

§ 334.10 Incorporation of Temples or Affiliates.

(a) **Existing.** Any temple now incorporated pursuant to a state statute which authorizes the formation of a fraternal corporation, not for profit, deriving its rights and powers from a Grand or Imperial body, and any affiliated organization incorporated pursuant to a not-for-profit statute, may continue its corporate existence so long as its charter or bylaws contain provisions that the corporation (1) yields obedience to Shrine law; (2) exists solely as a nonprofit corporation having no purpose other than that of acquiring, owning, selling, or otherwise disposing of, and mortgaging real estate, and the erection, maintenance and operation of buildings thereon, for its own use; (3) no part of its assets or funds shall inure to the benefit of individuals personally except in payment for services actually rendered or performed; and (4) in the event of dissolution, the assets and funds remaining after the payment of all debts of the corporation shall be conveyed to the temple or Shriners Hospitals for Children.

Amend. 1996

(b) **New.** New corporations organized by temples are prohibited unless:

(1) An application is presented to the Imperial Potentate stating the reasons why a corporation is necessary.

(Use form and certificate #16)

(2) A draft of the proposed articles of incorporation or association is attached to the application.

(3) The articles of incorporation or association include provisions that (i) it exists solely as a nonprofit corporation having no purpose other than that of acquiring, owning, selling or otherwise disposing of, and mortgaging real estate, and the erection, maintenance and operation of buildings thereon, for its own use; (ii) it is subject to control by the temple at all times, (iii) the directors and managing officers shall be members in good standing in the temple, (iv) no part of the assets or funds may inure to the benefit of individuals personally except in payment for services actually rendered or performed; (v) in the event of dissolution, the assets and funds remaining after the payment of all debts of the corporation shall be conveyed to the temple or the Hospitals; (vi) no amendment of the articles shall be effective unless first approved by the chairman of the Jurisprudence and Laws Committee, General Counsel and the Imperial Potentate; and (vii) when a change is made by The Imperial Council affecting Shrine law, and the change affects the articles of incorporation or bylaws of this corporation, the articles of incorporation and the bylaws of this corporation, unless prohibited by state law, are thereupon changed to conform with those of The Imperial Council and appropriate action shall be taken by the corporation to evidence the same.

(4) The chairman of the Jurisprudence and Laws Committee, General Counsel and the Imperial Potentate approve the application.

(c) **Format of Records.** A corporation organized by a temple is required to maintain its records in accordance with the Uniform Chart of Accounts prescribed by The Imperial Council.

(d) **Filings.** The corporation is required to file annually with the Imperial Recorder a statement of activities and changes in members' equity for the previous year and a statement of financial position showing the financial condition of the corporation at the end of the previous year.

(e) **Temple Action.** The sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all the property and assets of the corporation may only be upon such terms and conditions and for such consideration as shall first be authorized by a vote of the temple at a stated meeting of the temple, or at a special meeting which sets forth in the notice of the meeting the specific nature of the business to be transacted.

Amend. 1986

§334.11 Corporate Document Filed with Imperial Recorder. Copies of the articles of incorporation or association and the bylaws of every temple corporation and affiliated or appendant corporation must be filed with the Imperial Recorder.

§334.12 Contracts for Lodging at Sessions and Meetings. After a temple has voted to send units, clubs or Nobles to an Imperial Council Session or a Shrine association meeting, it shall designate one of the official divan as the authorized agent of the temple to make contracts for transportation and lodging, provided, however, that such contacts must be approved by, and contain any limits or conditions required by, the temple.

Add. 1990

§334.13 Unauthorized Acts. Except as specifically provided by the articles of incorporation or bylaws of this corporation, or temple bylaws, no unit, shrine club, group of Nobles, Noble or person:

(a) Has any authority, express or implied, to act as the agent of, to act on behalf of, or to bind a temple.

(b) Can by its act or omission obligate or bind a temple.

Add. 1989

§334.14 Code of Ethics. The code of ethics, as appears in §210.7 of these bylaws, applies to all Shrine temples, their elected divan, members, their appointed officers and all Nobility.

Add. 1998