Proposed Mid-South Federation Bylaw Changes to Align with IRS 501c3 Rules

(OLD) ARTICLE I
Objects

Section I: To advance the objects of The Theosophical Society.

Section II: To promote Theosophy, especially within the geographic range of the Federation by holding regional conferences, by supporting its constituent members, lodges, and study centers, and by other activities as authorized by the Board of Directors of the Federation (henceforth, the "Board").

Section III. To collaborate with Theosophists and Theosophical organizations beyond our geographical range to promote mutual interests.

(NEW) ARTICLE I

Purposes and Objectives

The purposes for which the Federation is organized are exclusively religious, charitable, scientific, literary, or educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 as amended (or the corresponding section of any future federal tax code, the Internal Revenue Code), and, in furtherance of these purposes, the Federation's objectives are:

1) To advance the objects of The Theosophical Society**, which are to:**
   - **a. Form a nucleus of the universal brotherhood of humanity without distinction of race, creed, sex, caste, or color;**
   - **b. Encourage the comparative study of religion, philosophy, and science; and**
   - **c. Investigate unexplained laws of nature and the powers latent in humanity.**

2) To promote Theosophy, especially within the geographic range of the Federation by holding regional conferences, by supporting its constituent members, lodges, and study centers, and by other activities as authorized by the Board of Directors of the Federation (henceforth, the "Board").

3) To collaborate with Theosophists and Theosophical organizations beyond our geographical range to promote mutual interests.

(OLD) ARTICLE X

Dissolution

If, at any time, this Federation shall be dissolved through action of its membership or lapse into inactivity for a period exceeding two years, the assets of the Federation shall revert to the Theosophical Society in America at Wheaton, Illinois.

(NEW) ARTICLE X

Management of Real Property, Assets, Earnings, and Dissolution

Real property belonging to the Federation may not be sold, mortgaged, transferred, or encumbered in any respect without the express written consent of the Theosophical Society in America, such consent not to be unreasonably withheld.

Assets of $5,000 or more in value belonging to the Federation other than real property may not be sold or transferred or any interest therein sold or transferred out of the control of the Federation without the express written consent of the Theosophical Society in America, such consent not to be unreasonably withheld. This provision shall not apply to the normal management of Federation investments.

The net earnings of the Federation are devoted exclusively to religious, charitable, scientific, literary, and educational purposes. No part of the net earnings of the Federation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons, except that the Federation may pay reasonable compensation for services rendered and make payments and distributions in furtherance of its purposes set forth herein. No substantial part of the activities of the Federation shall be the carrying on of propaganda or otherwise attempting to influence legislation. The Federation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office except as authorized under the Internal Revenue Code. Notwithstanding any other provision of these articles, the Federation shall not carry on any other activities not permitted to be carried on by an organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

In the event of the dissolution of the Federation or its ceasing to be an active federation of the Theosophical Society in America, for whatever reason, or its failure to remain a tax-exempt organization for federal purposes (such tax exemption having been once attained), then all of its property and assets shall be distributed to the Theosophical Society in America, an Illinois not-for-profit corporation having its principal offices at 1926 North Main Street, P. O. Box 270, Wheaton, Illinois 60189-0270, for the sole purpose of promoting Theosophy in the mid-south region; *provided, however,* that if, at the time of dissolution of the Federation, the Theosophical Society in America is not qualified as exempt under Section 501(c)(3) of the

Internal Revenue Code of 1986, as amended (or the corresponding section of any future federal tax code), is not in existence, or is unwilling to accept the assets of the Federation, then such assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3), or shall be distributed to a federal, state, or local government for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county or state in which the principal office of the Federation is then located, exclusively for such purposes or to such organization or organizations, as the court shall determine which are organized and operated exclusively for such purposes.

The Theosophical Society in America may apply to any court of competent jurisdiction for enforcement of these restrictions.

This article shall not be amended in any way without the express written consent of the Theosophical Society in America, such consent not to be unreasonably withheld.