



WATCHTOWER

BIBLE AND TRACT SOCIETY OF NEW YORK, INC.

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September 15, 1987

TO ALL BODIES OF ELDERS IN THE UNITED STATES

Dear Brothers:

The purpose of this letter is to stress the importance of properly handling matters regarding ownership of the Kingdom Hall. A failure to do so may result in potential problems for the congregation.

Extensive guidelines on this matter were provided in the Society's letter of April 1, 1982 entitled "INFORMATION REGARDING OWNERSHIP OF KINGDOM HALLS." Various details were provided in order to assist the congregation to handle matters properly and in accord with local laws. In regard to taking title to the Kingdom Hall property, it advised that there are two ways in which this can be done: "(1) trustees in behalf of the congregation and (2) a corporation formed by the congregation."

Quite a number of congregations handle matters through the trustee arrangement. When selecting brothers to serve as trustees, it was directed that "mature ministers who are not likely to move away from the community should be chosen. It is desirable, although not necessary, to appoint overseers or ministerial servants of the congregation to act as trustees. In the event an overseer or ministerial servant who has been appointed a trustee is replaced in his office of elder or ministerial servant, it will not be necessary to replace him as trustee unless he moves away, is disfellowshipped or becomes inactive....In the deed a paragraph should be inserted authorizing the congregation to appoint a substitute trustee to act in the place of any trustee who may die, resign or become disqualified to act as trustee."

It has come to our attention that some congregations have not kept matters up to date as outlined above. For example, in one congregation two of the three trustees became inactive and had not associated with the congregation for several years. There is a possibility that other congregations have failed to give attention to this matter or, in other ways, have failed to comply with local laws governing the ownership of property. This, of course, could result in serious problems for the congregation. Therefore, we feel it is advisable for each congregation to carefully review the ownership of the Kingdom Hall and make any adjustments needed to put things in order.

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REPLACING TRUSTEES

If one or more of the appointed trustees has been disqualified, is disfellowshipped, disassociates himself, becomes inactive, is no longer with the congregation, or for some other reason should be replaced, steps should be taken promptly to appoint a replacement. The April 1, 1982 letter referred to above suggested that matters should be handled in this way: "When it becomes necessary to appoint a substitute trustee, he should be appointed by resolution duly adopted by the congregation. When a substitute trustee is appointed it is generally advisable to have a notarized document duly recorded in the deed record showing the appointment of the substitute trustee. This is in order to keep the title record straight and avoid complications.

"Consult with your attorney as to the language to be used in the appointment of trustees and in the appointment of substitute trustees if such substitution becomes necessary. Also have your attorney advise you as to the filing of the trustee and substitute trustee appointment in the land records.

"Everyone who is appointed a trustee or substitute trustee should sign a formally written legal document, a declaration of trust, before a notary public showing that he takes title to the property as a trustee and that he has no personal right, title or interest in and to the property conveyed to him. It should be recited that neither his estate nor heirs have any interest in and to the property when the trustee or substitute trustee dies. This need not be recorded but should be carefully kept in the congregation records. Your attorney handling the interests of the congregation in respect to the property can guide you in respect to the language of the declaration of trust so that the congregation will be fully protected legally under the laws of your locality."

UPDATING CORPORATE RECORDS

Congregations that own their Kingdom Halls by the corporation method also need to keep their corporate records up-to-date. Whenever a corporate trustee or director dies, moves away, is disfellowshipped, disassociates himself, becomes inactive, or for some other reason should be replaced, the appropriate action should be taken and a written record kept for the corporate file.

The corporation should have by-laws for the conduct of its affairs. The by-laws probably set forth a procedure for the replacement of a trustee or director. If they do not have such provision, they should be amended so as to include such a procedure.