

The ABCs of . . .

LIFE MEMBERSHIP IN PERPETUITY

In 1992, the Most Worshipful Grand Lodge of Ancient, Free and Accepted Masons of the Commonwealth of Virginia adopted the Life Membership In Perpetuity Plan (L.M.I.P.). This program enables a Master Mason, in good standing, to purchase a Life Membership. Additionally, this program provides a perpetual endowment, which will continue to pay a participant's dues to his subordinate Lodge even after his death.

The Methodical Digest (Section 5.0) contains the legal wording which governs the Life Membership In Perpetuity Plan.

The purpose of this document is to provide some basic information about the program and to answer some commonly asked questions. If you are interested in this program, or have additional questions about it, we suggest that you ask your Secretary. He can supply you with answers to your questions as well as an application and specific information about the cost of Life Membership in your Lodge.

COMMONLY ASKED QUESTIONS

Q. What are the advantages of buying a L.M.I.P.?

A. First, it benefits you in that you will never again have to remit dues to your Lodge. Second, it provides an endowment that will continue to pay your Lodge, in perpetuity. Thus, you benefit in that you will no longer be subject to dues increases and your Lodge benefits in that it will have income, in the amount of your dues, forever.

Q. How do future dues increases affect my L.M.I.P.?

A. Once you purchase your L.M.I.P., you will never again have to pay dues. Neither will you have to pay for future dues increases. Effectively, your L.M.I.P. "freezes" your dues at the current level. Thus, your Lodge will receive funds from L.M.I.P. each year based upon the dues in force at the time you purchased your Life Membership.

Q. How much does it cost?

A. Your current dues must be paid. Then, the L.M.I.P. can be purchased at sixteen times your current dues at the time you pay for it. Thus, if you elect to make installment payments, and your Lodge has a dues increase, the cost is sixteen times the dues at the time you make your final payment. For example, assume Lodge dues are \$50. The L.M.I.P. would cost \$800 (16 x \$50). If you make installment payments towards the \$800 cost, and your Lodge increases its dues to \$55 before you make your final installment payment, then your Life Membership cost goes up to \$880 (16 x \$55). It will obviously benefit you to make your final installment payment before any dues increase takes effect.

Q. How are the funds invested? Am I assured that I will never have to pay dues again?

A. The funds are invested by a professional money manager. He utilizes diversified investments to both maximize income and hedge against investment risk. The manager is supervised by the L.M.I.P. Committee to assure compliance with established investment goals. By using conservative investment goals, we can assure the long term stability of the Plan, which will preclude you from ever having to pay dues again.

Q. How do assessments by Grand Lodge affect the L.M.I.P.?

A. The 1996 Grand Lodge session approved a change to the L.M.I.P. Plan, so that assessments do not affect L.M.I.P. participants. Thus, L.M.I.P. participants are not affected by either dues increases or assessments.

Q. How is my L.M.I.P. affected if I transfer membership to another Lodge?

A. A L.M.I.P. purchased with Lodge funds can be transferred only upon approval by vote of the Lodge and agreement of all parties. Your L.M.I.P. may be transferred to a "new" Lodge, if they vote to accept it. Different dues levels in subordinate Lodges may make it difficult to transfer your L.M.I.P. Additionally, your L.M.I.P. will only transfer to another Virginia Lodge. However, if you have dual membership, you must pay dues in the second Lodge, or buy a second L.M.I.P. With two L.M.I.P.'s you will actually be endowing two Lodges in perpetuity.

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