



Triad Hindu Temple Membership FAQ

Notice: This document is provided for the convenience of our members and is intended to clarify current Temple policies in alignment with NC laws, IRS, IRC, FASB, etc. As the Temple grows and regulatory landscapes evolve, the Temple reviews and updates these guidelines periodically to incorporate new learnings, member feedback, and best practices in nonprofit governance. This document version is dated *30-March-2026*.

Tax Disclaimer: This document is for membership information only and does not constitute tax advice. Technical citations (IRS, IRC, FASB, etc.) describe the Temple's accounting obligations and are not for personal tax filing guidance. THT cannot answer questions regarding personal tax deductions or filings; please consult a tax consultant for your specific tax situation. THT will provide annual contribution statements as usual.

1. What is THT membership eligibility criteria according to our bylaws?

Annual Membership represents an allegiance and commitment to the Temple's general vitality; it provides intangible religious benefits, including spiritual participation and voting rights. A person shall be eligible for THT annual membership if **any one** of the following conditions is met:

- The person has donated **\$150, \$75, or \$25, exclusively toward membership, or**
- The person has donated **a minimum of \$150** to THT **without receiving anything of commensurate value in return**. Such general donations may be made toward construction or operations (with no substantial return benefits or exchange of goods or services), and may be made as a single payment or cumulatively.

Exclusions: Advertising Sponsorships, Auction, Annadanam, Balavihar Fees, Business Sponsorships, Community Loan, Concert Tickets, Event Sponsorships, Food Purchases, Lottery/Raffle/Coupon Tickets, Music/Dance Event Entries (includes also Nrithya Aradhana and Sangeetha Aradhana), Priest Services (includes also Archana, Abhishekams, Pujas, Havans, Homams, Vahana Puja etc), Rental/Usage fees, Vendor fees, and any other special events booked for a group or family, payments leading to specialized construction related recognition (such as inscription, engraving, or long-term display of names on a leaf, brick, wall, or electronic screen).

Inclusions: Monthly ACH donation payments and one-time donation payments exclusively for membership dues, General monthly ACH donation payments and General one-time donation payments (with no substantial return benefits or exchange of goods or services), provided the donor submits the annual membership form as per *Bylaw 2.3(a)*.

Currently, as per the bylaws, there are types of Annual Membership:

- Family Membership (\$150/year)
- Individual Membership (\$75/year) and Student Membership (\$25/year)
- Donor trustee membership (\$1000/year)

Bylaw 2.3(a) states that "Individuals wishing to be annual members must complete and return a membership form required by the Board and pay the annual membership dues by the time required for payment of such dues." In addition, there is an option for Lifetime membership (paid \$3000 in a year exclusively for the membership) as per *Bylaw 2.3 (c/d)* .

2. Which payment categories qualify versus do not qualify for membership dues?

We appreciate every dollar provided by our community. For transparency and adherence to regulatory accounting standards, below is a summary matrix. It is for the Temple's internal accounting and regulatory compliance; not for personal tax filing guidance (disclaimer on Page 1).

Category	Primary Focus	Practical Meaning	Examples	Regulatory Basis
Exchange (Quid Pro Quo)	Payer Reciprocal Entitlement	The payer receives a reciprocal benefit in return for the money.	A purchase, a winning auction bid, fee-for-service, rental/usage fee, or private religious ceremony.	IRS Publication 1771 & FASB ASC 606
Restricted	Usage Direction	Donor chooses to donate for a specific purpose.	"I give \$10k to construct the North Prayer Room."	FASB ASC 958-605-45-4
Unrestricted	Mission Wide (No usage direction)	No specific spending rules. The temple can use it for any general need.	"I give \$10k for the temple to use wherever needed most."	FASB ASC 958-210-45-1
Conditional	Outcome Barrier	Contingent: A promised outcome is expected. Once met, the gift becomes Unconditional.	"I give \$10k, contingent upon the temple securing matching funds."	FASB ASC 958-605-25-11
Unconditional	Direct Transfer	A firm gift with no "if" or outcome-based barrier.	"I give \$10k as a final gift; the Temple fully owns it now and forever."	FASB ASC 958-605-25-2
General (both unrestricted & unconditional)	Total Freedom	The Temple owns the gift forever and can spend it on any need (like bills, salaries, or repairs).	"I give \$10k for any purpose the Temple sees fit. No strings attached."	FASB ASC 958-605
Religious Membership	Intangible Religious Benefit (IRC 170)	Benefit (spiritual / voting) is intangible, has no commercial value. Membership dues treated as a gift.	\$150 exclusively for annual membership dues, for the Temple's general vitality.	IRC 170(f)(8) (B)(iii) makes it qualify for Unrestricted & Unconditional

The following sections clarify which payments qualify vs. do not qualify for **membership dues**.

Payments that qualify for membership dues:

(i) Payments made exclusively to fulfill annual membership dues.

(ii) General (Unrestricted & Unconditional; No Strings) Donations.

To divert a portion of a general donation toward membership dues:

- Written Request: A donor can ask in writing for the temple to divert a part of their general (no strings) donation to pay for their annual membership dues.
- Membership Form Validation: As per *Bylaw 2.3(a)*, the temple also expects to receive a fully and accurately filled-out annual membership form.
- Same-Year Only: This request only applies to dues for the current year. Donations cannot be carried over to pay for future years' dues per *IRS Publication 526*.

Payments that do not qualify for membership dues:

(i) Exchange (Quid Pro Quo): Payments made for other benefits or dues (non-membership).

(ii) Specific Donations: Donations that are not both Unrestricted & Unconditional (e.g., any payment that has a specific purpose restriction or an outcome-based condition).

Interpretive Clarification: While *Bylaw 2.3(b)* states that all receipted donations count toward membership, federal regulations (IRS and FASB) determine which types of payments legally qualify as 'donations'; they clarify that donations toward membership dues must be Unrestricted and Unconditional. Payments made in exchange for specific services or for events are highly valued by the Temple, but regulations classify these as "exchange transactions" or "program revenue" rather than "donations" for the temple's internal accounting. A donor's social preferences, such as for anonymity or public recognition, do not change this classification.

Regulatory Compliance: In accordance with *FASB ASC, IRC 170*, and *IRC 6115*, payments made in exchange for reciprocal benefits or as restricted/conditional donations **cannot be diverted** toward the membership 'dues' requirement in *Bylaw 2.2*. These include, but are not limited to:

- **Payments for priest or religious services:** Under *IRC 170(f)(8)*, payments made in exchange for specific services are generally treated as personal expenses or fees, rather than donative gifts [*IRC 170(f)(8)(B)(iii)*; *Treas. Reg. 1.170A-13(f)(8)*].
- **Auction proceeds and purchase revenue:** In accordance with *IRS Rev. Rul. 67-246*, payments made through auctions or sales are classified as "exchange transactions" (quid pro quo). These transactions are initiated for the receipt of a specific benefit or item. Therefore, the entire payment is categorized as Fundraising or Program Revenue and is excluded from membership dues. This classification applies to all winning bids and fixed-price purchases, regardless of the perceived Fair Market Value. To ensure administrative consistency and prevent disputes over the valuation of unique or handmade items, the Temple treats the total amount paid as the value of the exchange (which therefore cannot be diverted toward annual membership dues). In accordance with *FASB ASC 958-605*, the transaction is recorded as exchange revenue, where the exchange fulfills the Temple's

obligation to the payer. Consequently, no portion of such payments can be applied toward a member's annual dues obligation.

- **Event sponsorships:** Event sponsorships are restricted program revenue (exchange transactions [ASC 606] or restricted donations [ASC 958]), separate from membership dues.
- **Event ticket sales, including food, concerts, dinners, or similar activities:** Per *Treas. Reg. 1.170A-1(h)*, these payments are made for the right to attend an event or receive a meal; because a benefit is received, the IRS classifies these as program revenue rather than donative support.

Such payments are treated as **program revenue** or **exchange transactions** and therefore **cannot be diverted** toward the membership 'dues' requirement in Bylaw 2.2; this is to ensure compliance with IRS, quid-pro-quo contribution rules [*IRC 6115*], and FASB accounting practices.

3. What are considered as priest or religious services ?

Priest or religious services include rituals or ceremonies performed by priests for which a **specific religious service or benefit is received**, whether conducted **within the temple premises or outside**, for an individual or a group. These services include, but are not limited to:

- Daily or regular **pujas**
- **Archanas**
- **Homams**
- **Life-cycle events (Samskaras)** such as naming ceremonies, weddings, and related rites
- **House or business blessings**
- **Special pujas** conducted either in the temple or at external locations

Payments made for these services are treated as **service-related receipts** and, in accordance with the bylaws and IRS quid-pro-quo rules, are **not considered membership-eligible contributions**.

4. What were the eligibility criteria for 2025 membership?

To qualify for 2025 membership, one of the following contributions was required:

- Exclusive Membership Fee: \$150
- ACH Contribution: \$150 or above
- Construction Donation: \$150 or above
- Event Sponsorship: \$250 or above
- Laddu Auction Contribution: \$250 or above

5. What were the eligibility criteria for 2024 membership?

The eligibility criteria for 2024 were identical to those for 2025:

- Exclusive Membership Fee: \$150
- ACH Contribution: \$150 or above
- Construction Donation: \$150 or above
- Event Sponsorship: \$250 or above
- Laddu Auction Contribution: \$250 or above

6. What was the difference between the 2024 and 2025 membership criteria?

There was **no difference** between the 2024 and 2025 membership criteria.

From 2026, to be compliant with regulations, annual membership is based on what is explained in questions 1 and 2.

7. In 2024 and 2025, why was the event sponsorship accounted towards membership starting at \$250 and not a lower or higher amount? From 2026, why has the temple discontinued bifurcating event sponsorship to divert a portion toward membership?

Beginning in 2024, event sponsorships were applied toward membership only when the total sponsorship value was \$250 or above, with \$100 designated as an event-only value (with the determination of \$100 as a base value being subject to substantial debate). Under this approach (in 2024 and 2025):

- The event benefit portion was clearly separated from the membership contribution portion.
- Only the amount exceeding the event value was considered a membership-eligible contribution.
- A thought was that this structure ensured proper accounting treatment, transparency, and compliance with nonprofit regulations.

These criteria attempted in 2024-2025 were from a viewpoint that it might align better with practices recommended by some finance/accounting professionals and to maintain consistent, compliant financial reporting.

In the above, \$100 was the subtracted event base value and \$150 was the diverted family-membership portion (e.g., \$250 total = \$100 event base value + \$150 family membership).

From 2026, the temple has moved to a "clean separation" model, wherein the entirety of event sponsorships are classified as program revenue, and annual membership dues are separate dedicated payments. This was done to ensure our accounting and financial reporting is much more transparent and legally sound, to ensure compliance with IRS guidelines regarding exchange transactions, and to restore harmony as the temple grows.

(i) The Difficulties of the 2024–2025 "Base Value" Approach:

In 2024 and 2025, attempting to "calculate" a base value (e.g., \$100) for religious events, to determine how much of a sponsorship could count as a membership donation, proved legally and practically unsustainable:

- **Valuation Instability:** Under *IRC 170*, there is no statutory formula for valuing sacred religious services. An arbitrary base value invites constant debate and provides no 'safe harbor' during a potential audit [*Treas. Reg. 1.170A-13(f)(8)(i)*]. Moving to a definitive, clear-cut rule fulfills the Board's Duty of Care and Obedience under *NC 55A-8-30* by eliminating the legal risk of inaccurate financial reporting.

- **Community Friction:** Because the 'base value' was subjective, it led to repeated debate. For example, should the base value be \$0, \$75, \$100, \$250, or \$350? Arguments could be made for values ranging from \$75 (the Quid Pro Quo disclosure trigger) to \$250 (the written acknowledgment trigger), or even subjective variable Fair Market Values. However, tax-reporting triggers are irrelevant to event sponsorships, and any arbitrary 'guesses' lack a foundation in the IRC and distract the Board. Unlike Religious Membership dues, which rely on the Intangible Religious Benefit exception [*IRC 170(f)(8)(B)(iii)*] for unrestricted and unconditional support, event sponsorships are restricted program revenue.
- **Regulatory Risk:** Subjective and debatable base values create "red flags" for the *IRS* and *NC Department of Revenue*. These jeopardize the legal integrity of "Contemporaneous Written Acknowledgments" required for donor tax deductions. Attempting to bifurcate or split payments is administratively complex and inconsistent with *IRC 170* (tax deductibility) and *FASB ASC 958-605* (revenue recognition) which require distinctions between transactions.

(ii) The 2026 "Clean Separation" Approach (Regulatorily Compliant):

Starting in 2026, to support our expansion, we have implemented a streamlined system that aligns with *NC 55A-3-02* in strict alignment with the *IRC* and *FASB*.

- **Bylaw and Internal Revenue Code (The "Purpose-Based" Model):** Bylaw 2.3(b) says: "All receipted payments made... as donations will be considered towards membership." Under the Intangible Religious Benefit exception [*IRC 170(f)(8)(B)(iii)*], the Temple classifies annual membership dues as unrestricted and unconditional donations because they (i) provide spiritual value rather than commercial value, and (ii) represent an allegiance and commitment to the Temple's general vitality. Conversely, under *IRC 513(i)* and *FASB ASC 606*, event sponsorships are reciprocal exchange transactions tied to specific program services. *Bylaw 2.3(b)* reserves membership eligibility strictly for donations, which the *IRC* defines as unrestricted and unconditional payments. Because these sponsorships are tied to the performance obligation of executing a program, they are legally distinct from the general donations required for membership.
- **Tax Integrity and UBTI Protection:** By classifying sponsorships as Program Revenue under the *IRC 513(i)* safe harbor, the Temple prevents funds from being mischaracterized as Unrelated Business Taxable Income (UBTI). While categorized as program-specific revenue for internal tracking, these payments remain tax-deductible for donors as Qualified Sponsorship Payments, provided no substantial return benefit is received. Whether a sponsorship is technically classified as an Exchange Transaction [*ASC 606*] or a Restricted Donation [*ASC 958*], it remains legally distinct from membership dues. Membership requires a commitment to the Temple's sustained existence whereas event sponsorships are restricted to the support and execution of a specific program.
- **Ease of Accounting and Audit-Readiness:** This model eliminates manual, error-prone split-accounting. By recording sponsorships as a single, unified revenue stream, financial statements remain transparent and audit-ready for banks and lenders supporting our expansion [*FASB ASC 958-605*]. This administrative clarity allows us to focus time and resources on our mission rather than complex accounting reconciliations.
- **Preserving Sanctity:** Treating religious services as having a "base value" conflicts with the *IRS* Intangible Religious Benefit exception, which recognizes that spiritual rites cannot be

valued in commercial markets. Because these benefits are legally un-priceable, the Temple has removed the 2024–2025 base value logic entirely. Instead, the Temple acknowledges these payments as providing intangible religious benefits, which are deemed to have no/indeterminate Fair Market Value for tax purposes. This ensures the Temple is not mischaracterized as a commercial vendor by the IRS or the NC Department of Revenue, thereby protecting the organization’s standing and its tax-exempt status.

(iii) Conclusion: By separating event sponsorships from membership dues, the Temple ensures 100% compliance with NC Law and IRS guidelines. This 'Clean Separation' model ensures that membership standing is based on verified unrestricted/unconditional support, keeping our financial records audit-ready as we expand our facilities and mission.

- **Final Classification:** The term 'donations' in Bylaw 2.3(b) refers exclusively to unrestricted and unconditional payments to the Temple’s general fund. Because event sponsorships are restricted to specific program execution or represent an exchange for services, they **cannot be diverted** toward membership dues, regardless of the amount paid.
- **Universal Event Disclaimer:** For every event, irrespective of whether the flyer explicitly mentions it or not, the following disclaimer applies: *Event sponsorships are restricted program revenue (exchange transactions or restricted donations) and are separate from annual membership dues.*

8. I believe I meet the membership requirements, but my name isn’t on the list. Who should I contact?

Please email treasurer@triadhindutemple.org for any membership-related questions. We are committed to resolving concerns and providing clarity.

9. I donated items worth more than \$150. Why am I not considered a member?

Please refer to the document on ‘*Items Donation Policy – Food and Non-Food Items*’, available on the temple website. Please email treasurer@triadhindutemple.org if you cannot locate the document. .

10. If I donated greater than \$75 but less than \$150, can I switch from family membership to individual membership?

No. Membership type does not change automatically based on the contribution amount. To ensure compliance with *NC 55A-6-20*, which allows establishing member qualifications, the Temple adopts the filing status definitions found in *IRC 1(c)* and *IRC 7703*: Individual (and student) membership is reserved for single unmarried adults, while Family membership applies to married couples.

- **Status-Based Eligibility:** In accordance with *IRS Publication 501*, a household unit includes a spouse; therefore, married individuals do not qualify for the "Individual" rate.
- **Notification Required:** Members must formally notify the Temple if they wish to change their membership type (e.g., due to a change in marital or household status).

- **Continuous Standing:** Until notification is received, the previous membership type remains in effect.
- **Non-Retroactivity:** Changes take effect from the date of notification and a new form submission, not retroactively.
- **Membership Form:** As noted in *Bylaw 2.3(a)*, “individuals wishing to be annual members must complete and return a membership form ... and pay the annual membership dues by the time required for payment of such dues.” Accordingly, members must submit the membership form to reflect the applicable membership type (Family, Individual, or Student).
 - For example, if an individual or a student gets married, they are no longer eligible for the single-person rates; the applicable membership type to be selected in the membership form is **Family**.

11. I donate regularly through Hundi and believe I have contributed over \$150. Does this qualify me for membership?

No. Hundi donations cannot be tracked or linked to individual devotees unless deposited in an envelope with name and purpose called out.

It is recommended to use Zelle or check payments, which allow us to record donations accurately and count towards membership.

12. I donate through Square POS and believe my total exceeds \$150. Does this qualify me for membership?

Not automatically. Historically, Square POS transactions were recorded as generic POS entries unless a donation category was selected.

We have since updated the system to ensure accurate categorization. Going forward:

- The correct transaction type must be selected before each card swipe.
- Please ensure the correct category is chosen or inform the volunteers assisting you.

13. Is POS (Point of Sale) payment for an Archana considered for membership?

No. To ensure the Temple’s financial integrity and compliance with regulatory standards, Archana payments **cannot be diverted** toward membership dues for the following reasons:

(i) Service-Based Reason (Regulatory Classification): Under *IRC 6115* and *IRS Pub 1771*, an Archana is a specific religious service treated as a **quid pro quo** transaction. Because the devotee receives a direct personal benefit in the form of a ritual performed on their behalf, the Fair Market Value of the service is deemed equal to the payment. Consequently, it is a **fee-for-service** purchase rather than an unrestricted gift. Per *Bylaw 2.2*, membership is contingent upon having "paid the required dues," which excludes service-based transactions.

When a devotee pays for an Archana, the transaction represents an exchange of an Indeterminate Fair Value because a spiritual blessing lacks a standard market price. According to *FASB ASC*

845-10-30-3, when a ritual's value cannot be measured, the temple must record the transaction based on **the amount of payment made**. Under *FASB ASC 820*, since no commercial market exists to price a prayer, the temple uses unobservable inputs to let the devotee's specific payment define the fair value. Finally, *FASB ASC 958-605* classifies this as exchange revenue, where the priest's performance of the ritual fulfills the temple's obligation to the payer.

(ii) Operational-Based Reason (Payer Intent): Under the Intangible Religious Benefit exception [*IRC 170(f)(8)(B)(iii)*], the Temple classifies annual membership dues as unrestricted and unconditional donations because they provide spiritual value and represent an allegiance to the Temple's general vitality. Conversely, under *FASB ASC 958-605 (Revenue Recognition)*, Archana fees are classified as Exchange Revenue because they are paid for the specific performance of a ritual (covering priest time and materials).

(iii) Equity and Fairness among Devotees: Under IRS Governance Guidelines for *501(c)(3)* organizations, boards must ensure that resources are used to further the organization's mission in a consistent and fair manner. Diverting service fees toward membership would allow some devotees to 'bypass' the general support requirement that all other members fulfill. To ensure **equity**, based on *NC 55A-8-30*, the Temple requires all members to contribute the same baseline dues to support the Temple's shared facilities.

(iv) Financial Integrity and Internal Controls: To comply with *FASB ASC 958-205* (Financial Statements) and IRS Form 990 reporting requirements, the Temple separately tracks Restricted Program Revenue (e.g., Archana fees) and Membership Dues. Attempting to cross-credit numerous micro-transactions from POS systems toward membership undermines **internal controls**, obscures the **audit trail**, increases the risk of **accounting errors** during reconciliation, and could lead to **misstatements** jeopardizing the Temple's standing..

14. My name was on the initial membership list but later disappeared. Why?

Lists are verified periodically (for example, based on Aplos entries) to satisfy the Board's duty to continually strive to maintain an accurate "record of members" under *NC 55A-16-01(c)*.

15. What are the deadlines for membership?

Annual membership enrollment is open throughout the calendar year (Jan 1st to Dec 31st). However, to participate in the annual governance cycle (voting and nominations), the following Bylaw deadlines apply:

- *Bylaw 2.2:* "Members" must have "paid the required dues on or before **October 1st**" to have the right to vote.
- *Bylaw 4.7 and 5.3:* Reference **October** regarding nominations.

Individuals paying dues after **October 1st** are members but have no right to vote in the current calendar year's cycle per *Bylaw 2.2*.

Validated Form Submission and Payment:

To ensure fairness and eliminate disputes over hand-delivery or back-dated checks, the Temple defines "paid" strictly by **verifiable third-party records**. To participate in the annual governance cycle (voting and nominations), both of the following must be completed by **October 1st**:

(i) **Documentation:** Temple must have received a fully and accurately filled-out membership form.

(ii) **Payment of membership dues:**

- **Digital Payments (e.g., Zelle, PayPal, Square, ACH):** Per the *US E-SIGN Act (15 USC 7001)*, the timestamp generated by the payment processor is the **sole** legally recognized date of payment.
- **Physical Payments (Checks, Cash; Hundi):** Under *NC 25-4-213*, check payments are legally 'completed' when the payer's bank honors the check, makes final payment, and the beneficiary's bank receives final settlement. To be recognized, any check or cash dropped in the Hundi must be in a **clearly marked envelope** with the donor's name and purpose.

The 'Bank-First' Verification Standard: To ensure a neutral, third-party audit trail that cannot be manipulated by personal claims, the Temple interprets the term "paid" in Bylaw 2.2 according to the Uniform Commercial Code (UCC) as adopted in *NC 25-4A-401*.

- **Verification:** Per *NC 25-2-511(c)*, payment by check is **conditional** and is defeated if the check is dishonored upon presentation; therefore, a check is only a "promise to pay" until it clears. A member is considered to have "paid" only when the transaction is **fully credited and reflected** in the Temple's bank account by close of business on October 1st.
- **Hundi/Drop Box:** Per *IRS Rule 54-465*, items are not "delivered" until the Temple retrieves and gains full access. Items found in the Hundi after the close of business on October 1st are legally "received" on the next business day. To ensure the integrity of this process, the Treasurer(s) and officers have a fiduciary duty under *NC GS 55A-8-42* to act in good faith; this includes the responsible, timely retrieval and deposit of all Hundi items.
- **Bank cut-offs:** Because banks have established cut-off times (often 2 pm or 4 pm), items deposited after those windows will not be reflected in the temple's bank account until the next day. To ensure your payment is captured by the October 1st deadline, please strive to deposit Hundi items at least **3 business days** in advance of the deadline.
- **Neutrality:** Personal claims of hand-delivery or the date written on a check are insufficient to override the **Bank's Official Record of Receipt**.

Why this rule exists: This policy removes human bias and "he-said-she-said" scenarios. Because a member's or a board member's verbal claim cannot override a **Bank Statement** or a **Processor Timestamp**, the Temple ensures that every person is held to the same objective, verifiable legal standard.

16. What are the qualifications for an individual to be eligible for nomination to elected (BoD and BoT) positions?

According to *Bylaw 2.2*, Members are those who "have paid the required dues on or before October 1st of the applicable calendar year. Individuals who... pay their dues after October 1st shall have no right to vote on any matter."

To be eligible for nomination to either the BoD or BoT, an individual must maintain a continuous and qualifying membership. According to *Bylaw 2.2*, the October 1st deadline for payment of annual membership dues is relevant. Those who pay on or before October 1st achieve 'Member' status that includes the right to vote in elections and the eligibility to be nominated for the Board of Directors (BoD) or Board of Trustees (BoT). Those who pay after October 1st hold membership but forfeit the right to vote or submit nominations. Nominating oneself for an upcoming board position but paying membership dues after October 1st in the year when the nomination was filed may disqualify a nominee from running for the BoD or BoT because the nominee was not a member with the right to vote (as defined by the October 1st requirement).

In addition, according to *Bylaw 5.2*, "Each Director shall be required to be a Member of the Society during his or her term of office and for the two (2) consecutive full calendar years immediately prior to the beginning of such Director's term of office." *Bylaw 5.2* further suggests that "In addition, they must have served on a standing committee for at least a year." While the two-year phrasing is located in the Board of Directors section, the Board of Trustees oversees the most vital assets. Under *NC 55A-8-30*, the Election Committee has the authority to interpret the Bylaws to avoid inconsistencies and may require a consistent history of 'Member' status for all high-level positions. Because, legally, a Trustee (BoT) holds an equal or higher fiduciary standard than a Director (BoD), the Election Committee may require a similarly long two-year record of membership from nominees to all elected (BoD and BoT) positions. The Election Committee may exercise its duty under *NC 55A-8-30* to consider (validate/approve) only those nominees who meet high standards of institutional stability.

Furthermore, pursuant to *Bylaw sections 4.2 and 5.1* and *NC 55A-8-30*, all leadership is held to a strict fiduciary standard of 'Good Faith' and the 'Duty of Loyalty.' The Election Committee and the Board have the authority to reject any nomination where the individual's prior conduct demonstrates a conflict of interest or a material breach of these standards. This includes any documented history of actions that are substantially detrimental to the Society's operational integrity, financial stability, or institutional reputation. Because a nominee must be capable of exercising the care an 'ordinarily prudent person' would in a like position, a record of conduct that is inconsistent with the best interests of the Society serves as a legal basis for disqualification under the standards of conduct set forth in *NC 55A-8-30*, ensuring that only those capable of fulfilling their fiduciary obligations are considered as nominees.

17. Will the membership criteria remain the same in future years?

As the temple grows, we will continue improving our processes. Updates may be made as needed, aligned with bylaws, federal and state laws and regulations, and operating procedures.

18. How will future changes to membership criteria be communicated?

Any updates to membership eligibility criteria will be communicated proactively during the first quarter of each year. However, because the legal and regulatory landscape (NC laws, IRS, IRC, FASB, etc.), best practices, and our own learnings evolve, the Temple reserves the right to update annual membership eligibility criteria at any time. This ensures our organization always remains in full compliance with current federal and state laws.

19. Can someone request the entire membership list or member data? Is the privacy of members protected?

Annual membership year 2026 onwards, member privacy receives stronger protection by multiple layers of NC law and the Temple's strict security protocols. These laws apply to any individual or agency seeking, receiving, or misusing member data:

- **Personal Privacy Protection Act (PPPA):** Under the **newly enacted PPPA (NC 55A-18-04)**, effective Dec. 1, 2025, membership lists are strictly confidential and are not public records under *NC 132-1.1*. The Temple must defend this confidentiality to protect members from harassment, stalking, financial coercion, forms of targeting, and other privacy threats.
- **Protection from Disclosure:** Under *NC 55A-1-31*, data provided by the Temple to the Secretary of State is confidential and is **not open to public inspection**.
- **Strict Use Limitations:** *NC 55A-16-05(2)* prohibits using membership lists for any purpose unrelated to a member's interest (e.g., solicitation) without express Board consent. Coercing members or attempting to negatively influence their financial support is a direct violation.
- **Privacy Rights of the Membership:** While *Bylaw 3.6* and *NC 55A-16-02* provide a qualified right to inspect records, the new *PPPA (NC 55A-18-04)* takes precedence, strictly limiting the disclosure of membership data to protect privacy. To protect the *entire membership*:
 - **No Public Display:** The list will not be posted in public or common areas of the Temple. [*NC 55A-18-04; NC 132-1.1(i); PPPA*]
 - **Supervised Inspection:** Per *Bylaw 3.6*, voting lists are available for 10 days before meetings. To comply with the new *PPPA*, this inspection is by appointment only and is strictly supervised; the list may be viewed but not reproduced, photographed, digitized, or distributed, as such actions bypass the privacy protections afforded to every other member. [*NC 55A-18-04; NC 55A-16-02(c); NC 55A-16-05*]
 - **Denying Bad-Faith Requests:** Per *NC 55A-16-02(c)*, the Board will reject requests not made in good faith or for a proper purpose. A 'proper purpose' must be specifically described and directly connected to the meeting's agenda. If the meeting agenda posted by the board contains no explicit items for a vote, a member's claim of a 'proper purpose' is diminished and the membership list may be denied. Past use

for disruption, negatively influencing financial support, or any association with such activities, is also evidence of bad faith. [NC 55A-16-02(c); NC 55A-1-40(21)].

- **Personal Liability for Misuse:** NC 55A-18-06 and NC 132-1.1(i) provide for personal liability. Any individual seeking, receiving, or misusing member data in violation of these protections may be sued for civil damages (up to \$2,500 per incident; \$7,500 for intentional violations), plus attorneys' fees, and may face Class 2 misdemeanor charges.

20. How does membership impact access to programs like Balavihar, receiving member discounts, or tokens of appreciation like the Temple calendar?

Annual membership is a prerequisite for certain programs and may include tokens of appreciation or discounts. For internal accounting and adherence to *IRS Publication 1771* standards, THT applies the following classifications:

- **Token Appreciations (De Minimis Rule) and Member Discounts:** Small items (like the Temple calendar) provided as first-come first-served tokens of appreciation to members are considered nominal (de minimis) benefits. Small discounts to members on purchases (e.g., at a temple store or some temple event) are also considered nominal (de minimis) under *IRS Revenue Procedure 90-12*. These do not constitute an 'Exchange' and do not impact the classification of membership dues as an *Intangible Religious Benefit* under *IRC 170(f)(8)(B)(iii)*.
- **Program Prerequisites:** Membership is a prerequisite for Balavihar (Sunday School). Because the \$150 annual dues are a universal support requirement for all family memberships (with or without children attending Balavihar), THT maintains their classification as Religious Membership dues. Any additional payment specifically for Balavihar is restricted to the support and the execution of this educational service.

Continuous Improvement & Feedback: The Temple remains committed to financial transparency and operational excellence. This document is a living resource that may be amended at the Temple's discretion to reflect updated regulatory landscapes or to address recurring administrative questions. We value constructive feedback that helps us serve our community more effectively. To ensure consistent and fair application for all members, individual exceptions to these established policies cannot be granted.