

Grand Lodge of Minnesota A.F. &A.M.
Computer Use and Internet Policy
Adopted November 2007

Article I. Introduction

Section 1.01 The Grand Lodge of Minnesota recognizes the prevalence of the Internet, its potential value and importance to the Craft. We recognize the potential usefulness of lodge websites to support various aspects of their operations including publicity, recruitment, calendar management, communication, member services, education and research, and limited, qualified e-commerce. To support lodges in proper and reasonable use of the Internet and websites, the Grand Lodge of Minnesota has established the following policy to guide Lodges in the development of websites and use of Masonic logos.

Section 1.02 This Policy is administered by the Grand Lodge Website Committee (GLWC), under the direction and guidelines of the Grand Master (GM), the Grand Lodge Corporate Board (GLCB) and the MN Masonic Code (the Code).

Section 1.03 Violations of this Policy will be documented and can lead to revocation of privileges and/or disciplinary action up to and including punitive actions as deemed necessary.

Section 1.04 Additionally, the Grand Lodge of Minnesota may at its discretion seek legal remedies for damages incurred as a result of any violation. The Grand Lodge of Minnesota may also be required by law to report certain illegal activities to the proper enforcement agencies.

Article II. Security and Privacy

Section 2.01 It is not necessary to obtain a written release for any individual or group photographed in a venue or at an event considered open to the public. Under the provisions of implied consent a persons can be photographed from a distance without their consent except when they have secluded themselves in places where they have a reasonable expectation of privacy (for example, in dressing rooms, restrooms, medical facilities, homes, etc.). If there is ever any question of consent it should be obtained either verbally or in writing at the time the photo is taken.

No photographs of children may be included on lodge web pages without the written permission of their parents or guardians. When using photographs of

children on the lodge website it may not include any information regarding the child's location other than attendance at a particular lodge or participation in lodge activities (events, trips, etc.). In all cases the lodge and or web site operator will comply with TITLE 15, CHAPTER 91 of the US CODE which regulates unfair and deceptive acts and practices in connection with collection and use of personal information from and about children on the internet.

Section 2.02 Concerning the use of Email addresses on web sites, email addresses should not be posted on web sites without the verbal or written consent of the individuals involved.

Section 2.03 Web documents may not include any information which indicates the physical location of a member, other than attendance at a particular lodge or participation in lodge activities (events, trips, etc.).

Section 2.04 Lodges must not use filenames for pages and images which include member names.

Article III. Use of Symbols, Names and Trademarks

Section 3.01 The Grand Lodge of Minnesota has established rules governing the use of Masonic symbols and trademarks in the Minnesota Masonic Code.

Section 3.02 Lodges may host and maintain websites in support of their overall program.

Section 3.03 Any existing or proposed Minnesota Masonic Lodge website utilizing any form of a Square & Compass (S&C), the term "Lodge" or other identifying marks indicating linkage between the website and the Fraternity of Freemasonry must be reviewed by the GLWC and approved by the GM or the GLCB.

Section 3.04 Websites, like all lodge publications, should include the words "Published under the authority of the Most Worshipful Grand Lodge A. F. & A. M. of Minnesota" on the home page; however, this statement does not indicate or confer approval of content by the GM or GLCB.

Section 3.05 An annual review of the website will be performed by the GLWC.

Section 3.06 The use of any generic (commonly accessible, public domain) S&C images or other Masonic imagery is allowable on approved lodge websites within the parameters established by the Code. Such usage must be respectful

of any applicable copyright or trademark laws, and usage must be responsible, tasteful and in keeping with Masonic sensibilities. The GLWC will periodically review such usage and report to the GM and GLCB.

Section 3.07 Use of the Grand Lodge of Minnesota name and logo on any site or item is strictly regulated in order to maintain our valuable trademark. Manner of usage, correct proportions, fonts and colors are all considered with each approved use. Upon approval, the guidelines and templates for these items will be made available to any Lodge wishing to use them by communicating with the Grand Secretary, who will convey the request for such use to the GLWC. The GLWC will submit their recommendations to the GLCB for approval.

Section 3.08 Representation that website content is approved by the Grand Lodge of Minnesota is NOT to be offered on any lodge website, except where such language is incorporated within clearly defined content copied from or directly linked back to the Grand Lodge of Minnesota's own website(s), or where a document self-identifies as being a publication of the Grand Lodge of Minnesota.

Section 3.09 Any Minnesota Lodge may design and use its own logo. Such items, if using any form of the S&C and not conforming to pre-defined standards or templates, will require approval by the GLWC, or, of course, the GM or GLCB.

Section 3.10 Pre-determined formats, standards and templates can be obtained by contacting the GLWC through the Grand Secretary of the Grand Lodge of Minnesota.

Article IV. E-commerce

Section 4.01 For our purposes, any sale of items or monetary transaction via a Lodge's website is considered e-commerce. Because the Code and indeed the core tenants of Masonic principles prohibit the use of Masonic imagery in making a profit for any individual or business, the following guidelines have been established.

Section 4.02 It is allowable for a lodge to accept payment for dues and other member fees via electronic processing, either by phone or over the Internet, as long as the manner of accepting payment is secure, as determined by the GLWC.

Section 4.03 The GLCB interprets the Code as prohibiting Lodges from entering into For Profit businesses generally, with some exceptions as determined by the GM and GLCB. Historical exceptions include rental of facilities, minor fundraising activities, event food sales or sale of Masonic-themed merchandise. Extending the sale of similar merchandise over the Internet is allowable, if lodges comply with all applicable laws, including sales tax and use regulations.

Section 4.04 E-commerce applications are allowable for the purpose of vending Masonic-themed merchandise as non-profit transactions or where profits are donated to charitable entities. Merchandise sold must be pre-approved by the GLCB as outlined above in the section concerning use of symbols, names and trademarks.

Section 4.05 Any Lodge wishing to develop e-commerce functionality on their website or to utilize e-commerce in any form will be required to apply for approval through the Grand Secretary. All approval applications will be reviewed by GLWC and approved by the GM or GLCB on recommendation from the GLWC.

Section 4.06 Any item, excluding Lodge dues or fees, sold via an e-commerce website shall generally support lodge promotion activities, tasteful recruitment, education or charitable purposes, or other activities approved by the GLCB.

Section 4.07 Persons from outside the state of Minnesota or the jurisdiction of the Grand Lodge of Minnesota may order products from a website managed by a lodge under the jurisdiction of the Grand Lodge of Minnesota.

Section 4.08 A copyright page must be included on the website and readily accessible to users stating each logo or name's ownership or copyright information if applicable.

Section 4.09 Unless otherwise directed by the GM or GLCB, websites should provide no information as to the applicability of a charitable deduction regarding the sale of a product.

Section 4.10 An annual report of sales, expenses and any profit or loss made through e-commerce sales will be submitted to the Grand Lodge of Minnesota and will be reviewed by the GLCB or a committee that they will designate.

Article V. Tax Considerations

Section 5.01 If a lodge were to engage in the merchandising of goods on a continual basis over the internet, the activity would most likely be taxable as an unrelated business. A lodge would have to file a federal form 990-T, Exempt Organization Business Income Tax Return and State of Minnesota form M4NP, Franchise Tax for Nonprofit Organizations. A lodge would also most likely be required to obtain a sales tax permit and collect sales taxes on such goods and remit them to the Minnesota Department of Revenue. If such activities are operated on property for which you have been granted property tax relief as a nonprofit entity, such a lodge may also be endangering that status.

Section 5.02 Masonic lodges are exempt from federal income taxes on Internal Revenue Code 501(c) (10). The state of Minnesota also extends that exemption to Minnesota state income taxes. These exemptions only extend to activities related to your exempt purpose, which for a 501(c) (10) are the normal operations related to a domestic fraternal society. Examples of exempt items are collection of dues and the charging of fees to members to offset the cost of activities. The internal revenue code also exempts from federal income taxes most investment, rental and fundraising incomes to such organizations. But if an activity is deemed an unrelated business, then a lodge could be liable for unrelated business income taxes.

Section 5.03 The broad definition of unrelated business income is anything that is not included as part of the exempt purpose for which the IRS granted the tax exempt status to an organization. Most fundraising can be considered part of the exempt purpose of a lodge. To differentiate between fundraising and unrelated business income, the IRS looks at the nature of the activity. If the activity is ongoing or reoccurring, it could possibly be deemed unrelated business income. Even an annual event could possibly be deemed an unrelated business if it is not specifically related to your exempt purpose.

Section 5.04 The requirement of paying and filing these taxes rests solely with the lodge involved in such activities. Before becoming involved in any merchandising activities, a lodge should seek out professional, competent tax advice. Penalties for non-compliance can be expensive to a lodge and could possibly extend to officers of a lodge personally.

Article VI. Technical and Design Standards

Section 6.01 All web pages should avoid excessive dependence upon sound clips, tiled backgrounds, movie clips, large graphics, and other disk space intensive items that may require considerable time to download.

Section 6.02 Documents should be thoroughly tested before posting.

Section 6.03 Final decisions regarding access to active web pages for editing content or organization will rest with the lodge.

Section 6.04 All web pages should be clearly identified and linked back to the lodge home page.

Section 6.05 Links to other sites should be Masonic specific. Verify their validity and remove when not needed or the link is not maintained or not operational. Avoid a large number of external links.

Article VII. Computer Use Policy

Section 7.01 The Lodge is responsible for securing the lodge's network and computing systems in a reasonable and economically feasible manner against unauthorized access and/or abuse, while making them accessible for authorized and legitimate users. This responsibility includes informing users of expected standards of conduct.

Section 7.02 The users of the network are responsible for respecting and adhering to local, state, federal and international laws. Users who violate any such laws will be subject to prosecution and/or litigation. If such an event should occur, the Lodge will fully comply with any complainants to provide any information necessary for prosecution and/or litigation.

Section 7.03 General Computing Policy

- (a) All computer systems that are the property of the Lodge should only be used for Lodge related purposes.
- (b) Any unauthorized, deliberate action which violates posted policy, damages or disrupts a computing system, alters its normal performance, or causes it to malfunction is prohibited regardless of system location or time duration.
- (c) Only software relevant to the users work related duties should be installed on a computer system.
- (d) The copying or sharing of copyrighted materials, software, video and audio files (including MPEG files) without the express written permission of the owner or the proper licensing authority is prohibited.

- (e) Due to the increased risk of electronically transmitted viruses, it is suggested that software upgrades, installation files, and other executable files (*.exe files) should not be downloaded and installed from the Internet. This includes executable files (*.exe) attached to Electronic Mail messages, but does not include document files such as Word (*.doc) and Excel (*.xls). Individual users who do not conform with this policy must take responsibility for all problems and issues that may subsequently arise.
- (f) Use of computer systems, facilities and/or services for commercial purposes outside the scope of Lodge activities is prohibited.
- (g) The installation of Routers, Bridges, and similar equipment without express permission of the Principal Officers is prohibited.
- (h) Deletion, examination, copying, or modification of files and/or data belonging to other users without their prior consent is prohibited.
- (i) Continued impedance of other users through mass consumption of system resources, after receipt of a request to cease such activity, is prohibited.
- (j) Use of systems and/or networks to gain unauthorized access to remote systems is prohibited.
- (k) Use of systems and/or networks to connect to other systems, in evasion of the physical limitations of the remote/local system, is prohibited.
- (l) Use of systems and/or networks to copy or share copyrighted materials, software, audio and video files (including MPEG files) is prohibited.
- (m) The copying and/or modification of system files are prohibited.
- (n) The willful introduction of computer "viruses" or other disruptive/destructive programs is prohibited.

Section 7.04 Electronic Mail

- (a) There are no privacy rights in the creation, sending, or receipt of E-mail.

- (b) In response to system restrictions and space limitations, no pictures, graphics, movies, or any other E-mail file attachments should be in the system without a valid business reason.
- (c) Whenever you send electronic mail, your name is to be included in each mail message. You are responsible for all electronic mail originating from Lodge computers.
- (d) Forgery (or attempted forgery) of electronic mail messages is prohibited.
- (e) Attempts to read, delete, copy, or modify the electronic mail of other users are prohibited.
- (f) Attempts at sending harassing, obscene or threatening email to another user is prohibited.
- (g) Attempts at sending junk mail, "for-profit" or chain email are prohibited.

Section 7.05 Wireless Technology

- (a) The Lodge is responsible for managing the infrastructure of the Lodge's data network, including wireless network access. Wireless Access Points (intended for member use) must be approved by the Principal Officers prior to installation.

Attachments

Relevant Code Citations

SECTION G6.03 *Beside violation of Section C8.01, of the Constitution, the following specific acts shall be deemed unmasonic conduct and shall render the offender subject to discipline.*

...

(h) To use the word "Mason," "Masonic" or "Freemason," or any emblem of Blue Lodge Masonry as a part of a business name, or in business advertising of any kind; to say or infer in any publication that the same is published or recognized by Masonry as a Masonic publication unless authority to state that: "This publication is issued with the permission of the Most Worshipful Grand Lodge A.F. and A.M. of Minnesota," has been expressly given by the Grand Lodge.

No Master Mason shall solicit, accept, prepare or submit advertising to be placed in any magazine, pamphlet or other publication which is violating the provisions hereof and shall be deemed guilty of unmasonic conduct for so doing.

No Master Mason shall become a policy holder in any insurance company using Masonic words or emblems either in its name, its policies or in its advertising.

(I) As to all publications which have been made and issued by any Constituent Lodge, it shall be the duty of, and the responsibility is placed upon, the Master of the Lodge granted such authority, to supervise and control the conduct of such publication and all matters of every kind and nature therein published.

(j) No Master Mason who is a candidate for public office shall advertise in any publication or in any other manner that he is a Mason or member of a Masonic Lodge or of any body recognized as Masonic, and no Masonic publication shall accept said advertising whether the Masonic publication has been authorized by the Grand Lodge or not.

(k) The word "Lodge" shall not be used in association with the name of any other organization or in a manner which infers or otherwise identifies or attempts to identify the word "Lodge" as referring to a Masonic Lodge or Lodges or a Masonic body or bodies except in and as a part of a Lodge name or the name of a Masonic body, in its official notes of meetings and reports of Lodge or Masonic body activities to its members or in authorized publications.

Other Code citations may also apply. The GLCB infers by Section G6.03 that with some longstanding exceptions, generally, lodges are prohibited from

entering into commerce. This policy is set forth to clarify the limited exercise of website commerce, use of Masonic logos and use of websites by lodges.

Explanation of the IRS code related to 510 © (10) and Unrelated Business Taxable Income and Social Activities Social and Recreational Activities: Member Participation

Organizations described in IRC 501(c)(8) and IRC 501(c)(10) are subject to tax on their unrelated business taxable income (UBTI) under IRC 511. Fraternal organizations have traditionally engaged in social and recreational activities to complement their purely fraternal activities.

The operation of a bar, restaurant, or general meeting hall is an accepted social and recreational activity in which fraternal organizations may engage. In addition, gambling, to the extent that fraternal members participate, is considered recreational in nature and a suitable activity of fraternal organizations.

Rev. Rul. 69-68, 1969-1 C.B. 153, holds that gambling (even if illegal) is a proper activity for social clubs exempt under IRC 501(c)(7) because it supplies pleasure and recreation to members and guests, even if it has an additional purpose of raising money.

Sale of Alcoholic Beverages

The sale of alcoholic beverages to members for consumption on the premises is considered to be related to the purposes of a fraternal organization. On the other hand, the sale of alcoholic beverages to members for consumption off the premises should be considered unrelated trade or business. *See* TAM 8641001 (June 5, 1986).

Use of Facilities by Non-Members

When a fraternal organization allows or solicits non-members to make use of its social and recreational facilities, there is the potential for the fraternal organization to exceed the bounds of its exemption.

This is especially the case where the activity is of a continuous or recurring nature, such as the operation of a bar and restaurant. If the bar or restaurant is opened to the public, and, over time, is generally known to be available to the public, it risks becoming a regular commercial business.

Participation of Non-Members: E.g., in Gambling Activities

A fraternal organization may provide social and recreational activities to its members. Guests of members may also participate in the organization's activities or make use of its facilities so long as the guest is being entertained by the member. However, a non-member is not being "entertained" merely because he or she accompanies a member.

When non-member "guests" spend their own funds to participate in gambling activities operated by fraternal organizations, they are not being entertained by the member. If a non-member incurs a charge to participate in a social or recreational event or to make use of a social or recreational facility, the nonmember is considered to be entertained by a member only if the member pays the charge.

Thus, when a guest gambles with his own money, the fraternal organization is providing recreational activities directly to a non-member rather than as a service to members. When a fraternal organization provides recreational activities, such as gambling, to non-members directly, those activities do not have a substantial causal relationship to the organization's exempt purpose of providing social and recreational activities to the member. As a result, the activity may be considered unrelated trade or business. *See, e.g.,* Waco Lodge No. 166, Benevolent & Protective Order of Elks v. Comm'r, T.C. Memo. 1981-546.

Further, under certain circumstances, gambling activity may essentially be a predominantly public activity and only incidentally a member activity, such as when 80 percent of the receipts of gambling come from non-members who are not even participating as guests of members but simply as members of the public. In that case, the entire activity, including participation by members, would be considered unrelated trade or business because the gambling is not being conducted primarily as a recreation for members. *See* GCM 39061 (Nov. 21, 1983).

Hall Rental Income

Fraternal organizations commonly raise funds through hall rental and catering. The rental of the hall itself, while an unrelated trade or business if regularly carried on, may meet the exception to unrelated business taxable income (UBTI) for rents from real property under IRC 512(b)(3). *See* Rev. Rul. 69-178, 1969-1 C.B. 158. However, payments for the use of rooms or other space are not rents where services are also rendered to the occupant, if the services are primarily for the occupant's convenience and are not usually rendered in connection with the rental of rooms for occupancy only. *See* Reg. 1.512(b)-1(c)(5); Rev. Rul. 69-69, 1969-1 C.B. 159.

Catering Is Unrelated Business

Catering is a service primarily for the occupant's convenience and not usually rendered in connection with the rental of rooms for occupancy only. However, the catering may be analyzed separately from the rental of space if there is a separate charge paid in accordance with a separate agreement between the parties. Income from catering incidental to the hall rental would be taxable as unrelated trade or business income if volunteer labor is not employed in the provision of services and the catering is regularly carried on. *See* TAM 9605001 (Oct. 9, 1995).

This policy subject to periodic review and amendment by the Grand Master and Grand Lodge Corporate Board. This version dated October 22, 2007