

RESTATED BYLAWS OF THE FIRST UNITARIAN SOCIETY OF MINNEAPOLIS

Adoption.

The members of the First Unitarian Society of Minneapolis (the Society) hereby amend the Society's bylaws (the Bylaws) by restating them in their entirety in accordance with the Articles of Amendment of the Society (the Articles) and the Minnesota nonprofit corporation act, Minnesota Statutes, Chapter 317A, and laws amendatory thereof and supplementary thereto (the Act). Unless otherwise specified in the bylaws or Articles, the Act shall govern. These bylaws shall be effective on May 29, 1998, the date of the 1998 annual meeting of the members of the Society.

1. Registered Office.

The registered office of the Society, at which the general business of the Society shall be transacted and where the records of the Society shall be kept, shall be at such place in the State of Minnesota as shall be fixed from time to time by duly adopted resolutions of the Board of trustees (the "Board"). Until otherwise fixed by the Board, the registered office shall be at 900 Mount Curve Avenue, Minneapolis, Minnesota 55403.

2. Membership.

2.1 Voting Members. Members in good standing shall have voting rights. Any individual 15 years of age or older may apply for membership. The Board may admit new members at its discretion.

2.2 Responsibilities of Voting Members. The Board shall determine the minimum annual financial contribution to be made by the voting members, taking into account the annual cost of maintaining a member on the rolls due to fixed costs such as mailings to the members and the annual per capita assessments paid by the Society on behalf of members to the Unitarian Universalist Association, the Prairie Star District and similar organizations. Voting members whose circumstances do not permit payment of the minimum annual contribution may request, and the Board may at its discretion grant, a waiver of payment. If the Board fails to fix a minimum annual financial contribution, each member is nonetheless required to make an annual financial contribution that is recorded with the Society.

2.3 Honorary and Life Members. The Board may confer honorary and/or life membership on any individual or individuals based upon such criteria as the Board may from time to time determine. Specifically, individuals who have made significant

contributions to the Society over time may be granted life membership. Former ministers of the Society shall be granted life membership upon their request. Life members shall have voting rights, honorary members shall not. Life and honorary members need not make annual financial contributions as set forth in section 2.2 above. Life members shall be counted in the membership census of the Unitarian Universalist Association, honorary members shall not.

2.4 Friends and Affiliates. The Society acknowledges and welcomes friends and affiliates of the Society who are not members but are valued participants in the activities of the Society.

2.5 Interest In Property. Members, as such, shall not have any right, title, or interest in the real or personal property of the Society.

2.6 Resignation. Any member may resign his or her membership at any time by giving notice to the Board or to the Secretary. Such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

2.7 Termination. The Board may terminate any membership at any time with or without cause. A membership shall terminate automatically if, by the end of the year, the member has failed to make an annual financial contribution as set forth in section 2.2 above, except that the Board may at its discretion postpone or nullify any such automatic termination.

3. Meetings of Members.

3.1 Annual Meeting. The annual meeting of the members of the Society for the election of trustees, the minister's report, the presentation of reports on the activities and financial condition of the Society, the presentation of the annual budget for discussion and ratification, including ratification of the minister's salary, and the transaction of such other business as may properly come before the meeting, shall be held at the registered office of the Society at such time in May in each year as the Board shall from time to time designate.

3.2 Special Meetings. Special meetings of the members of the Society may be called at any time (a) by the Chair, (b) by the Board, or (c) upon written request of 50 voting members or ten percent of the voting members, whichever is less. Anyone entitled to call a special meeting of the members may make written request to the Secretary who shall then give notice of the meeting, setting forth the time, place, and purpose thereof. Such special meeting shall be held between 30 and 60 days after receiving the request. If the Secretary fails to give notice of the meeting within seven days from the date on which the request is received by the Secretary, the person or persons who requested the meeting may fix the time and date of the meeting and give notice thereof in the manner hereinafter provided. Special meetings shall be held at the registered office of the

Society. The business transacted at a special meeting is limited to the purposes stated in the notice of the meeting.

3.3 Notice. Written notice of each meeting of the members, stating the time, date, and place thereof, shall be mailed, postage prepaid, not less than 15 nor more than 30 days before the meeting, excluding the day of the meeting, to each member of the Society at his or her last known address. Any member may waive notice of a meeting before, at or after the meeting, orally or in writing. Attendance at a meeting is deemed a waiver unless the member objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened, or objects before a vote on an item of business because the item may not lawfully be considered at that meeting and the member does not participate in the consideration of the item at that meeting.

3.4 Voting; Quorum. At all meetings of the members, each voting member shall be entitled to cast one vote on any question coming before the meeting. Members may not vote by proxy. Cumulative voting shall not be permitted. The presence of ten percent of the members shall constitute a quorum at any meeting thereof. Unless otherwise provided in the Articles or the Bylaws, a majority vote of the members present and entitled to vote at any meeting at which a quorum is present shall be sufficient to transact any business. In the absence of a quorum, the meeting shall be adjourned. When any meeting of the members is adjourned to another time, notice of the adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken.

3.5 Nominations by Members. Members may nominate candidates for the Board and the three at-large members of the nominating committee to be elected at the next annual meeting of the members, as follows: (a) Nominations must be in writing; (b) The writing must be signed by three or more voting members and by the candidate who thereby indicates his or her consent thereto; and (c) The writing must be delivered to the Secretary at least 35 days before the annual meeting. The nomination must accompany the notice of the meeting. No nominations may be made at the annual meeting except nominations made by the nominating committee as set forth in section 7.2 below and nominations made by members in accordance with the requirements set forth in this section 3.5.

3.6 Resolutions on Public Issues. A “resolution on a public issue” is a resolution which states the position of the Society as an institution on one or more public issues, including issues relating to religion, ethics, morals, health, education, welfare, and government. A resolution on a public issue may be submitted for approval by the members at the annual or any special meeting of the members, provided the resolution is in writing and the writing is signed by ten or more voting members and delivered to the Secretary at least 35 days before the meeting. The proposed resolution must accompany the notice of the meeting. A resolution on a public issue requires the vote of two-thirds of the members present and entitled to vote.

4. Trustees.

4.1 Powers. The business and affairs of the Society are managed by or under the direction of the Board. Following ratification of the annual budget at the annual meeting, the Board may from time to time amend the annual budget as necessary in light of the Society's needs and financial circumstances.

4.2 Number and Method of Election. The Board shall have nine trustees. The trustees shall be elected by the voting members at each annual meeting.

4.3 Terms. Except as otherwise provided in section 4.5, each trustee shall be elected to serve for a term of two years. The trustees shall be divided into two classes, one of five and one of four members, so that the terms of office of one of the classes shall expire each year. A trustee shall hold office until the expiration of the term for which the trustee was elected and until a successor is elected, or until the earlier death, resignation, removal, or disqualification of the trustee.

4.4 Removal. A trustee may be removed by the Board at any time, with or without cause, if three-fourths of the other trustees vote to remove the trustee. A trustee may be removed by the members at the annual or any special meeting of the members, with or without cause, provided: (a) The removal is initiated by a written petition signed by 25 or more voting members and (b) The petition is delivered to the Secretary at least 35 days before the meeting. The notice of the meeting must indicate that the proposed removal is a purpose of the meeting. A majority of the members present and entitled to vote at any meeting shall be sufficient to remove the trustee.

4.5 Vacancy. If a vacancy occurs on the Board, including a vacancy that is the result of removal of a trustee by the members as set forth in section 4.4 above, the other trustees shall as soon as reasonably possible fill the vacancy. A trustee appointed by the other trustees to fill a vacancy shall hold office until his or her successor is elected by the members at the next annual meeting of members, or until his or her earlier death, resignation, removal, or disqualification. The term of a trustee elected by the members at the next annual meeting of members to fill a vacancy expires at the end of the term that the trustee is filling.

4.6 Limitation on Term. A member may not serve as trustee for more than six consecutive years nor stand for election for a term that would extend service for more than six consecutive years.

5. Meetings of the Board.

5.1 Annual Organizational Meeting. The annual organizational meeting of the Board for the purpose of electing officers and transacting such other business as may properly come before the meeting shall be held upon written notice within ten days after the annual meeting of the members.

5.2 Regular and Special Meetings. The regular meetings of the Board shall be held at such time and place as the Board may from time to time designate by resolution. Special

meetings of the Board may also be called at any time (a) by the Chair or (b) upon the written request of three or more members of the Board. Anyone entitled to call a special meeting of the Board may make a written request to the Secretary to call the meeting, and the Secretary shall then give notice of the meeting. Such special meeting of the Board shall be held between five and thirty days after receiving the request. If the Secretary fails to give notice of the meeting within seven days from the day on which the request was made, the person or persons who requested the meeting may fix the time and place of the meeting and give notice in the manner hereinafter provided.

5.3 Notice of Meetings. Written notice of the annual organizational meeting and any special meeting of the Board, stating the time, place and purpose thereof, shall be mailed, postage prepaid, not less than five nor more than thirty days before the meeting, excluding the day of the meeting, to each trustee at his or her address according to the last available records of the Society. Any trustee may waive notice of a meeting before, at or after the meeting, orally or in writing. Attendance at a meeting is deemed a waiver unless the trustee objects at the beginning of the meeting to the transaction of business because the meeting is not lawfully called or convened and the trustee does not participate in the meeting.

5.4 Quorum and Voting. The presence of a majority of the trustees shall constitute a quorum at any Board meeting. In the absence of a quorum, the trustees shall adjourn the meeting. At all meetings of the Board, each trustee shall be entitled to cast one vote on any question coming before the meeting. A majority vote of the trustees present at any meeting, if there be a quorum, shall be sufficient to transact any business unless a greater number of votes is required by law or these bylaws. A trustee shall not appoint a proxy for himself or herself or vote by proxy at a meeting of the Board. A trustee who is present at a meeting of the Board when an action is taken is presumed to have assented to the action unless the trustee votes against the action or is prohibited from voting on the action.

5.5 Adjourned Meetings. When a meeting of the Board is adjourned to another time or place, notice of the adjourned meeting need not be given other than by announcement at the meeting at which adjournment is taken.

5.6 Written Action. Any action that could be taken at a meeting of the Board may be taken by written action signed by two-thirds of all the trustees; provided that all trustees shall be notified of the text of the written action prior to the signing by any of the trustees. All trustees shall be notified immediately of the effective date of any such written action that is duly taken.

5.7 Trustee Conflicts of Interest. The Society shall not enter into any contract or transaction with (a) One or more of its trustees, (b) A director of a related organization (within the meaning of Minnesota Statutes, section 317A.011, Subd. 18), or (c) An organization in or of which a trustee is a director, officer or legal representative or has a material financial interest; unless the material facts as to the contract or transaction and

as to the trustee's interest are fully disclosed or known to the Board, and the Board authorizes, approves, or ratifies the contract or transaction in good faith by the affirmative vote of a majority of the trustees (without counting the interested trustee), at a meeting at which there is a quorum without counting the interested trustee. Failure to comply with the provisions of this section 5.7 shall not invalidate any contract or transaction to which the Society is a party.

5.8 Monthly Reporting. The Board shall post a written summary of the minutes of its regular, monthly, special, and annual organizational meetings on public display at the Society and on the Society's web page, as promptly as is practical after the approval of these minutes.

6. Officers.

6.1 Term of Office; Removal. The officers of the Society shall be a Chair, a Vice-Chair, a Secretary, and a Treasurer. Officers shall be elected by the Board to serve for terms of one year and until their respective successors are chosen. The Board, by a majority vote of all the trustees, may at any time remove any officer with or without cause. Except for the Treasurer, the officers must be trustees. No person may hold more than one office at the same time.

6.2 Chair. The Chair shall be the chief executive officer of the Society. He or she shall preside at all meetings of the Board and the members. Consistent with the Articles, the Bylaws, and policies from time to time promulgated by the Board, he or she shall be responsible for the general supervision, direction, and management of the affairs of the Society. He or she shall execute on behalf of the Society all contracts, deeds, conveyances, and other instruments in writing which may be required or authorized by the Board for the proper and necessary transaction of the business of the Society.

6.3 Vice-Chair. The Vice-Chair shall perform the duties of the Chair in case of the latter's absence or disability. The execution by the Vice-Chair on behalf of the Society of any instrument shall have the same force and effect as if it were executed on behalf of the Society by the Chair.

6.4 Secretary. The Secretary shall be responsible for keeping accurate minutes of all meetings and shall be custodian of the official records, documents, and papers of the Society. He or she shall provide for the keeping of proper records of all transactions of the Society. He or she shall have and may exercise any and all other powers and duties pertaining by law, regulation, or practice to the office of Secretary, or imposed by these bylaws. He or she shall also perform such other duties as may be assigned to him or her from time to time by the Board.

6.5 Treasurer. The Treasurer shall supervise the receipt, custody, deposit, and disbursement of all funds of the Society and shall be responsible for maintaining accurate financial records for the Society and safeguarding the assets of the Society. He or she shall present a report of the Society's financial transactions and status to the Board at its annual meeting, and shall from time to time make such other reports to the

Board as it may require. The Treasurer shall perform such other duties as may be assigned to him or her from time to time by the Board.

6.6 Additional Powers. Any officer of this Society, in addition to the powers conferred upon him or her by these bylaws, shall have such powers and perform such additional duties as may be prescribed from time to time by the Board.

7. Committees.

7.1 Executive Committee. The Board may designate an executive committee composed of the Chair, the Vice-Chair and the Secretary. The Board shall from time to time define the role and the powers of the executive committee, which shall only act in the interval between meetings of the Board and shall at all times be subject to the control and direction of the Board.

7.2 Nominating Committee. There shall be a nominating committee which shall consist of the immediate past Chair, who shall act as chairperson; one trustee, who shall be appointed by the Board; and three members (herein called the three at-large members), who are not trustees and who are nominated as set forth in section 3.5 and elected by the members at the annual meeting of the members. The nominating committee shall have its annual organizational meeting within thirty days of the annual organizational meeting of the Board. Other meetings may be held at such time and place as are announced at a previous meeting of the nominating committee or as called by the chairperson. The nominating committee shall prepare slates of candidates (a) for those vacancies on the Board that are to be filled by the members at the next annual meeting, and (b) for the three at-large members to be elected at the next annual meeting. Nominating committee members shall serve for one-year terms. Nominating committee members shall not serve for more than three consecutive years. If a vacancy occurs on the nominating committee, the Board shall fill the vacancy.

7.3 Other Committees. The Board may appoint such other committees as the Board may determine. Each such committee shall have such duties and responsibilities as are granted to it from time to time by the Board. All committees shall at all times be subject to the control and direction of the Board at its discretion. Committee members, other than members of the executive committee, need not be trustees. A majority of any such committee may fix the time and place of its meetings, unless the Board shall otherwise provide. The chairperson of each such committee may be designated by the Board.

8. Ministers.

8.1 Call and Tenure. In order to carry out the programmatic and religious affairs of the Society, the Society may have one or more ministers whose responsibilities shall be defined in a written contract between the minister and the Society. The appointment and dismissal of a minister is solely the responsibility of the voting members. The appointment or dismissal of a minister shall be by written ballot and shall require a two-thirds vote of the members present and entitled to vote at a meeting of the members.

8.2 Salary. Annually, the trustees shall recommend the salary of the minister(s), subject to ratification by a majority vote of the members present and entitled to vote at a meeting of the members.

8.3 Retirement. The minister(s) shall automatically retire on July 1 following his or her 70th birthday (the Retirement Date), unless the members authorize one or more two-year extensions of his or her employment contract. The first extension must be authorized, if at all, at the annual meeting held the year before the year in which the Retirement Date falls. Such authorization requires a sixty percent majority vote of the members present and entitled to vote. Subsequent two-year extensions may be authorized in the same manner at the annual meeting held the year before the year in which the current extension expires.

8.4 Freedom of the Pulpit. Neither the Board nor the members shall interfere with freedom of the pulpit.

8.5 Copyright Ownership. The minister(s) shall retain copyright ownership of all original written and spoken materials created for use at the Society in the course of the performance of his or her duties, including but not limited to sermons, newsletter columns, religious educational materials, and liturgical materials including those for weddings, memorial services, and weekly assemblies. Specifically excepted from this provision will be occasional writings included in congregational directories, web sites, program guides, church histories, and annual reports, of which the Society will retain copyright ownership.

9. Indemnification.

To the full extent permitted by any applicable law, the Society shall indemnify each person made or threatened to be made a party to any threatened, pending, or completed civil, criminal, administrative, arbitration, or investigative proceeding, including a proceeding by or in the right of the Society, by reason of the former or present capacity of the person as –

(a) a trustee, officer, employee, or member of a committee of the Society, or

(b) a director, officer, partner, trustee, employee, or agent of another organization or employee benefit plan, who while a trustee, officer, or employee of the Society is or was serving the other corporation at the request of the Society or whose duties as a trustee, officer, or employee of the Society involve or involved such service to the other corporation, against judgments, penalties, fines (including, without limitation, excise taxes assessed against the person with respect to an employee benefit plan), settlements, and reasonable attorneys fees and disbursements incurred by the person in connection with the proceeding.

Indemnification provided by this section shall continue as to a person who has ceased to be a trustee, officer, employee, or committee member, shall inure to the benefit of the heirs, executors and administrators of such person and shall apply whether or not the claim against such person arises out of matters occurring before the adoption of this

section. Any indemnification realized other than under this section shall apply as a credit against any indemnification provided by this section.

The Society may, to the full extent permitted by applicable law from time to time in effect, purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee, or a member of a committee of the Society against any liability asserted against such person and incurred by such person in any such capacity.

The Society will not indemnify for any acts deemed by a court of law to be illegal or fraudulent or any acts which are contrary to the written policies of the Society.

10. Miscellaneous.

10.1 Fiscal Year. Unless otherwise fixed by the Board, the fiscal year of the Society shall begin on July 1 and end on the succeeding June 30.

10.2 Corporate Seal. The Society shall have no seal.

10.3 Electronic Communications. A member, trustee, or committee member may participate in a meeting other than a meeting of the members by any means of communication through which such person, other persons so participating, and all persons physically present at the meeting may simultaneously hear each other during the meeting. Participation in a meeting by that means constitutes presence in person at the meeting. A conference among members, trustees, or committee members by any means of communication through which such persons may simultaneously hear each other during the conference is a meeting of the members, Board, or committee, as the case may be, if the same notice is given of the conference as would be required for a meeting, and if the number of persons participating in the conference would be sufficient to constitute a quorum at a meeting. Participation in a meeting by that means constitutes presence in person at the meeting.

10.4 Amendments. The voting members, by a majority vote of the members present and entitled to vote, may amend the Articles and the Bylaws at the annual or any special meeting of members. An amendment must be proposed by the Board or by any five voting members in a petition that is signed and delivered to the Secretary at least 35 days before the meeting of the members. A copy of the proposed amendment shall accompany the notice of the meeting.

10.5 Authority to Borrow, Encumber Assets. No trustee, officer, agent, or employee of the Society shall have any power or authority to borrow money on its behalf, to pledge its credit, or to mortgage or pledge its real or personal property except within the scope and to the extent of the authority delegated by resolutions adopted from time to time by the Board. Authority may be given by the Board for any of the above purposes and may be general or limited to specific instances.

10.6 Deposit of Funds. All funds of this Society shall be deposited from time to time to the credit of the Society in such banks, trust companies, or other depositories as the

Board may approve or designate, and all such funds shall be withdrawn only in the manner or manners authorized by the Board from time to time.

10.7 Parliamentary Procedure. Roberts Rules of Order as last revised shall govern the proceedings of all meetings of the members and the Board.

10.8 Bonds. The Board shall require that all officers and employees of the Society handling or responsible for corporate funds shall furnish fidelity bonds in such sums and with such surety companies as the Board at its discretion shall determine. The premiums for such bonds shall be paid by the Society.