

**THE MOST WORSHIPFUL GRAND LODGE
OF ANCIENT FREE AND ACCEPTED MASONS**

OF THE STATE OF CONNECTICUT

POLICY AND PROCEDURES MANUAL

PUBLISHED 9-2014

FORMATION OF A NEW LODGE

CLOSURE OF A LODGE

MERGER OF LODGE INTO ANOTHER LODGE

CONSOLIDATION OF TWO OR MORE LODGES INTO A NEW LODGE

CLOSURE OF A TEMPLE CORPORATION

Applicability and Responsibility

This document applies to all subordinate Lodges, and their temple corporations, of the Most Worshipful Grand Lodge of Connecticut.

Responsibility for maintaining this document rests with the Committee on Legal Matters, with the approval of the Grand Master.

Index:

Grand Lodge Rules & Regulations references	Page	3
Guidance to Lodges – general	Page	4
Formation of new Lodge	Page	8
Closure of a Lodge	Page	12
Merger of lodge A into B and closure of Lodge A	Page	14
Combination of lodge A and Lodge B into New Lodge C	Page	17
Closure of Temple Corporation	Page	20
Forms	Page	25

References

Section 3003. By-laws Must be Approved by Grand Lodge.

Section 3004. Certain By-laws Amendments May be Made Without Grand Lodge Approval.

Section 3005. Lodge Cannot Suspend By-laws or be Adjourned.

Section 3104. When Charter Cannot be Surrendered.

Section 3105. Restriction on Affiliation by Members When Charter is Arrested.

Section 3106. Status of Lodge if Charter is Arrested.

Section 3109. When Lodge Property Escheats to Grand Lodge; Duty of Officers of Defunct Lodge; Penalty.

Section 3403. Certain Business to be Acted Upon Only at Stated Communications.

Section 3510. Lodge Funds Not to be Distributed Among Members; Penalty.

Section 3600. Real Estate For Masonic Use, Approval of.

Section 3601. Use of Legal Entities.

Section 3602. Disposition or Impairment of Real Estate.

Section 3603. Amendments to Organizational Documents and By-laws.

Section 3604. Adoption of Plan of Merger, Liquidation or Dissolution.

Section 4100. How Membership in a Lodge is Acquired.

General Discussion

Formation of a new lodge

Brothers who desire to form a new lodge should refer to Grand Lodge Regulations, Subpart 31 – Charters and Subpart 39 – Lodges Under Dispensation. Prior to embarking on this process the brothers, consisting of seven or more, should meet with our Grand Master to discuss the idea and seek his support. Upon receiving support of our Grand Master, the brothers should contact the Grand Secretary and complete a Petition for Formation of New Lodge, Form GL-1. The brothers will need to obtain consent to form a new lodge from lodges within the general vicinity of the proposed lodge; determine an officer line; draft bylaws and address the business aspects of a lodge including opening bank accounts and obtaining a tax identification number. The Grand Secretary will be a valuable resource during this process which is described in detail within the section Formation of a New Lodge of this Policy and Procedure guidance.

Closure of Lodges

Before considering a merger, consolidation or closure, the Lodge should determine the nature and source of its problems, discuss them in detail with the Lodge Officers and Past Masters, District Deputy, a Grand Lodge Officer and the Committee on Legal Matters. Some of the questions which should be asked and answered include:

- 1) Is the problem a lack of active members or is it financial difficulties?
- 2) Is the problem permanent, or can it be reversed with a concerted effort by the Lodge?
- 3) If the problem is financial, has the Lodge considered alternative options such as renting from another Lodge or from a different facility such as a church or school?
- 4) What special conditions do the members require in order to consider a merger or consolidation?
 - a. (Will they insist on retention of the Lodge name or number?)
 - b. Current officer involvement post merger or consolidation?
 - c. Continuing control over financial assets coming from the lodge?
 - d. Are there certain members who have been granted special exemption from dues and assessments?
 - e. Are there other items which must be “grandfathered” in the new Lodge?
 - f. Is there a Building Association involved which must be considered?
- 5) What should the Lodge in difficulty look for in the Lodge with which they seek to consolidate? (When two Lodges with similar problems consolidate, the usual result is a new, larger Lodge with the same problems.)

During the evaluation process, it is essential that the membership of the Lodge be kept fully informed of the problems and given the opportunity to participate in the discussions. This would usually be accomplished via the Lodge Trestle Board, but could be by special mailing as well.

Those who do not participate can be assumed to have lost interest in their Lodge and may therefore be counted as being in favor of whatever is decided by those who do participate.

Merger or Consolidation of Lodges

A possible solution for a lodge considering closing is to merge into an existing lodge or alternatively, join with another lodge to form a new lodge.

Merger described - In this restructuring of a lodge, Lodge A has voted to close and will do so by way of joining another lodge and in the process transfer its members, books & records and financial assets to Lodge B. The name of Lodge B does not change.

Consolidation described - In this restructuring of a lodge, Lodges A & B have voted to combine and will do so by way of either 1) forming a new lodge and both merging into the new Lodge C or 2) one of the lodges merges into the other lodge and then changing the name to Lodge C. An important distinction with a lodge consolidation is the need to petition to form a new lodge.

Once the Lodge has determined that it should seek merger or consolidation with another Lodge, it should notify the Master of the second Lodge, and both Lodge Masters should appoint committees to collect and evaluate operational details of the lodges such as:

- Each Lodge should provide a complete roster of members, financial information and inventory of property and paraphernalia.
- The name and lodge number of the continuing Lodge.
- Which officers and trustees will stay in office or when new officers will be elected.
- Where and when the new Lodge will meet.
- How and when the funds and property of the two Lodges will be consolidated.
- Disposition of excess property.
- Review both lodge bylaws and changes needed for the new Lodge.
- If lodge being merged has a building, what will be done with the building.

The more things which are ironed out at this stage, the smoother the final result will be.

The joint committee should prepare and present to each Lodge a detailed report containing its recommendations. Each Master should then determine when the report will be discussed by the membership of his Lodge and a vote taken. This must be at a Stated Communication, and should be about two months after receipt of the committee report. The two Masters should coordinate the vote in each Lodge to ensure the votes are taken at approximately the same time. Inasmuch as merger or consolidation of Lodges can be regarded as equivalent in effect to a change to the bylaws of the Lodge, the provisions of those bylaws for changes thereto should be followed. This will usually require written notice of the discussion and vote to be delivered to ALL MEMBERS of both Lodges by **First Class Mail**. This gives every member of each Lodge the necessary information and opportunity to participate in the determination of the future of his Lodge.

If during the debate in either Lodge, there should be objection to a specific recommendation of the joint committee, or additional requirements desired by a sufficient majority of the members

to cause the vote to fail, the Lodge should refer the matter back to the joint committee for negotiation. This will require that a second vote on consolidation be scheduled and that the required notice again be sent to the membership by First Class mail. Alternatively, the Lodge may vote to consolidate subject to agreement by the other Lodge with a specific change in the consolidation agreement, in which case, the second Lodge must place the change before its membership for a vote.

Often, agreement cannot be reached on the name of the newly consolidated Lodge. Brethren should realize that the name of the Lodge and its meeting location is specified in the Charter issued by Grand Lodge, and is therefore its exclusive purview. If this is the only disagreement, the Grand Master may order the consolidation to occur and specify the Lodge name without requiring a second vote by either of the two Lodges.

After full discussion, the vote on merger or consolidation should be taken. The majority required to pass the proposal is that required by the Lodge bylaws for a change to its bylaws, usually two-thirds of those present and voting. If not specified in the Lodge bylaws, a majority should be used.

If adopted, the Secretary of the Lodge shall at once transmit to the Lodge with which the merger or consolidation is proposed, an official letter signed by the Worshipful Master and attested by the Secretary under seal of the Lodge which reports the results of the Lodge vote on the consolidation proposal. A copy shall be sent to the Grand Secretary of the Grand Lodge, the Grand Lodge Officer if one was assigned by the Grand Master to assist with the matter at hand, the District Deputy and the Committee on Legal Matters.

The Master of each Lodge shall cause the results of the vote in the other Lodge to be read at a Stated Communication and entered upon the minutes. If the other Lodge has proposed a change to the agreement recommended by the joint committee, he shall cause a vote to be taken on the change. Depending on the complexity and importance of the proposed change, this may be a simple majority vote, or could require full notice to the membership of his Lodge before the vote.

If both Lodges have accepted the proposal to merger or consolidate with each other, the recommendations of the joint committee as accepted and/or modified by vote of the two Lodges shall be implemented by the Lodges according to the plan developed by the joint committee, **but not until concurrence of the Committee on Legal Matters is received, and the dispensation of the Most Worshipful Grand Master has been granted.**

Further directions regarding the consolidation may also be given by the Most Worshipful Grand Master and/or the Grand Secretary.

Upon merger or consolidation of two or more lodges, members of the lodge(s) ceasing to exist shall become members of the continuing lodge. A Brother who does not wish to become a member of the new Lodge may request a dimit or a Petition for Affiliation so that he can apply to join another Lodge of his choice (if currently paid-up).

Closure of Temple Corporations

The attached guidance is intended to assist lodges with the closure of their temple corporation. This would typically occur after the lodge building has been sold, bills paid and the remaining assets are to be distributed as required by GLR&R Section 3602. The guidance addresses the need for notice to the members of the corporation; notice to Grand Lodge and the process the officers of the corporation will need to follow to close the corporation.

FORMATION OF A NEW LODGE

Brothers interested in forming a new lodge may do so by petitioning Grand Lodge. The governing sections of the Grand Lodge Rules & Regulations are Subpart 31 *Charters* and Subpart 39 *Lodges Under Dispensation*.

Before you embark on this endeavor, you need to meet with the Grand Master and discuss the idea of forming a new Lodge and gain his support.

Grand Lodge Procedures:

- To create a lodge requires a minimum of 7 Master Masons, known and approved, who reside in the general vicinity of the proposed new lodge. See Section 3905(a).
 - The petitioning Master Masons must be in good standing and clear on the books of any Lodge they are a member of. See Section 3905(c).
 - Any Master Mason hailing from another Grand Jurisdiction intending on signing the petition as a Charter Member can do so if his Grand Jurisdiction allows dual or plural membership. If his Grand Jurisdiction does not, he must obtain a dimit prior to becoming a Charter Member of the lodge. See Section 3904.

- Complete Form GL-1 *Petition for Formation of New Lodge*.
 - Proposed lodge name.
 - You may propose a lodge name and number with your Petition.
 - You may ask if the Grand Master will reissue a Charter previously surrendered or forfeited by a lodge. See Section 3100.
 - You must obtain the consent of Lodge(s) in the general vicinity of the proposed new lodge. See Section 3903.
 - The Grand Secretary or District Deputy can assist you in identifying the existing lodges you will need to contact.
 - The lodges will vote whether to consent to the formation of the lodge and such approval or denial shall be by simple majority of the members present.
 - If there are no lodges within the general vicinity of the proposed lodge, or the nearest lodge is in a state of decline that obtaining approval is impractical, Grand Lodge or the Grand Master may dispense with this requirement.
 - The petition must identify the initial officers of the proposed lodge.
 - The officers required to be identified are the WM, SW, JR, Treasurer and Secretary.
 - There is no fee required on submission of the Form GL-1.

- Bylaws
 - Prepare draft bylaws using the Grand Lodge Model Bylaws for Lodges found on the Grand Lodge website under Policies and Procedures.

- Submit draft bylaws to Committee on Legal Matters well before expected date Charter will be issued.
 - Final version of bylaws, certified by Committee on Legal Matters and approved by the Grand Master must be in place prior to receipt of Charter.
- Operation of lodge until grant of Charter.
 - The lodge will operate U.D. (Under Disposition)
 - The dispensation granted must be in writing and issued by the Grand Master. See Section 3901.
 - The dispensation continues in force until:
 - the earlier of the vote of Grand Lodge to grant the Charter at either the Grand Lodge semi-annual or annual stated communication, or
 - the end of the term of the Grand Master. See Section 3906.
 - If the dispensation will expire because Grand Lodge will not act on the petition, the petitioners must contact the Deputy Grand Master prior to the Grand Lodge annual stated communication and request a continuance of the dispensation for the succeeding year.
 - The form of the dispensation by the newly installed Grand Master will be in writing. The re-submission of the Petition is not required.
 - There is no fee assessed with the issuance of the dispensation. See Section 3907.
 - Thus the name of the lodge is _____ Lodge U.D.
 - The officers listed in the petition and those appointed will operate on a pro-tem basis until a Charter is granted by vote of Grand Lodge. Upon granting of the Charter, the officers can be installed. See Section 3910.
 - The lodge, while U.D., may meet and conduct the business of the lodge with the following limitations:
 - Membership in the lodge is restricted to those brothers listed on the Form GL-1 *Petition for Formation of New Lodge*. See Section 3909.
 - The lodge may receive petitions, appoint an investigation committee, ballot and confer degrees.
 - Grant dimitts as provided in Section 4603. See Section 3916.
 - Assess fees for petitioning and the three degrees.
 - Assess fees from members.
 - Pay the expenses of the lodge. See Section 3911.
 - The lodge may not appear in public without the permission of the Grand Master. See Section 3912.
- Bylaws.
 - Lodge must adopt by-laws upon receipt of their Charter.
 - Refer to the Grand Lodge Model By-laws for Lodges available from the Grand Secretary, the Grand Lodge website (within the section Policies & Procedures) or from the Committee on Legal Matters.
- Operation of lodge after grant of Charter.
 - Officers of the lodge must be installed.
 - Brothers who signed the petition automatically become members of the lodge.
 - There is no requirement the petitioning brothers must sign the lodge by-laws as evidence of their membership in the lodge. See Section 3914.

- The petitioning members now have the status of plural members. See Section 3915.
 - Their primary lodge does not change unless the brother takes affirmative action to change their primary lodge as specified in Section 4006.
 - Lodge may begin receiving applications for affiliation. See Section 4302.
 - Regalia.
 - The lodge is encouraged to contact the Grand Secretary to ascertain whether there are aprons, jewels and other regalia in storage.
 - Business issues.
 - Mailing address.
 - Must use as the address either, the street address for the lodge if you can receive mail at that location or the Lodge must rent a P.O. Box, in the name of the Lodge, at the local Post Office.
 - Home addresses for lodge business may not be used.
 - Employer Identification Number (EIN) for lodge.
 - The Treasurer will need to apply for a Federal EIN.
 - Complete IRS Form SS-4
 - Must submit to the Grand Secretary for review prior to filing with the IRS.
 - In the Section 9a “Type of Entity” you must check the box “Other nonprofit organization” and specify “Masonic lodge”. You must also provide the ”Group Exemption Number which is **0608**.
 - In the Section 10 “Reason for applying” you must indicate “Started new business”
 - Once the application is approved by the Grand Lodge office, you may submit via the internet, fax, or mail. The most expedient method is via the internet.
 - Federal and state tax-exempt status.
 - The lodge will initially be tax exempt by virtue of the Grand Lodge group exemption.
 - Unless instructed by the Grand Secretary, do not complete IRS Form 1024.
 - Annually, the Grand Secretary provides the IRS with the name, address and EIN or each subordinate lodge.
 - Lodge must file IRS Form 990 each year or risk the imposition of substantial penalties and loss of tax-exempt status.
 - See the Grand Lodge advisory regarding Form 990 filing in the Policies & Procedures for additional guidance on which Form 990 the lodge must file.
 - Bank and financial accounts.
 - Once you have the Federal EIN for the lodge, you should open the financial accounts.
 - All accounts **must** be titled in the name of the lodge.
 - There should be at least two authorized signers on each account.
 - Treasurer and one or more other brothers.

- Retain copies of the signature cards in the lodge permanent files.

CLOSURE OF A LODGE

Closing a lodge is difficult, emotional and requires the involvement of top officers of the lodge, other interested brothers and Grand Lodge. The process is similar to closing a business. The Worshipful Master and officers continue in their respective offices until the lodge votes to close and surrender the Charter. That said, the Worshipful Master will need to refer to the GLR&R's throughout the process. Although the lodge may vote to close the lodge, GLR&R Section 3104 holds a Charter cannot be surrendered by a lodge if seven of its members object to its surrender and are competent and willing to retain it and perform the functions of a Lodge.

The initial step in this process is to notify the Grand Master, Grand Secretary and District Deputy the lodge is considering closing.

The Worshipful Master should appoint a committee to facilitate the lodge closure process.

- Recommend the lodge Secretary and Treasurer be members of the committee.
- Committee should prepare a summary of the reasons closing the lodge is being recommended and a disclosure of the lodge financial assets and liabilities for presentation to the lodge members.

Grand Lodge process:

- Grand Master will assist or appoint a Grand Lodge officer to assist with the process.
- Grand Master may require the Grand Lodge officer to take possession of the charter (arrest the charter) if necessary.
 - If Charter is arrested, GLR&R §3106 provides the charter is suspended, but not revoked. As such, the Grand Lodge officer must return with the charter if the lodge intends to hold a lodge Communication.
- Grand Master, upon arrest of the charter, may direct the Grand Treasurer to take possession of lodge assets as required in GLR&R §3109.
- Grand Master may assign brothers in good standing to another lodge, who due to the closure, have become Non-Affiliated Masons by waiving necessity of petitioning for affiliation as provided for in GLR&R §4100(e).

Lodge process:

- Worshipful Master must refer to the lodge bylaws to determine process for call of a vote of the members to close the lodge.
 - Although not typically addressed in the bylaws, the notice and voting to close a lodge would follow the same process used to amend bylaws.
- Upon completion of the Closure Committee work, the Worshipful Master should receive the report from the committee at a Stated Communication and have the report read in lodge and entered into the lodge minutes.
- Worshipful Master must order a notice to all members of the lodge pursuant to the bylaws.
 - Notice must contain purpose of Stated Communication, date and time of meeting.
 - Include copy of report presented to lodge.
- At noticed Stated Communication.
 - Following opening of lodge, Worshipful Master should call for a report of the Closure Committee.

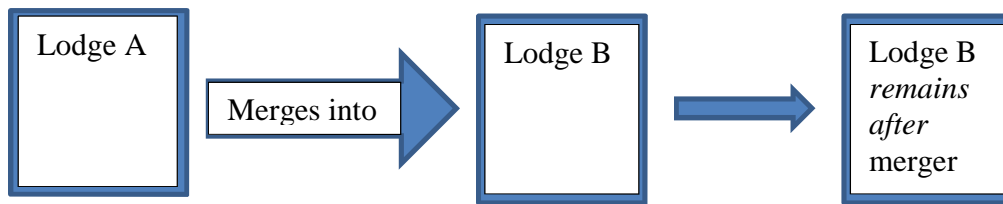
- Call for discussion from members.
 - Due to the nature of the discussion, the Worshipful Master must maintain order during the meeting as specified in his duties described in GLR&R §3208.
- Call for vote on any resolutions or motions presented.
- Call for vote on closure.
 - Bylaws will specify the majority vote required for approval.
- Charter, lodge assets and records are surrendered to Grand Lodge as specified in GLR&R §3109.
- Following vote of lodge to close, the Grand Master may request the Secretary and Treasurer of the lodge continue to assist Grand Lodge officers with the process of winding down the affairs of the lodge.
 - Treasurer duties
 - Close and transfer financial accounts.
 - Complete accounting of lodge finances from beginning of fiscal year.
 - Lodge funds may not be distributed to lodge members as specified in GLR&R §3510.
 - File final Form 990 series for lodge.
 - Secretary duties
 - Issue dimitts to members in good standing who have not affiliated with another lodge as specified in Subpart 46 of the GLR&R's.
 - Secure all records of the lodge, including but not limited to lodge minutes, membership records, and petitions.

Governmental process concerning closure of the lodge:

- Treasurer must cause completion of final Form 990.
 - Return is due 4 and ½ months following the month the lodge assets are transferred to Grand Lodge.
- Treasurer must cause completion of Form 1099's, if required.
- No notice of closure is required with the Connecticut Secretary of State unless the lodge owns an entity created pursuant to state law and is also being dissolved.

If the lodge has a temple corporation, refer to the guidance for Closure of a Temple Corporation contained within this Policy & Procedure.

MERGER OF LODGE A INTO LODGE B AND CLOSURE OF LODGE A



In this restructuring of a lodge, Lodge A has voted to close and will do so by way of joining another lodge and in the process transfer its members, books & records and financial assets to Lodge B. The name of Lodge B does not change.

The first step in the process is to notify the Grand Master, Grand Secretary and District Deputy your lodge is considering closing and merging into another lodge.

The Worshipful Masters of both lodges should appoint a committee representing each respective lodge to explore the benefits and challenges that will accompany the merger of two organizations who are likely to have different cultures, traditions, levels of involvement of members, financial resources and history. This process is described in more detail within pages 4-6 of this Policies & Procedures guidance.

Grand Lodge process:

- Grand Master will assist or appoint a Grand Lodge officer to assist with the merger process.
- Grand Secretary will remove Lodge A from list of active lodges and so note on the next IRS Annual Group Report.
- Grand Lodge must vote to approve or affirm the approval by our Grand Master of the merger at a Regular Communication of Grand Lodge.

Lodge A closure:

- Refer to the Grand Lodge procedures for closure of a lodge included in this Policies & Procedures guide.
- Provide to brothers of Lodge A copies of the bylaws of Lodge B and if applicable copies of the Temple Corporation.
- Provide dimitts to those brothers who do not wish to become members of Lodge B.

Lodge B process:

Upon completion of the Merger Committee work, the Worshipful Master should receive the report from the committee at a Stated Communication; have the report read in lodge and entered into the lodge minutes. Any further action by the lodge must be deferred until the next stated communication. The Worshipful Master must refer to the lodge bylaws and if a process for merging is not described within the bylaws, the lodge must follow the process described for changes to lodge bylaws. Notice to the craft, if specified in the bylaws must be done prior to the Stated Communication when a vote on the proposed merger/consolidation will be moved.

At the Stated Communication noticed for this purpose.

- Following opening of lodge, Worshipful Master should call for a report of the Merger Committee.
- Call for discussion from members.
- Call for vote on merger.
 - This is done by show of hands and not by ballot.

Upon affirmative vote of both lodges, the Worshipful Masters of both lodges must notify the Grand Master and Grand Secretary of the voting results.

Transfer of membership in Lodge A to Lodge B:

- The brothers of Lodge A, who are in good standing, automatically become members of Lodge B without having to complete GL Form 4 – Petition for Affiliation, see GLR&R §4100(f).
- A brother who has not paid his dues to Lodge A at the time of merger into Lodge B must satisfy his financial obligation by year end or risk being dropped from the rolls of Lodge B for NPD.
 - After the merger Lodge A dues must be paid to Lodge B.

Transfer of assets of Lodge A to Lodge B:

The disposition of Lodge A assets is governed by GLR&R §3109.

- The original Charter of Lodge A is surrendered to the Grand Secretary. The lodge may request a working charter or copy of the original charter of Lodge A to be framed and retained by Lodge B for historical purposes.
- The lodge assets and records are surrendered to Grand Lodge. However, as specified in GLR&R §3109 the Grand Master may waive this requirement in the event of a lodge merger or consolidation.
 - The Lodge A should request a dispensation from the Grand Master to allow the assets to be transferred to Lodge B.
- Treasurer of Lodge A duties
 - Close and transfer financial accounts.
 - Transfer all personal property, regalia, etc to Lodge B.
 - Complete accounting of lodge finances from beginning of fiscal year.
 - Lodge funds may not be distributed to lodge members as specified in GLR&R §3510.
- Secretary of Lodge A duties
 - Secure all records of the lodge, including but not limited to lodge minutes, membership records, and petitions and transfer to the Secretary of Lodge B.

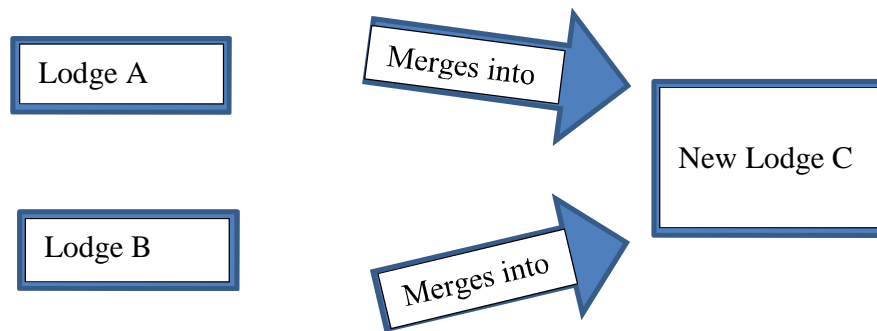
Governmental process:

- Treasurer of Lodge A must cause completion of final Form 990.
 - Return is due 4 and ½ months following the month the lodge assets are transferred to Lodge B.
- Treasurer of Lodge A must cause completion of Form 1099's, if required.

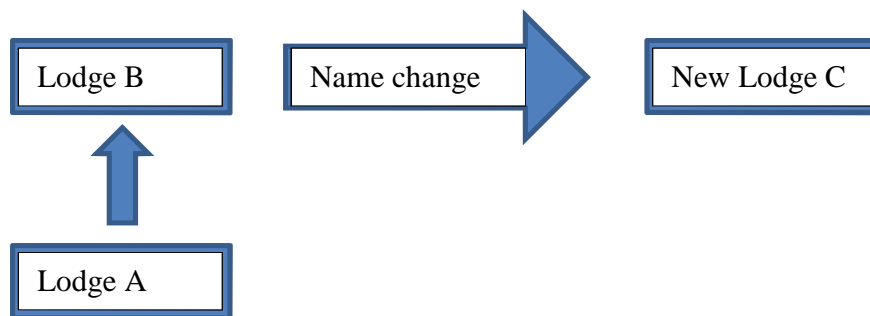
- If applicable, the treasurer of Lodge A must notify the tax assessor the lodge's personal property has moved and the lodge is closed.
- No notice of closure is required with the Connecticut Secretary of State unless Lodge owns an entity created pursuant to state law and the Articles of Incorporation or Association are being amended to recognize the change from Lodge A to Lodge B.

COMBINATION OF LODGES A & B INTO LODGE C
AND
CLOSURE OF LODGES A & B

Option 1 - Both lodges merge into a new Lodge



Option 2 – Lodge A merges into Lodge B and then Lodge B changes name to Lodge C



In this restructuring of a lodge, Lodges A & B have voted to combine and will do so by way of either; 1) forming a new lodge and both merging into the new Lodge C, or 2) one of the lodges merges into the other lodge and then changing the name to Lodge C.

In this process the membership, books & records and financial assets are transferred to *new* Lodge C.

The first step in the process is to notify the Grand Master, Grand Secretary and District Deputy each lodge is considering combining and will either form a new lodge or change the name of the continuing lodge. Grand Master will assist or appoint a Grand Lodge officer to assist with the combination process.

The Worshipful Masters of both lodges should appoint a committee representing each respective lodge to explore the benefits and challenges that will accompany the merger of two organizations who are likely to have different cultures, traditions, levels of involvement of members, financial resources and history. This process is described in more detail within pages 4-6 of this Policies & Procedures guidance.

Grand Lodge process:

- Grand Master will assist or appoint a Grand Lodge officer to assist with the merger process.
- Grand Secretary will remove Lodge A and B from list of active lodges; add new Lodge C and so note on the next IRS Annual Group Report.

Lodge A & B process:

Upon completion of the Merger Committee work, the Worshipful Master from each lodge should receive the report from the committee at a Stated Communication; have the report read in lodge and entered into the lodge minutes. Any further action by the lodge must be deferred until the next stated communication. The Worshipful Master must refer to the lodge bylaws and if a process for merging is not described within the bylaws, the lodge must follow the process described for changes to lodge bylaws. Notice to the craft, if specified in the bylaws must be done prior to the Stated Communication when a vote on the proposed merger/consolidation will be moved.

- At the Stated Communication noticed for this purpose.
 - Following opening of lodge, Worshipful Master should call for a report of the Merger Committee.
 - Call for discussion from members.
 - Call for vote on merger.
 - This is done by show of hands and not by ballot.

Upon affirmative vote of both lodges, the Worshipful Masters of both lodges should notify the Grand Master and Grand Secretary of the voting results.

In either option, the lodges will be combining thereby requiring the issuance of a new Charter. Accordingly, the lodges need to complete GL Form 1 – Petition to Form a New Lodge. The governing GLR&R's are contained within Subparts 39 and 31. If approved by the Grand Master, he will issue a dispensation to form Lodge C, U.D. Those brothers signing the petition become dual or plural members of both Lodge C, U.D. and Lodge A or B. Lodge C, U.D. cannot act on applications for affiliation or install officers until Grand Lodge approves and grants a charter at a Regular Communication of Grand Lodge.

A committee should be formed to begin work on Lodge bylaws. Prepare draft bylaws using the Grand Lodge Model Bylaws for Lodges found on the Grand Lodge website under Policies and Procedures.

- Submit draft bylaws to Committee on Legal Matters well before expected date Charter will be issued.
- Final version of bylaws, certified by Committee on Legal Matters and approved by the Grand Master must be in place prior to receipt of Charter.

If the plan is to merge Lodge A and Lodge B into new Lodge C:

- Upon the granting of a Charter, Lodges A & B can begin the process of merging their respective lodges into new Lodge C.

- Officers of Lodge C should be elected and installed.
- Refer to the procedures described in this Policies & Procedures guidance contained on pages 14 – 16 concerning merger of lodges.

If the plan is to have Lodge A merge into Lodge B and then change the name to Lodge C:

- Transfer of membership and assets of Lodge A to Lodge B:
 - Refer to the procedures described in this Policies & Procedures guidance contained on pages 14 – 16 concerning merger of lodges.
- Treasurer of Lodge A duties
 - Close and transfer financial accounts.
 - Transfer all personal property, regalia, etc to Lodge B.
 - Complete accounting of lodge finances from beginning of fiscal year.
 - Lodge funds may not be distributed to lodge members as specified in GLR&R §3510.
- Secretary of Lodge A duties
 - Secure all records of the lodge, including but not limited to lodge minutes, membership records, and petitions and transfer to the Secretary of Lodge B.

Governmental process:

- Mailing address.
 - Must use as the address either, the street address for the lodge if you can receive mail at that location or the Lodge must rent a P.O. Box at the local Post Office, in the name of the Lodge.
 - Home addresses for lodge business may not be used.
 - Employer Identification Number (EIN) for lodge.
 - The Treasurer will need to apply for a Federal EIN.
 - Complete IRS Form SS-4
 - Must submit to the Grand Secretary for review prior to filing with the IRS.
 - In the Section 9a “Type of Entity” you must check the box “Other nonprofit organization” and specify “Masonic lodge”. You must also provide the Group Exemption Number which is **0608**.
 - In the Section 10 “Reason for applying” you must indicate “Started new business”
 - Once the application is approved by the Grand Lodge office, you may submit via the internet, fax, or mail. The most expedient method is via the internet.
 - Federal and state tax-exempt status.
 - The lodge will initially be tax exempt by virtue of the Grand Lodge group exemption.
 - Unless instructed by the Grand Secretary, do not complete IRS Form 1024.
 - Annually, the Grand Secretary provides the IRS with the name, address and EIN or each subordinate lodge.
 - Lodge must file IRS Form 990 each year or risk the imposition of substantial penalties and loss of tax-exempt status.

- See the Grand Lodge advisory regarding Form 990 filing in the Policies & Procedures for additional guidance on which Form 990 the lodge must file.
- Bank and financial accounts.
 - Once you have the Federal EIN for the lodge, you should open the financial accounts.
 - Financial accounts of Lodges A & B should be transferred to Lodge C.
 - All accounts **must** be titled in the name of the lodge.
 - There should be at least two authorized signers on each account.
 - Treasurer and one or more other brothers.
 - Retain copies of the signature cards in the lodge permanent files and update as officers change.
- Treasurer of Lodge A must cause completion of final Form 990.
 - Return is due 4 and ½ months following the month the lodge assets are transferred to Lodge B.
- Treasurer of Lodge A must cause completion of Form 1099's, if required.
- No notice of closure is required with the Connecticut Secretary of State unless Lodge owns an entity created pursuant to state law and the Articles of Incorporation or Association are being amended to recognize the change from Lodge A to Lodge B.

CLOSURE OF TEMPLE CORPORATION

Closure of a temple corporation occurs when the assets of the corporation, most often the building, are sold and the lodge does not intend to reinvest the proceeds in the purchase of a new building. Governance of temple corporations is found within GLR&R Subpart 36 and the Connecticut General Statutes.

The lodge building is likely to be the most significant asset of the lodge and members often identify the lodge with the building. As such these discussions can be difficult, transparency and communication are very important because each member of the lodge has an equal stake in the process.

IMPORTANT: Notify your District Deputy and the Chairman of the Committee on Legal Matters of the possible sale of the temple corporation assets, dissolution of the corporation and distribution of assets.

To sell or not to sell, is the question to be posed to lodge members:

- Factors driving the discussions:
 - Merger or closure of the lodge.
 - Costs of operating the building.
 - Age of the building and costs to renovate including building code and ADA compliance.
 - Availability of another property better suited to the needs of the lodge.
- Temple Corporation board and Worshipful Master should form a committee to explore the pro's and con's of continued building ownership and options available to the lodge.
 - Consider including the temple corporation and lodge treasurers, property manager, and brothers with real estate and finance experience.

Decision to sell the assets of the corporation and dissolve the corporation:

Responsibility of Grand Lodge:

- Upon coming to a conclusion the building is to be sold and assets distributed in accordance with the Articles of Incorporation, the Grand Master will appoint one or more Grand Lodge officers including the District Deputy to oversee the sale process. In addition, the Grand Master may undertake the following actions if he determines they are necessary to protect the interests of the Lodge and Grand Lodge:
 - Causing one or more of the current Board and Officers to resign.
 - Appointment of one or more brothers to serve on the Board and as officers of the corporation.
 - Require use of legal counsel selected by Grand Lodge.
 - Require Grand Lodge be a party to the contract with seller and corporation legal counsel retained to assist with sale of assets and dissolution of corporation.

- Compel accounting of temple corporation financial accounts as well as sale receipts and disbursements.

Responsibility of Lodge Officers and Temple Corporation Board:

- Present the report of the committee to the lodge and temple corporation board.
 - Prior to meeting communicate to the lodge members a committee was appointed to evaluate the continued use of the building and their report will be presented to the lodge at the Stated Communication to be held on XX date.
- If the consensus of the members in attendance is to proceed with a sale, the Board must refer to the Articles of Incorporation and corporate bylaws to determine if and when notice to members is due and the required membership vote threshold for approval.
 - Generally the bylaws will require 30-days written notice of a meeting.
 - Notice must specify the date, time and subject matter to be discussed (purpose of the meeting).
- Noticed meeting.
 - Meeting is run by the Board with either the Chairman or President presiding, as specified in the bylaws.
 - Resolution is presented for vote which will typically specify authorized action to be undertaken, who is authorized to act on behalf of the corporation, time constraints (if any), financial terms and how long the period of authorization shall exist.
 - The Legal Matters committee recommends the Board authorize retention of legal counsel, preferably a brother mason, for drafting the resolutions, assisting with the contracts, real estate closing and liquidation of the corporation.
 - Because any sale of real estate requires the approval of Grand Lodge, the engagement of legal counsel will require legal counsel to disclose all documents, receipts and disbursements of funds to Grand Lodge.
 - A committee should be appointed to facilitate the sale and provide regular reports to the lodge.
- GLR&R Section 3602 requires the proposed plan be presented in writing to the GL Committee on Legal Matters. To avoid unnecessary delays, the temple corporation Secretary should notify the Committee chairman when the exploratory committee is established and prior to issuance of the notice to members of the temple corporation.

Sale of assets and dissolution:

- Following approval to sell the temple corporation assets the brothers appointed to complete the transaction and dissolve the corporation must undertake the following steps:
 - Notify the District Deputy and Chairman of the Legal Matters Committee of the brothers responsible for completing the sale and dissolution.
 - The Grand Master may appoint a Grand Lodge officer to serve in an officer capacity of the temple corporation.

- Finalize the resolutions approved by the members to sell the assets of the corporation and dissolve the corporation and forward to the Legal Matters Committee.
- Adopt a plan of liquidation and forward to the Legal Matters Committee.
 - GLR&R Section 3604 requires prior approval of the Legal Matters Committee of a proposed plan of merger, liquidation or dissolution.
- Contract with sales agents to sell the temple corporation assets.
- Prepare an inventory of all lodge personal property and confirm with lodge the disposition of these assets.
- Attorney representing the temple corporation at the closing must provide a completed closing statement and account for all receipts and disbursements paid at closing or from their client funds account during or subsequent to the closing.
 - No distribution of funds, other than customary costs incurred in real estate closing transactions can occur without the approval of the lodge.
 - If the lodge charter is arrested or the lodge does not exist, payment of expenses and distribution of funds require the consent of the Grand Master or his designee.
- GLR&R Section 3510 prohibits distribution of funds among lodge members.
 - Some of the earlier temple corporation were created prior to the Connecticut Nonstock statutes and are stock corporations.
 - The status of your corporation as a stock or non-stock corporation can be confirmed at the Connecticut Secretary of State [C.O.N.C.O.R.D](#) website.
 - If a stock corporation you must notify the Grand Lodge officer and Legal Matters Committee.
 - Lodges and temple corporations are not prohibited from contracting with a brother mason to provide services during this process.
 - Services to be provided should be described in writing, approved by the lodge, arms length and of fair value.
 - Payments to related parties are subject to review and if found to be not appropriate, the penalties described in GLR&R Section 3510 may be imposed.

Winding up the corporation:

Officer responsibilities:

- President –
 - Preside over all corporate meetings
 - Execute contracts
 - Oversee duties of corporate Secretary and Treasurer
 - Ensure compliance with GLR&R's
 - Keep the WM, District Deputy and Legal Matters Committee informed of the progress of the sale of assets and dissolution on a regular basis.
- Secretary –
 - Maintain and secure the permanent records of the corporation

- Ensure timely notice is given to Board and corporation members as specified in the bylaws
- Assist legal counsel with necessary documents
- Ensure Certificate of Dissolution is filed with Connecticut Secretary of State
- Treasurer –
 - Maintain and secure all financial records of the corporation
 - Carefully preserve the financial accounts of the corporation and complete periodic accountings of the same as directed by the President or Grand Lodge
 - Prepare all government filings required of the corporation including but not limited to Forms 1099, 990 or 1120, as required.
 - Assist the lodge or Grand Lodge Treasurer with transfer of the remaining assets of the corporation.
 - Close financial accounts and provide the lodge or Grand Lodge with a final accounting of all assets of the corporation since last fiscal year.
 - Assist audit committee with audit of financial accounts if so directed by the lodge or Grand Lodge.

FORMS

1. Certificate of Lodge Closure
2. Certificate of Lodge Merger or Consolidation
3. Certificate of Lodge Consolidation

Closure of Lodge

Notice is hereby given to Grand Lodge A.F. & A.M. of Connecticut the following lodge voted to close and surrender their charter:

_____ Lodge No. ___ A.F. &A.M.,
(Full Lodge Name)

Granted a Charter on _____;
(Date)

The members of the above lodge, located in the _____ District, voted to close the lodge on _____. As specified in the lodge bylaws, members of the lodge were mailed a Notice concerning the proposed closure on _____.

The assets of the lodge will be distributed to Grand Lodge.

The brothers responsible for completing the closure process are:

Sworn and ascribed to:

(Signature of Worshipful Master)

(Date)

(Signature of Secretary)

(Date)

Merger of Lodge(s)

Certificate of Agreement and Application

Notice is hereby given to Grand Lodge A.F. & A.M. of Connecticut the following lodges have each individually voted to merge:

(add or delete lines as needed)

1) _____ Lodge No. __ A.F. &A.M.,
(Full Lodge Name)

Granted a Charter on _____;
(Date)

2) _____ Lodge No. __ A.F. &A.M.,
(Full Lodge Name)

Granted a Charter on _____;
(Date)

The above-listed Lodge(s), all located in the _____ District, have individually fulfilled all of their financial and other obligations to Grand Lodge, and hereby request approval of the Grand Master to merge into the following subordinate lodge of Grand Lodge A.F. & A.M. of Connecticut, cease operations and surrender their charter(s).

_____ Lodge No. __ A.F. &A.M.,
(Name of continuing lodge)

The members of the continuing lodge voted and approved the merger on _____.
(Date)

Each of the above-listed lodges voted to approve of the merger, to become effective upon approval by the Grand Master. This agreement is attested to by the Worshipful Master and Secretary of each lodge:

1) _____ _____ _____ _____
(Signature of Worship Master) (Date) (Signature of Secretary) (Date)

2) _____ _____ _____ _____
(Signature of Worship Master) (Date) (Signature of Secretary) (Date)

For continuing lodge:

_____ _____ _____ _____
(Signature of Worship Master) (Date) (Signature of Secretary) (Date)

Consolidation of Lodges

Certificate of Agreement and Application

Notice is hereby given to Grand Lodge A.F. & A.M. of Connecticut the following lodges have each individually voted to consolidate and form a new Lodge together:

(add or delete lines as needed)

1) _____ Lodge No. __ A.F. &A.M.,
(Full Lodge Name)

Granted a Charter on _____;
(Date)

2) _____ Lodge No. __ A.F. &A.M.,
(Full Club Name)

Granted a Charter on _____;
(Date)

The above-listed Lodge(s), all located in the _____ District, have individually fulfilled all of their financial and other obligations to Grand Lodge, and hereby request approval of the Grand Master to merge into the following new subordinate lodge of Grand Lodge A.F. & A.M. of Connecticut, cease operations and surrender charter(s).

(Name of new lodge)

A petition to form a new lodge, as specified by GLR&R Subpart 31 and 39 was submitted on _____ and the Grand Master has granted dispensation to the new lodge on _____.

The location/address of the consolidated lodges shall be:

Bylaws for the new lodge, as specified by GLR&R Section 3003, was/will be submitted to Grand Lodge Committee on Legal Matters.

Each of the above-listed lodges voted to approve of the consolidation, to become effective upon approval by the Grand Lodge. This agreement is attested to by the Worshipful Master and Secretary of each of the lodges:

1) _____ _____ _____ _____
(Signature of Worship Master) (Date) (Signature of Secretary) (Date)

2) _____ _____ _____ _____
(Signature of Worship Master) (Date) (Signature of Secretary) (Date)