

BYLAW 10.
TRINITY LUTHERAN CHURCH ENDOWMENT TRUST

BL10.01. Trinity Lutheran Church has a living endowment of faithful members with rich gifts and varied talents. As they have been dedicated to God under Biblical admonition, *"as each has received a gift, employ it for another, as good stewards of God's varied grace: ... whoever renders service, as one who renders it by the strength which God supplies; in order that in everything God may be glorified:"* (1 Peter 1:10-11) they have been used effectively in establishing the church and developing it with an ongoing program for serving the community. In this we rejoice. In this we have been blessed and have given blessing. But, at the same time, God has enlarged our vision to greater possibilities beyond our normal abilities and programs.

THEREFORE, there shall be a division of this corporation designated as the "Trinity Lutheran Church Endowment Trust."

Certain terms used in this part of the bylaws are defined as follows:

Trust	Trinity Lutheran Church Endowment Trust
Trustor	Trinity Lutheran Church
Trustor's Council	The elected Congregation Council of Trinity Lutheran Church
Board of Trustees	Persons elected or appointed to serve a term of office to manage the Trust
Corporate Trustee	A corporation engaged in managing and holding assets in trust for others
Corporate Nominee	A brokerage firm holding securities in its name for record purposes but which are beneficially owned by its clients

BL10.02. GRANT IN TRUST

- a. For and in consideration of the benefits to be received by the Trustor by the creation of the Trust herein defined, the Trustors Council is hereby given authority to deliver, assign, transfer, and set over to the Board of Trustees and their successors, in the perpetual trust, for the uses and purposes hereinafter prescribed, the funds, assets, and property which are now held by the Trustor and which may be designated for inclusion in the Trust.
- b. The Board of Trustees by accepting appointment or election hereby accepts the property described in BL10.02.a. for the purpose of this Trust. The Board further agrees to accept and hold such cash, securities, and property as may from time to time hereafter be contributed, transferred, and assigned to the Board of Trustees for the purpose of the Trust by any person, firm, or corporation, together with any substitutions therefor and "investments" or reinvestments thereof and the income and proceeds thereof. The purposes and trusts are subject to the agreements and conditions herein set forth. However, the Board of Trustees hereinafter provided for may reject contributions which are made upon terms and conditions which they consider to be inconsistent with the purposes of this Trust or which consist of property which in the opinion of the Board of Trustees is unsuitable for the purposes hereof.
- c. The Board of Trustees shall take title to and possession of said assets and shall care for, conserve, administer, invest, and reinvest such assets and the proceeds thereof if sold, and shall account for and pay to the Trustor all the income of said Trust Fund or add to such Trust Fund by reinvesting some or all of such income as hereinafter provided.
- d. The principal of all of the funds, assets, and property described in BL10.02.a., plus all future contributions to the Trust and the proceeds thereof if sold or exchanged, shall constitute the principal or corpus of the Trust hereby created and defined. All accrued interest, dividends, unrealized and realized gain, or other income thereof, whether or not due or matured at the date of these presents or accruing thereafter, shall, when, as and if collected be credited, accounted for, and applied as income.

BL10.03. PURPOSES OF TRINITY LUTHERAN CHURCH ENDOWMENT TRUST

- a. The purpose of the Trust shall be to proclaim and propagate the Christian faith through Trinity Lutheran Church of Eau Claire, Wisconsin, and shall include the distribution and application of its income for such purposes, and the investment of its principal or corpus for the purposes of devoting the income therefrom to the extent herein authorized, and principal thereof to the purposes

aforesaid.

- b. Conditional gifts or bequests to the Trinity Lutheran Church Endowment Trust Fund, the proceeds of which may not, because of such conditions, be administered under the provisions of this Trust, may be considered to be outright bequests to the Trinity Lutheran Church of Eau Claire.
- c. No part of the contributions to or net income of the Trust shall inure to the benefit of any member of the Board of Trustees or the Corporate Trustee hereinafter provided for or of any substantial contributor to the Trust. No part of the activities of the Trust shall consist in carrying on propaganda or otherwise attempting to influence legislation.

BL10.04. USE OF INCOME

a. Unrestricted

In February the Board of Trustees shall report to the Trustor's Council the amount standing to the credit of unrestricted income accounts. The Trustor's Council may, within thirty (30) days after receiving such report, advise the Board of Trustees, by instrument in writing, as to what disposition it desires to have made of such unrestricted accumulated income. The Board of Trustees may distribute all, or a portion of the available, annual unrestricted income and may return any unused income to principal.

b. Restricted

Use of restricted income is determined by statement of purpose of each restricted fund.

- c. It is the intention of the Trustor that the income of the Trust be applied in the following manner:
 - 1) To proclaim and propagate the Christian faith through Trinity Lutheran Church of Eau Claire, Wisconsin.
 - 2) To be applied to projects that may be of special concern to Trinity Lutheran Church of Eau Claire, Wisconsin.
 - 3) To provide for capital improvements to the property of Trinity Lutheran Church of Eau Claire, Wisconsin.
 - 4) To repay loans made by Trinity Lutheran Church of Eau Claire, Wisconsin.

BL10.05. BOARD OF TRUSTEES

- a. There shall be a Board of Trustees consisting of nine (9) members of Trinity Lutheran Church. Ex-officio members shall be comprised of the Congregation Council President and the Lead Pastor. All members of the Board of Trustees shall be in sympathy with the purposes of the Trinity Lutheran Church Endowment Trust for the purpose of directing the operations of the Trust to the extent herein provided.
- b. The members of the Board of Trustees of the Trinity Lutheran Church Endowment Trust shall be elected by this congregation. Board members shall serve for three (3) year terms. No member of the Board of Trustees may serve more than two consecutive terms. Each member of the Board of Trustees shall hold office until a successor is appointed and qualified. Any member of the Board of Trustees may resign by notice in writing delivered to the President or Secretary of the Congregation Council of Trinity Lutheran Church of Eau Claire. Any vacancy occurring during a term of office shall be filled by appointment by the Trustor's Council until the next congregational meeting when the officers are elected. A person(s) so elected shall fill the balance of the unexpired term. The Board of Trustees shall notify the Corporate Trustee, if any, in writing of all appointments and changes in the Board of Trustees, and unless and until so notified, any Corporate Trustee employed by the Board of Trustees as hereinafter provided shall be justified in following the instructions of the Board of Trustees named in the notice then on file with it.
- c. The decision of a majority of the entire Board of Trustees as to any matter to be decided by it shall be binding and conclusive except in cases where a different percentage is herein specifically provided. The Board of Trustees may establish officers and such rules and procedures as it may deem proper in the administration of its duties. The members of the Board of Trustees shall serve without compensation from the Trust for their services. No member of the Board of Trustees shall be liable to anyone by reason of the exercise of his discretion hereunder or for any act or omission to act, except for his own bad faith.
- d. The Board of Trustees shall have the following powers:
 - 1) To employ a corporate trustee qualified to serve as a Trust Company in the State of Wisconsin

- and to delegate to such corporate trustee the management and accounting for the Trust's assets and income.
- 2) To direct the Corporate Trustee in all sales and changes of investment of assets of the Trust, provided, however, that in the absence of such direction the Corporate Trustee shall have discretionary power in the matter of sales and changes of investment of assets of the Trust.
 - 3) In the event of the resignation of the Corporate Trustee, to select a successor Corporate Trustee, or to discharge the Corporate Trustee and select a successor Corporate Trustee.
 - 4) With the approval of eighty (80) percent of the Trustor's Council and by a vote of eighty (80) percent of the Board of Trustees, the Board of Trustees may authorize the expenditure of trust corpus.
- e. A quorum for the transaction of business shall consist of a majority of the elected members of the Board of Trustees.

BL10.06. CORPORATE TRUSTEE

- a. In the event that the Board of Trustees employs a Corporate Trustee as herein provided, the Corporate Trustee shall keep accounts and shall render statements of such accounts to the Board of Trustees annually and at such other periods as the Board of Trustees may request and promptly upon resignation. Accounts may be adjusted without the aid of a court.
- b. The Corporate Trustee shall be paid such reasonable compensation as shall be fixed by agreement from time to time between the Board of Trustees and the Corporate Trustee; such compensation, together with the actual, necessary, and reasonable expenses incurred in administrating the Trust, shall be payable out of the funds of the Trust.
- c. The Corporate Trustee shall be under no duty or responsibility to inquire into the acts or omissions of the Board of Trustees nor shall the Corporate Trustee have any liability therefor. Should it be necessary to perform some act hereunder and there is neither direction in this Agreement nor direction of the Board of Trustees on file with the Corporate Trustee and no such direction can be obtained after reasonable effort, the Corporate Trustee shall have full power and discretion to act and, in so acting, or in following any direction of the Board of Trustees, the Corporate Trustee shall be fully protected and shall be absolved of all liability except for bad faith or gross negligence.
- d. A Corporate Trustee may resign and divest itself of the trust hereby created by giving in writing notice to the Board of Trustees. In event of the resignation of the Corporate Trustee, the vacancy may be filled by appointment of a successor corporate trustee approved by the Trustor's Council by written direction by the Board of Trustees, and such appointment shall have the effect of vesting such successor with all authority of the previous corporate trustee.
- e. All powers and duties vested in any corporate trustee hereunder may be exercised by its Board of Directors or by its Executive Committee or by any of its principle officers or trust officers.

BL10.07. MANAGEMENT OF TRUST ASSETS

- a. All of the assets of the Trust shall be held and administered to effectuate its purpose as stated in BL10.03 hereof. The Trust at all times shall be operated and administered, and the assets and income used, in such a manner that the Trust will be tax exempt, operating as a division of Trinity Lutheran Church, and for tax purposes will meet the requirements for exemption and for deductibility of contributions provided in the Internal Revenue Code and the Wisconsin Statutes.
- b. The Board of Trustees shall have the right to make sales and changes of investment of assets of the Trust and to vote any corporate stocks held by such Trust and in the event that the Board of Trustees has employed a Corporate Trustee, shall direct such Corporate Trustee in all sales and changes of investment of assets of the Trust and in respect to voting of any corporate stock held by the Trust, or delegate to such corporate trustee discretionary power with respect thereto.
- c. The Board of Trustees shall be vested with title to all of the assets of the Trust and shall have full power and authority to do all acts necessary to carry out the provisions hereof and to employ such agents, counsel, or attorneys as it may deem advisable, subject, however, to the foregoing provisions and limitations and to those of BL10.04. No enumeration of specific powers made in BL10.06 shall be construed as a limitation upon the foregoing general powers and the powers of any of them herein conferred upon the Board of Trustees shall not be exhausted by any use thereof but each shall be continuing. Subject to the foregoing limitations and provisions and to those of

BL10.04., the Board of Trustees is authorized and empowered:

- 1) To retain any and all stocks, bonds, notes, securities, and/or other property constituting this Trust, or additions thereto, or substitutes therefor, without liability for any decrease in the value thereof;
 - 2) To sell, at public or private sale, exchange for like or unlike property, convey, lease for longer terms or shorter than this Trust, and otherwise dispose of, any and all property, real or personal, held in Trust for such price and upon such terms and credit as the Board of Trustees may deem proper;
 - 3) To invest any money held hereunder and available for investment in any and all kinds of securities and/or property, and whether or not of the kind authorized by common law or by the laws of any state or country to which said Board of Trustees would in the absence of this provision be subject, and to form or join in forming any corporation and subscribe for or acquire stock in any corporation in exchange for money or other property;
 - 4) To hold cash uninvested;
 - 5) To vote, directly or by proxy, at any election or stockholders' meeting any shares of stock held hereunder;
 - 6) To exercise, dispose of, or reject any purchase rights arising from or issued in connection with any stock, securities or other property held hereunder;
 - 7) To bid for and become the purchaser of any real or personal property sold at any foreclosure or other sale in which the Board of Trustees may have a mortgage or other interest hereunder, and to hold and/or resell the same without liability for any loss resulting therefrom;
 - 8) To repair, alter, or demolish any existing building or structure and/or erect new buildings and structures upon real estate, if any, held hereunder;
 - 9) To effect fire, rent, titles, liability, casualty, or other insurance of a nature and in a form and amount as may be desirable upon any property held hereunder;
 - 10) To participate in any plan or proceeding for protecting or enforcing any right, obligation, or interest arising from any property held hereunder, or for re-organizing, consolidating, merging, or adjusting the finances of any corporation issuing the same; to accept in lieu thereof any new property; to pay any assessment or expense incident thereto; to join in any voting trust agreement; and to do any other act or thing that the Board of Trustees may deem necessary or advisable in connection therewith;
 - 11) To pay, abandon, contest, compromise, or submit to arbitration any claim in favor of or against the Trust or against itself as Board of Trustees;
 - 12) To make any directed division or distribution of the Trust herein provided for in cash or kind, or partly in cash and partly in kind, and in separate or undivided share, and to value and apportion the property to be so divided or distributed, which valuation and apportionment shall be final and conclusive upon all persons interested therein;
 - 13) To be officers or directors of or in their own right individually to own stock or be interested in, any corporation or business in which the Trust shall own stock or be interested;
 - 14) To hold stocks and other assets and open bank accounts in the name of the Trust or its corporate nominee without mention of the Trust;
 - 15) To borrow funds with the consent of the Trustor.
- d. All funds will have a principal and income division. Annually in February following the end of the calendar year, the Trustees will advise the Trustor's Council of the distribution of income to the principal and income divisions based on the total return of the pooled assets of the Trust. Each fund within the Trust will receive a proportionate share of income based on the principal balance of each fund. In an initial year, a fund will receive its proportionate share based on the number of months in existence.
- e. The acts of the Board of Trustees hereunder shall be final and conclusive on all third persons, and no third persons shall be required to take cognizance of the provisions of this instrument or to question the authority of the Board of Trustees so to act, but may conclusively assume that the Board of Trustees, or any successor Board of Trustees, has full power and authority so to act.
- f. The Board of Trustees may delegate to a Corporate Trustee employed by it any or all of the foregoing powers.
- g. The discretionary powers of the Board of Trustees herein set forth and of any Corporate Trustee to whom such powers have been delegated are subject to the right of the Board of Trustees and the

Congregation Council of Trinity Lutheran Church to direct the investment of Trust corpus under the provisions set forth in BL10.05.d.4.

BL10.08. DIRECTION BY THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

- a. If the office of Corporate Trustee and the offices of all members of the Board of Trustees shall become vacant for any reason and shall not be filled in the manner herein before provided, the Trust and its assets nevertheless shall continue to be held and administered as a charitable trust for the purposes herein set forth by and under the direction of a trustee or trustees appointed by the Evangelical Lutheran Church in America or its successor, it being intended that all assets of the Trust shall ultimately be devoted to the charitable purposes herein set forth and shall never revert to any contributor thereof. The Trust shall exist as long as Trinity Lutheran Church of Eau Claire shall exist.
- b. In the event that the Trinity Lutheran Church of Eau Claire goes out of existence and the Evangelical Lutheran Church in America or its successor determines that the purpose of this Trust has failed, then the Evangelical Lutheran Church in America or its successor is hereby granted authority to direct liquidation and distribution of the residual assets of the Trust as the Evangelical Lutheran Church determines; provided, however, that if the Evangelical Lutheran Church in America determines that there is a reasonable possibility that Trinity Lutheran Church of Eau Claire may be organized, or re-organized in Eau Claire, then the Evangelical Lutheran Church in America shall direct the distribution of income only and shall hold the corpus of the Trust intact pending such organization or until it determines no such possibility exists.

BL10.09. AMENDMENT

This agreement may be amended under the provision of the Constitution of Trinity Lutheran Church after approval thereof by two-thirds vote of the entire membership of its Trustor's Council and eighty (80%) percent of the members of the Board of Trustees, provided, however, that no amendment shall be made to alter substantially or be inconsistent with the purposes of the Trust as stated, nor shall any amendment make it possible to use or divert any part of the funds or the Trust by the purposes at variance with those stated herein.