (irrespective of the income, if any, it produces) even if such funds are derived from the sale of or income from, other property of the Fund or from a loan (from income or an outside source) using such other property as security.

B. Without limiting the authority otherwise conferred, the additional authority is hereby granted to be exercised as is believed to be in the best interest of the Fund:

1. to accept and receipt for any inter vivos, testamentary or other transfer of property to the Fund;
2. to hold property, and to negotiate and execute documents on behalf of the Fund, in the name of the Fund or in the name of a nominee(s) without disclosing any fiduciary, relationship to anyone;
3. to allocate between income and corpus (in case where reasonable doubt of the applicable law exists) in equitable proportions, and money or other property received, and any loss or expenditure incurred;
4. to vote, or refrain from voting, securities having voting privileges, and to give any type of proxy (with or without voting directions) to vote the same;
5. to make division and distribution of property held in the Fund (whenever directed to do so) wither in kind or in cash, or partly in kind

and partly in cash and for such purpose to set values upon any property of the Fund;

6. to protect the Fund and its property by insurance against damage, loss or liability;
7. to establish checking account(s) in which may be deposited income and/or corpus cash; and
8. to employ, at the expense of the fund, attorneys, investment counsel, brokers, custodians of assets, and other agents and employees.

VIII. Amendments.

Any amendment to this Bylaw which will change, alter or amend the general purpose for which the Fund is established shall be adopted only if approved by a two-thirds (2/3) majority of the voting members present at a duly called and constituted meeting of the Congregation, the notice of which has stated that such an amendment will be proposed to the Congregational Meeting.