

**JEFFERSON UNITARIAN CHURCH**  
**Golden, Colorado**

**CHARTER**  
**of the**  
**Endowment and Memorial Gift Trust Fund**

The JEFFERSON UNITARIAN CHURCH, Golden, Colorado, a nonprofit corporation incorporated under the laws of the State of Colorado (hereinafter "the CHURCH") has by a two-thirds vote of its members at a duly assembled congregational meeting created and established the JEFFERSON UNITARIAN CHURCH ENDOWMENT AND MEMORIAL GIFT TRUST (hereinafter "the TRUST"). The TRUST shall be owned, held, managed, invested and disbursed as provided herein and pursuant to the CHURCH Bylaws and Affidavit of Incorporation.

I. **PURPOSE**

a. Church

The purpose of the TRUST is to further and augment the principles, program and purposes of the CHURCH by receiving gifts, bequests and conveyances, where the intent of the donor or testator is to make a lasting contribution to the CHURCH. Consolidation of such gifts into one Trust will enable the CHURCH to realize the greatest possible benefit from sound and prudent management and investment of the TRUST.

b. Use

The TRUST shall be carefully nurtured with restraint to protect the principal or corpus from invasion, except as permitted herein. Only income from the TRUST and realized increases or gains in the value of Trust assets shall be used for special projects. The principal or corpus of the TRUST shall not be invaded or used for expenditures or special projects, except to protect assets in the TRUST. The corpus shall be defined as the value of the gift at the time it is received by the TRUST or the value at the time it is sold, whichever is less.

c. Special projects

Special projects are projects and activities of long term and lasting benefit that further the principles, programs and purpose of the CHURCH.

d. Exclusions

Special projects shall not include: operating expenses; day-to-day expenses; expenses ordinarily included in the annual budget; and expenses that have been or will be incurred on a regular and ongoing basis. The TRUST shall not be used for expenditures for which there will be no lasting benefit.

II. **ASSETS**

a. Acceptance

Any person or entity may give or bequeath money, property or assets to the TRUST. Assets and monies transferred to the TRUST shall be held, managed, invested and disbursed by five persons (hereinafter Trust Directors) who shall act in accordance with the provisions of this Trust.

b. Restrictions

While Donors may impose reasonable restrictions in the use of tendered gifts, Trust Directors may refuse to accept any tendered gift or bequest associated with a restriction that in their opinion is improper or unsuitable. A restriction shall be considered improper or unsuitable when it is impractical, impossible or not consistent with the principles, objectives, program and purposes of the CHURCH.

III. **TRUST DIRECTORS**

a. Management

Five (5) Trust Directors shall hold, manage, invest, sell, lease and protect Trust assets and shall receive and collect the income therefrom. Trust Directors shall exercise the judgment and care under the circumstances which persons of prudence, discretion and intelligence exercise in managing their own affairs.

b. Impartiality

Any Trust Director shall disqualify him or herself from decisions about which he or she cannot be impartial. Trust Directors shall refrain from the appearance of impropriety including participation in decisions that may result in direct or indirect personal financial gain.

- c. Investment  
Trust Directors shall have absolute and sole authority and discretion to select investments for the TRUST. Trust Directors shall invest in, acquire and retain assets, real property, personal property, securities, certificates of deposit and savings accounts in banks, savings and loans, mutual funds, the Unitarian Universalist Common Endowment Fund and other investment vehicles.
- d. Voting  
Trust Directors may conduct their votes either in person or by general or limited proxy, and may refrain from so voting if they see fit. Trust Directors may exercise or sell any subscription or other rights to Trust assets and may select options or benefits under life insurance policies or other Trust assets.
- e. Authority  
The TRUST, through the TRUST Directors, is authorized to settle, compromise, contest, prosecute or abandon claims involving the TRUST. The TRUST Directors shall execute and deliver all proper and necessary instruments concerning the TRUST and the assets thereof. Trust Directors may employ accountants and other professionals at the expense of the TRUST.
- f. Signatures  
Trust Directors may establish one or more bank or other accounts to carry out their functions. Checks, withdrawals or loans made by or for the TRUST shall require a majority vote of the Directors.
- g. Bonding  
Trust Directors shall be bonded at the expense of the TRUST or as provided by the CHURCH.

#### IV. ELECTION OF DIRECTORS

- a. Qualifications  
Trust Directors shall have been members of the CHURCH for at least three years.
- b. Term  
The regular term of each Trust Director shall be three (3) years, and the Leadership Nominating Committee shall annually select a slate of Trust Directors to be approved by the Board of Trustees and elected by the Congregation, depending upon the number of terms expiring. No member can serve more than two terms without taking a year off.
- c. Vacancy  
Each vacancy among Trust Directors shall be filled by the LNC with approval by the Board. That appointed person would serve until the next duly assembled meeting of the Congregation when a vote of election could be taken. The person would be eligible for reelection to one further term.
- d. Removal  
Trust Directors may be removed by a vote of two-thirds of the Congregation at a duly assembled meeting after written notice of such intention to remove has been served on the Congregation and Trust Director or Directors being removed at least ten days before said meeting. Service on any Trust Director may be in person or by certified or registered mail to the TRUST Director's last known address.
- e. Conflict  
No person can, at the same time, serve as a Trust Director and as a member of the Board of Trustees.

#### V. DUTIES OF DIRECTORS

- a. Meetings  
Trust Directors shall elect a Chairperson, Treasurer and Secretary or such officers as may be necessary to carry out its functions. Decisions of Trust Directors shall be by majority vote at meetings held as often as necessary to carry out the purpose of the TRUST. A quorum for these meetings shall be three directors.
- b. Reports  
Trust Directors shall make an annual report to the Congregation, and shall make such other reports as may be requested by the Board of Trustees.
- c. Proposals  
All proposals for special projects shall be submitted to the TRUST Directors through a standing committee of the CHURCH. The TRUST Directors shall have the sole and absolute authority to allocate Trust income for special projects on an annual basis, or more or less frequently if necessary to carry out the purpose of the TRUST.
- d. Procedures  
The TRUST Directors may implement such procedures and forms as they may deem necessary to carry out the purpose of the TRUST.

VI. LOANS

a. Authorization of Trust Directors

The TRUST Directors shall be authorized to invest Trust assets in loans made to the JEFFERSON UNITARIAN CHURCH or other Unitarian Universalist churches only as set forth herein.

b. Church

The CHURCH may borrow principal or income from the TRUST at the prevailing prime rate if such a transaction is approved by two-thirds of the Congregation at a duly assembled meeting, and if funds normally used for such purposes are not reasonably obtainable.

c. Others

Loans to other Unitarian Universalist churches may be made from the TRUST at less than the prevailing prime rate of interest with the approval of two-thirds of the Congregation at a duly assembled meeting.

VII. MODIFICATION AND TERMINATION

a. Modification

The provisions herein may be modified by a two thirds vote of the Congregation at a duly assembled meeting, provided that any proposed modification must be published to the membership not less than ten days prior to said meeting and such proposed modification may not be materially modified without an additional ten day publication period prior to the final vote of the Congregation.

b. Trust

The TRUST maybe terminated by a vote of eighty per cent (80%) of the Congregation at a duly assembled meeting, provided that the Congregation must receive written notice of the motion to terminate the TRUST not less than ten days prior to the meeting at which said vote is taken. In the event of termination, the TRUST shall be transferred to the Board of Trustees and expended in conformity with the CHURCH Affidavit of Incorporation and Bylaws.

c. Church

Upon dissolution of the CHURCH or the winding up of its affairs, the TRUST shall be distributed in accordance with the provisions of the Affidavit of Incorporation and Bylaws of the CHURCH.

VIII. APPLICABLE LAW

a. Bylaws

The CHURCH Bylaws and Affidavit of Incorporation shall govern the TRUST's operation, management and procedures whenever needed to supplement or clarify the provisions herein.

b. Fiduciaries

The laws of the State of Colorado as they apply to trustees and fiduciaries shall govern the TRUST operation, management and procedures whenever needed to supplement or clarify the provisions herein. In addition to those enumerated herein, the TRUST and Trust Directors shall have the rights, obligations, powers, duties and discretion and authority granted to and required of trustees and fiduciaries under Colorado law.

c. Arbitration

Any controversy or dispute regarding the TRUST or Trust Directors between any person, estate, Director, Church member or other entity and the TRUST or Trust Directors shall be finally and exclusively settled and determined by arbitration in Golden, Colorado under the rules of the American Arbitration Association and pursuant to the UNIFORM ARBITRATION ACT OF 2004 or its successor within the statutory law of Colorado. Any person, estate or entity donating, contributing to and transacting with the TRUST shall be deemed to have approved of the provisions herein, including this arbitration provision.

Adopted by the congregation at the Annual Meeting 1991

Revised at Congregational Meetings, May 1996, October 1996, and May 2016