

**AMENDED AND RESTATED BYLAWS  
OF  
FREEDOM CHURCH, INC.**

These Amended and Restated Bylaws govern the affairs of Freedom Church, Inc., an Indiana nonprofit religious corporation (the “Church”). The Church is organized under the Indiana Nonprofit Corporation Act, as amended (the “Act”). These Bylaws amend and restate, in its entirety, the previous Bylaws of the Church, as amended.

**ARTICLE 1  
NAME AND PRINCIPAL OFFICE**

The name of this religious nonprofit organization is Freedom Church, Inc. The principal office of the Church in the State of Indiana shall be located in Lebanon, Boone County, Indiana. The Board of Directors of the Church shall have full power and authority to change any office from one location to another, either in Indiana or elsewhere. The Church shall comply with the requirements of the Act and maintain a registered office and registered agent in Indiana. The registered office may be, but need not be, identical with the Church’s principal office in Indiana. The Board of Directors may change the registered office and the registered agent as provided in the Act.

**ARTICLE 2  
STATEMENT OF FAITH AND BELIEFS**

**2.01 Statement of Faith** This Church accepts the Bible as the revealed will of God, the all-sufficient rule of faith and practice, and for the purpose of maintaining general unity of statements of faith.

**2.02 The Scriptures Inspired.** The Scriptures both Old and New Testament are the inspired, infallible revelation of God to man and the authority of faith and conduct.

**2.03 The One True God.** The one true God has revealed Himself as the “I AM,” the Creator, and Redeemer of mankind.

**2.04 The Deity of Jesus.** The Lord Jesus Christ is the eternal Son of God. The Scriptures declare His virgin birth, sinless life, miracles, death and resurrection, and ascension to the right hand of God.

**2.05 The Salvation of Man.** Man’s only hope is through the shed blood of Jesus Christ. Salvation is by faith through grace and demonstrated in repentance.

**2.06 Ordinances of the Church.**

(a) Water Baptism. In the name of the Father, Son, and Holy Ghost and by full immersion.

(b) Holy Communion. The Lord’s Supper consisting of the Body and Blood represented in the fruit of the vine and bread.

**2.07 The Baptism of the Holy Spirit.** According to Acts 1:8 and Acts 2:4 with one of the signs being speaking in other tongues along with other gifts.

**2.08 Sanctification.** The act of separation from that which is evil, and dedication unto God.

**2.09 The Church and Its Mission.** The church is the representative of Jesus on earth and is to carry out the Great Commission.

**2.10 The Ministry.** A divinely called and scripturally ordained minister has been provided by God to lead the church in evangelization, worship, building the body, and general leadership of the church.

**2.11 Divine Healing.** Is provided for today by the Scriptures and included in the atonement for our sins.

**2.12 The Blessed Hope.** The resurrection of the just is the blessed hope of the body of Christ.

**2.13 The Millennial Reign.** The second coming of Christ includes the rapture and a return to earth by Christ with His saints for a thousand year reign.

**2.14 The Final Judgment.** There will be a final judgment at which all men will be judged.

**2.15 The New Heaven and Earth.** All of God's children will reign forever in a new heaven and a new earth.

**2.16 Statement of Marriage.** We believe that because God our Creator established marriage as a sacred institution between one man and one woman, the idea that marriage is a covenant only between one man and one woman has been the traditional definition of marriage for all of human history ("Traditional Definition of Marriage"). Because of the longstanding importance of the Traditional Definition of Marriage to humans and their relationships and communities, and, most importantly, the fact that God has ordained that marriage be between one man and one woman, as clearly conveyed in God's inerrant Scriptures, including for example in *Matthew 19:4-6* where in speaking about marriage Jesus referred to the fact that "he which made them at the beginning made them male and female," the Church hereby creates this policy, which shall be known as the "Marriage Policy."

Under this Church's Marriage Policy, the Traditional Definition of Marriage is the only definition of marriage that will be recognized or accepted. No elder, officer, employee, servant, agent, or any person, corporation, organization, or entity under the direction or control of this Church shall commit any act or omission, or make any decision whatever, that would be inconsistent with, or that could be perceived by any person to be inconsistent with, full support of this Church's Marriage Policy and strict adherence to the Traditional Definition of Marriage rather than any alternative to the Traditional Definition of Marriage.

This Church's Marriage Policy specifically prohibits acts or omissions including but not limited to permitting any Church assets or property, whether real property, personal property, intangible property, or any property or asset of any kind that is subject to the direction or control of the Church, to be used in any manner that would be or could be perceived by any person to be inconsistent with this Church's Marriage Policy or the Traditional Definition of Marriage, including but not limited to permitting any church facilities to be used by any person, organization, corporation, or group that would or might use such facilities to convey, intentionally or by implication, what might be perceived as a favorable impression about any definition of marriage other than the Traditional Definition of Marriage.

We believe this Church's Marriage Policy is based upon God's will for human life as conveyed to us through the Holy Scriptures, upon which this Church has been founded and anchored, and this Marriage Policy shall not be subject to change through popular vote; referendum; prevailing opinion of members or the general public; influence of or interpretation by any government authority, agency, or official action; or legal developments on the local, state, or federal level.

### **ARTICLE 3 AUTONOMY**

The Church is autonomous and maintains the right to govern its own affairs, independent of any denominational control. Recognizing, however, the benefits of cooperation with other churches in local, national, and world missions and otherwise, this Church may voluntarily affiliate with any churches (Christian churches and ministries) of similar precious faith.

### **ARTICLE 4 PURPOSES**

The Church is formed for any lawful purpose or purposes not expressly prohibited under Title 4, Subtitle 3, Chapter 28 of the Act, including any purpose described by Section 4-28-205 of the Act. The Church is organized and shall be operated exclusively for religious, charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Notwithstanding the foregoing, the Church's purposes also include the limited participation of the Church in any other activities, including taxable activities, but only to the extent the activities would be permitted by a tax-exempt organization. More particularly, but without limitation, the purposes of this Church may include, but are not limited to:

- (a) Minister the Word of God;
- (b) Conduct regular religious worship services through various forms of ministries;
- (c) Promote and encourage, through ministries of the Church, cooperation with other organizations ministering within the community;
- (d) Spread the Word of the Gospel by ministering to all through seminars, radio, television, and other forms of mass media;
- (e) Conduct a local and international Church by the direction of the Lord Jesus Christ and under the leadership of the Holy Spirit in accordance with all the provisions as set forth in the Holy Bible;
- (f) Maintain local Church and missionary facilities to propagate the gospel of Jesus Christ

both at home and in foreign lands and to support and send missionaries throughout the world;

(g) Conduct a school for ministers and leaders;

(h) License and ordain qualified individuals including graduates of ministerial schools;

(i) To collect and disburse any and all necessary funds for the maintenance of the Church and the accomplishment of its purpose within the State of Indiana and elsewhere around the world;

(j) To make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended.

(k) This Church is also organized to promote, encourage, and foster any other similar religious, charitable and educational activities; to accept, hold, invest, reinvest and administer any gifts, legacies, bequests, devises, funds and property of any sort or nature, and to use, expend, or donate the income or principal thereof for, and to devote the same to, the foregoing purposes of the Church; and to do any and all lawful acts and things which may be necessary, useful, suitable, or proper for the furtherance of accomplishment of the purposes of this Church. Provided, however, no act may be performed which would violate Section 501(c)(3) of the Internal Revenue Code of 1986, as it now exists or as it may hereafter be amended.

## **ARTICLE 5 POWERS AND RESTRICTIONS**

Except as otherwise provided in these Bylaws and in order to carry out the above-stated purposes, the Church shall have all those powers set forth in the Act, as it now exists or as it may hereafter be amended. Moreover, the Church shall have all implied powers necessary and proper to carry out its express powers. The powers of the Church to promote the purposes set out above are limited and restricted in the following manner:

(a) The Church shall not pay dividends and no part of the net earnings of the Church shall inure to the benefit of or be distributable to its organizers, officers or other private persons, except that the Church shall be authorized and empowered to make payments and distributions (including reasonable compensation for services rendered to or for the Church) in furtherance of its purposes as set forth in the Articles of Incorporation or these Bylaws. No substantial part of the activities of the Church shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Church shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of the Articles of Incorporation or these Bylaws, the Church shall not carry on any other activities not permitted to be carried on by (i) a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

(b) In the event this Church is in any one year a "private foundation" as defined by Section 509(a) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws, it shall be required to distribute its income for such taxable year at such time and in such manner as not to subject the foundation to taxation under Section 4942 of the Internal Revenue Code of 1986, as amended, or corresponding

provisions of any subsequent federal tax laws; and further shall be prohibited from: (i) any act of “self-dealing” as defined in Section 4941(d) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; (ii) retaining any “excess business holdings” as defined by Section 4943(c) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; (iii) making any investments in such manner as to subject the foundation to taxation under Section 4944 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; or (iv) making taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

(c) The Church shall not accept any gift or grant if the gift or grant contains major conditions that would restrict or violate any of the Church’s religious, charitable, or educational purposes or if the gift or grant would require serving a private as opposed to a public interest.

## **ARTICLE 6 CHURCH GOVERNMENT**

The Church seeks to be led by the Holy Spirit in all things. The Lead Pastor, the Directors, the Officers, the Overseers, the Lead Executive Team and the Membership all have a certain role in the Church’s government.

(a) Role of the Lead Pastor: The Lead Pastor has executive and supervisory control over and is ultimately responsible for both the spiritual and the corporate health of the Church, including communicating the ministry vision for and overseeing the day-to-day operations of the Church (as described in Article 8.)

(b) Role of the Directors (Elders): The Directors shall have the duties and responsibilities generally associated with and exercised by a corporate board and are to serve the Church by assuring compliance with the Church’s management policies and procedures, by approving the annual budget and other major financial commitments of the Church (as described in Article 9).

(c) Role of the Officers: The Officers are chosen from the Board of Directors to serve the Church in accordance with those certain roles and responsibilities as may be determined from time to time by the Lead Pastor, the Directors, or by such persons designated by the Directors or Lead Pastor (as described in Article 10).

(d) Role of the Overseers (Apostolic Elders): The Overseers shall provide apostolic oversight to the Lead Pastor and are charged with protecting the Church through counsel, prayer, and if required, the discipline of the Lead Pastor (as described in Article 11).

(e) Role of the Lead Executive Team: The Lead Executive Team serves in both a spiritual leadership capacity and in a staff leadership capacity, as the protectors and encouragers of a positive spiritual climate within the Church and as seasoned and experienced members of the pastoral team who work alongside the Lead Pastor in carrying out his directives (as described in Article 12).

(f) Role of the Members: The members of the church support the Lead Pastor in fulfilling his calling; influence the spiritual tone, strength and the direction of the body of believers (as described in Article 7)

## **ARTICLE 7 CHURCH MEMBERSHIP**

The Church's membership is open to all who profess their faith openly in our Lord Jesus Christ. There shall be one class of membership (hereinafter the "Members") and the Members shall all be people who regularly attend weekend services and faithfully contribute, through tithes and offerings, to the finances of the Church. Membership is granted and recognized once a person has attended the membership class (Growth Track), regularly attends weekend services, and demonstrated regular financial giving through tithes and offerings to the Church. Should one (1) year pass without a record of financial contributions, membership shall be considered terminated. The Directors may, from time to time, adopt and amend the application procedures and qualifications for membership in the Church. As set forth in Article 9, the corporate governance of the Church is solely vested in the Board of Directors. As set forth in Article 8, plenary power to oversee the spiritual affairs and the day-to-day operations of the Church is vested with the Lead Pastor. As such, Members are not entitled to cast a vote in person, by proxy or otherwise that is binding upon the Church. The Lead Pastor shall have the sole and exclusive authority to seek the membership's approval or disapproval of an action that Members would not otherwise be entitled to vote (hereinafter a "vote of affirmation") upon. Should the Lead Pastor seek a vote of affirmation, the outcome of such vote carries no legal weight, is not binding on the Corporation and is only intended to gauge the opinion of or seek moral support from the membership.

## **ARTICLE 8 THE LEAD PASTOR: PRESIDENT AND CHIEF EXECUTIVE OFFICER**

### **8.01 The Office of the Lead Pastor: Dual and Concurrent Responsibilities.**

The Church finds its headship under the Lord Jesus Christ and in its Lead Pastor. The Lead Pastor shall have plenary authority over and shall be responsible for directing all of the ministries and spiritual activities of the Church. Concurrently, the Lead Pastor shall serve as the President and Chief Executive Officer of the Corporation and shall have plenary authority over and shall be responsible for directing all of the day-to-day business activities and operations of the Church.

Because the Church has two simultaneous and complimentary expressions: (1) the spiritual life of a body of believers (the Church); and (2) the corporate entity that houses the Church's functions and activities (the Corporation), it is the Lead Pastor who bridges the gap between these dual and concurrent expressions. The Lead Pastor is primarily responsible for the spiritual life of the Church, and at the same time, he must be in the position to ensure the Church's corporate health and that its resources are directed toward the ministries he deems fit and in furtherance of the Church's best interests.

## **8.02 Duties and Responsibilities.**

The Lead Pastor is responsible to lead the Church in accordance with Biblical principles to accomplish the New Testament purposes of the Church and his duties require that he:

- (a) Provide Biblical vision and direction for the congregation;
- (b) Serve as the leader of the Church body of believers, the Church staff, all church organizations, all Church ministries, the Directors, and all Church Advisory Committees, with the exception of the Independent Compensation Committee and the Confirmation Committee, to accomplish the New Testament purposes of the Church;
- (c) Define and communicate the Church's purpose;
- (d) Administer and coordinate the day-to-day ministry to the congregation and administration and operations of the Church;
- (e) Nominate and remove members of the board of Directors;
- (f) Nominate and remove Overseers;
- (g) Appoint, direct, oversee and remove Lead Executive Team Members;
- (h) Recognize and enlist apostolic, prophetic, evangelistic, pastoral and teaching ministries, along with that of Lead Executive Team Members and additional staff members as he deems Biblical and necessary for the healthy and balanced spiritual ministry of the body of believers;
- (i) Select individuals who will help to assist in the business operations of the Corporation;
- (j) Hire, direct, oversee, discipline, and terminate Church staff as he deems necessary to help administrate the affairs of the Church;
- (k) Endeavor to ensure that all official and duly authorized directives and corporate resolutions of the Directors are properly carried out; and
- (l) To do all things necessary and proper to fulfill the above-described leadership position and to fulfill all duties incident to the office of President and Chief Executive Officer of a corporation.

## **8.03 Lead Pastor's Spiritual Leadership.**

In his role as Lead Pastor, he may work with the Directors, the Officers, the Lead Executive Team Members, the Overseers or anyone else serving in any five-fold ministry

offices (as outlined in Ephesians 4:11-13) in any way that he determines is Biblical and consistent with these Bylaws, the Articles of Incorporation and the Act. In addition, the Lead Pastor shall budget monies, hire staff, develop projects or ministry, and create small groups or other specialized ministries according to his convictions and Biblical understanding. He shall have the authority to appoint and approve anyone who can assist in what he deems necessary to properly carry on the work of the Church.

#### **8.04 Lead Pastor's Responsibility for Worship Services.**

The scheduling of worship times, the ordering of worship services, and the leadership of worship services, as well as all other uses of Church owned facilities are to be determined by the Lead Pastor, or his designee. No person shall be invited to speak, teach or minister at a service held in Church-owned facilities, or in the name of the Church, without the specific approval of the Lead Pastor, or his designee.

#### **8.05 Lead Pastor's Role with the Board of Directors.**

The Lead Pastor shall serve as the Chairman of the Board of Directors and shall be a voting member of the Board of Directors. He shall call the meetings and approve the agenda for all Board of Directors meetings in consultation with the Directors. The Lead Pastor shall be entitled to cast a vote on matters before the Directors.

The Lead Pastor shall have the exclusive right to make nominations of candidates to serve as a Director and present his nominee to the Directors (as described in Article 9.06).

#### **8.06 Lead Pastor's Role in Administration.**

The Lead Pastor, as the President and Chief Executive Officer of the Corporation, or his designee, shall have plenary authority over and shall be responsible for directing all of the day-to-day business activities and operations of the Church.

The Lead Pastor shall, in accordance with IRS guidelines for nonprofit organizations, determine and establish salaries and pay scales for all salaried employees (excluding his salary and those of his family members). The Lead Pastor's final determination of salaries and pay scales shall be reviewed and approved annually by the Independent Compensation Committee (as described in Article 13).

#### **8.07 Church Discipline regarding the Lead Pastor.**

(a) Criteria for Discipline of Lead Pastor. Should, in the opinion of two (2) or more Directors or two (2) or more members of the Lead Executive Team, the Lead Pastor engage in immoral conduct, improper financial practices, or espouse theological views or beliefs (hereinafter referred to as "pastoral misconduct") that may require discipline, then such Directors or Lead Executive Team Members shall contact the Lead Pastor and then, if necessary, the Overseers and request that the Overseers undertake an investigation of all alleged incidents of pastoral misconduct and the evaluation of appropriate discipline, if warranted.

(b) Process for Investigation and Disciplinary Action. Should the Overseers be called upon to investigate pastoral misconduct, an affirmative vote of a majority of the total number of Overseers is required to initiate an investigation. Following the conclusion of the Overseer's investigation and the making of findings, an affirmative vote of a majority of the total number of Overseers is required to take disciplinary action against the Lead Pastor. Following such majority vote, the Overseers shall assume complete authority over the Lead Pastor's on-going and future ministerial activities; the Overseers may undertake to discipline the Lead Pastor in any way deemed necessary; the Overseers may vote to remove the Lead Pastor from his position of leadership or to terminate the Lead Pastor's employment with the Church. Otherwise, the Overseers shall have no authority in the normal life of the Church and then only as set forth in these Bylaws.

#### **8.08 Installation of New Lead Pastor.**

(a) The Confirmation Committee. The Confirmation Committee shall have a role with regard to the confirmation of a new Lead Pastor (as described in Article 13.02).

(b) Vacancy while the Lead Pastor is in Good Standing. The Lead Pastor is in "*Good Standing*" if: (1) he is not under investigation by the Overseers or (2) he is not under discipline by the Overseers.

If a vacancy in the position of Lead Pastor occurs due to death, disability, resignation or other absence while the Lead Pastor is in Good Standing (as defined herein), then the outgoing Lead Pastor shall nominate a candidate to serve as the new Lead Pastor by way of a signed writing (or in a previously signed writing in the event of death) submitted to the Lead Pastor Selection Committee for its review and consideration. An affirmative vote of two-thirds (2/3) of the representatives then serving on the Confirmation Committee shall be required to confirm the selection of a new Lead Pastor of the Church. In the event that the Lead Pastor Selection Committee does not confirm such nominee, the process shall be repeated until a nominee is confirmed as the new Lead Pastor. If the outgoing Lead Pastor is unable or unwilling to nominate a candidate for the position of new Lead Pastor, then the Overseers shall nominate a candidate under the same process described herein.

(c) Vacancy while the Lead Pastor is Not in Good Standing. The Lead Pastor is "*Not in Good Standing*" if: (1) he is under investigation by the Overseers or (2) he is undergoing discipline by the Overseers.

If a vacancy in the position of Lead Pastor occurs due to death, disability, resignation or other absence while the Lead Pastor is in Not in Good Standing (as defined herein), then the Overseers shall nominate a candidate for the position of new Lead Pastor by an affirmative vote of one less than the total number of Overseers. The Overseers shall submit to the Lead Pastor Selection Committee its nominee for new Lead Pastor by way of a writing signed by the required number of Overseers. An affirmative vote of two-thirds (2/3) of the representatives serving on the Lead Pastor Selection Committee shall act to confirm the new Lead Pastor of the Church. In the event that the Lead Pastor Selection Committee does not confirm such nominee the process described herein shall be repeated until a nominee is confirmed as the new Lead Pastor.

(d) Appointment of Interim Lead Pastor. If a vacancy in the position of Lead Pastor occurs due to death, disability, resignation or other absence while the Lead Pastor is Not in Good Standing (as defined herein), then the Confirmation Committee may appoint, by a vote of one less than the total number of Overseers then serving, an acting Interim Lead Pastor who shall serve until such time as a new Lead Pastor is nominated and confirmed by way of the process set forth herein. The acting Interim Lead Pastor shall be eligible for nomination and confirmation as Lead Pastor as set forth herein. The Interim Lead Pastor shall not, during his service as Interim Lead Pastor, concurrently serve as an Officer, Director, or Overseer of the Church and shall not have any corporate rights, duties, or responsibilities to the Corporation.

## **ARTICLE 9 MANAGEMENT OF THE CHURCH BOARD OF DIRECTORS**

**9.01 Management.** Power to manage and govern the affairs of the Church is vested in the Board of Directors of the Church. The Board of Directors shall be the corporate members of the Church as set forth in Article 7. The term “Board of Directors” shall mean Board of Directors as required by the Act. The Directors shall have the duties and the responsibilities generally associated with and exercised by a corporate board and as such, are the only governing body within the Church. All corporate powers shall be exercised by or under the authority of the Directors and in accordance with the Act and these Bylaws. Accordingly, the Directors shall have the final authority solely over affairs pertaining to corporate matters of the Church.

**9.02 Number of Directors.** The Board of Directors shall consist of the Lead Pastor, one other staff member (usually the Executive Pastor, when applicable) and until changed by amendment of the Articles of Incorporation or these Bylaws, such number of additional Directors as may from time to time be nominated and elected in accordance with these Bylaws, provided that the total number of Directors shall not be less than five (5) nor more than nine (9).

**9.03 Term of Directors.** Each Director shall hold office for a term of one (1) year or until his successor is elected, appointed, or designated herein. A Director may not exceed seven (7) years; however, a Director may serve successive terms. The Lead Pastor and the Executive Pastor shall be full voting members of the Board of Directors and shall not be held to the standard of the term of the Directors. Upon the establishment of the Board of Directors, Directors shall be asked to serve in staggered terms, which will add to the maximum number of terms served.

**9.04 Chairman of the Board.** The Lead Pastor shall serve as the Chairman of the Board of Directors and shall preside at all the meetings of the Board of Directors. He shall have the power in his sole discretion to select an Appointee, who shall be endued with all powers of the Lead Pastor, in his absence, at any meetings of the Board of Directors or Committees. Any reference to the Lead Pastor in these Bylaws shall, by default, make reference to his Appointee.

**9.05 Powers.** The Board of Directors shall have all of the rights, powers, and responsibilities of a Board of Directors pursuant to the Act, subject to any limitations under the

Act, the Articles of Incorporation of the Church, and these Bylaws. All corporate powers shall be exercised by or under the authority of the Board of Directors. The Board of Directors shall have final authority for affairs pertaining to property and other temporal matters as required by civil law for nonprofit corporations. In particular, the Board of Directors shall be responsible for the acquisition and disposition of Church property, which includes the management of its financial resources. The Board of Directors shall have the power to buy, sell, mortgage, pledge or encumber any church property and incur related indebtedness, subject to Article 14.01 herein.

**9.06 Nomination and Election.** The Lead Pastor shall nominate persons he deems qualified to serve on the Board of Directors. In addition, the Lead Pastor may appoint a Nomination Advisory Team to report to the Lead Pastor regarding suitable nominees. The persons nominated by the Lead Pastor shall be presented to the Board of Directors for election at a regular or special meeting. A simple majority of the Board of Directors shall be comprised of individuals who are not related to other Directors, are not employees of the Church and are active members of Freedom Church, Inc. All Directors shall be natural persons.

**9.07 Vacancies.** The Lead Pastor shall nominate persons he deems qualified to serve on the Board of Directors to fill any vacancy occurring on the Board of Directors, and any position to be filled due to an increase in the number of Directors serving. A vacancy is filled by the affirmative vote of the simple majority of the remaining Directors, even if it is less than a quorum of the Directors, or if it is a sole Director. A person so elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

**9.08 Meetings.** Regular or Special meetings of the Board of Directors may be held either within or outside the State of Indiana, but shall be held at the Church's principal office in Lebanon, Indiana if the notice thereof does not specify the location of the meeting. A regular or special meeting may be held at any place consented to in writing by all of the Directors, either before or after the meeting. If such consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar communication equipment, as long as all Directors participating in the meeting can hear one another. All Directors shall be deemed to be present in person at a meeting conducted in accordance with the foregoing sentence. A regular meeting of the Board of Directors shall occur at least annually.

**(a) Regular Meetings.** Regular meetings of the Board of Directors may be held without notice if the time and place of such meetings are fixed by a resolution of the Board of Directors.

**(b) Special Meetings.** A special meeting of the Board of Directors may be called by the Lead Pastor or any three (3) Directors.

**(c) Notice of Special Meetings.**

1) Manner of Giving. Notice of the date, time and place of special meetings shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first class mail, postage paid; (c) by telephone communication, either directly to the Director or to a person at the Director's office or home who the person

giving the notice has reason to believe will promptly communicate the notice to the Director; (d) by telecopier to the Director's office or home; or (e) by electronic mail ("e-mail").

2) Time Requirements. Notice sent by first class mail shall be deposited in the United States mail at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, telecopier, or e-mail shall be delivered, telephoned, faxed or e-mailed to the Director or given at least twenty-four (24) hours before the time set for the meeting.

3) Notice Contents. The notice shall state the time and place for the meeting. However, the notice does not need to specify the place of the meeting if the special meeting is to be held at the Church's principal office. Unless otherwise expressly stated herein, the notice does not need to specify the purpose or the business to be transacted at the special meeting.

4) Waiver. Attendance of a Director at a meeting shall constitute waiver of notice of such meeting, except where the Director attends a meeting for the express purpose of objecting that the meeting is not properly called.

**9.09 Action Without Meeting.** Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all of the Directors, individually or collectively, consent in writing to the action. Such action by written consent or consents shall be filed with the minutes of the proceedings of the Church. This can also be completed via electronic mail (email).

**9.10 Quorum.** A majority of the number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Directors in attendance required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting one time without further notice.

**9.11 Proxies.** Voting by proxy is prohibited.

**9.12 Duties of Directors.** Directors shall discharge their duties, in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interest of the Church. Directors may in good faith rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Church or another person that were prepared or presented by a variety of persons, including officers and employees of the Church, professional advisors or experts such as accountants or legal counsel. A Director is not relying in good faith if the Director has knowledge concerning a matter in question that renders reliance unwarranted.

Directors are not deemed to have the duties of Trustees of a trust with respect to the Church or with respect to any property held or administered by the Church, including property that may be subject to restrictions imposed by the donor or transferor of the property.

**9.13 Delegation of Duties.** The Board of Directors is entitled to select advisors and delegate duties and responsibilities to them, such as the full power and authority to purchase or otherwise acquire stocks, bonds, securities, and other investments on behalf of the Church; and to sell, transfer, or otherwise dispose of the Church's assets and properties at a time and for a consideration that the advisor deems appropriate. Directors have no personal liability for actions taken or omitted by the advisor if the Board of Directors acts in good faith and with ordinary care in selecting the advisor. The Board of Directors may remove or replace the advisor, with or without cause.

**9.14 Interested Parties.** Pursuant to the Act and the provisions of Article 15 below, a contract or transaction between the Church and a Director of the Church is not automatically void or voidable simply because the Director has a financial interest in the contract or transaction.

**9.15 Actions of Board of Directors.** The Board of Directors shall try to act by consensus. However, the vote of a majority of the Directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the act of a greater number is required by law or the bylaws. A Director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the decision of the Board of Directors.

**9.16 No Compensation.** Directors, including the Lead Pastor, shall not receive salaries or compensation for their services to the Board of Directors. The Board of Directors may adopt a resolution providing for payment to Directors for expenses of attendance, if any, at a meeting of the Board of Directors. A Director may serve the Church in any other capacity and receive reasonable compensation for those services.

**9.17 Removal of Directors other than the Lead Pastor.** The Board of Directors may vote to remove a Director, other than the Lead Pastor, at any time, with or without cause. A meeting to consider the removal of a Director may be called and noticed following the procedures provided in these Bylaws. A Director may be removed by the affirmative vote of a simple majority of the Directors. For provisions regarding removal of the Lead Pastor, see Section 8.07.

**9.18 Resignation of Directors.** Any Director may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of the receipt of such notice, or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**9.19 Ecclesiastical Tribunal.** The highest ecclesiastical tribunal of the Church shall be the Board of Directors. The Board of Directors shall be the express and final arbiter of ecclesiastical polity, religious doctrine, questions of Church property, and shall make the final decision with respect to any other matter that shall arise concerning the Church, its internal workings, and its governance in every respect. In deciding such matters, the Board shall use the standards of: (a) the best spiritual, financial, and operating interests of the Church in light of the Holy Bible and the tenets of faith of the Church; and (b) the furtherance of the religious

purposes of the Church as discerned by the Directors according to the teachings of the Holy Bible.

**9.20 Church Questions.** In any case where a question arises regarding ecclesiastical polity, Christian doctrine, membership discipline, questions of Church property, or with respect to any other matter that shall arise concerning the Church, its internal workings, and its governance by any member, congregant, visitor or other person who is ministered to during religious services held by the Church, or at other times, the Board of Directors shall decide such question by majority vote.

**9.21 Church Disruptions.** Any person deemed by the Board of Directors to: (a) be in substantial disagreement with the doctrine and interpretation of the Holy Bible espoused by the Church; or (b) pose a physical or psychological threat to any person or to the Church; or (c) be causing, about to cause, or capable of causing disruption to the religious services and activities of the Church shall be considered a trespasser on Church property and may be ejected summarily. No Director shall incur any liability for acting in good faith in the interests of the Church pursuant to this section.

**9.22 Deadlock.** In the case where the Board of Directors shall, by reason of deadlock (whether because an even number of Directors is seated on the Board of Directors, or because certain Directors are absent even though a quorum is present, or because of abstention, or for any other reason), be unable to reach a conclusive vote on any issue before the Board of Directors, then, in such instance, the Lead Pastor-President or his Appointee, shall cast an additional ballot which shall be known as a “majority ballot,” so that an official act or decision may be taken by the Board of Directors. The majority ballot shall be cast in addition to the regular Director’s vote cast by the Lead Pastor-President.

## **ARTICLE 10 OFFICERS**

**10.01 Officer Positions.** The officers of the Church shall be the President, Vice President, Secretary, Treasurer, and any other officers chosen at the discretion of the Lead Pastor. The Lead Pastor shall serve as the President and chief executive officer of the Church. The Lead Pastor may create additional officer positions, define the authority and duties of each such position, and appoint persons to fill the positions.

**10.02 Lead Pastor-President.** The Lead Pastor shall be the President until he resigns or is removed in accordance with Article 8 and a new Lead Pastor is installed in accordance with Article 8. The duties and responsibilities of the Lead Pastor/President are listed in Article 8 above.

**10.03 Appointment of Officers Other than Lead Pastor-President.** All other officers of the Church shall be appointed by the Lead Pastor. The term of office of all offices other than that of Lead Pastor-President shall be one year; however, such officers may serve consecutive terms without limitation.

**10.04 Vice President.** The Lead Pastor shall appoint the Vice President of the Church. When the Lead Pastor is absent, is unable to act, or refuses to act in his role as chairman of the Board of Directors, the Vice President shall perform the duties of the Lead Pastor. When the Vice President acts in place of the Lead Pastor, the Vice President shall have all the powers of and be subject to all the restrictions upon the Lead Pastor. The Vice President shall perform other duties as assigned by the Lead Pastor or Board of Directors. Except as expressly authorized by the Board of Directors, the Vice President shall have no authority to sign for or otherwise bind the Church.

**10.05 Treasurer.** The Lead Pastor shall appoint the Treasurer of the Church. The Treasurer of the Church shall oversee all processes having to do with: (a) have charge and custody of and be responsible for all funds and securities of the Church; (b) receive and give receipts for moneys due and payable to the Church from any source; (c) deposit all moneys in the name of the Church in banks, trust companies, or other depositories as provided in the Bylaws or as directed by the Board of Directors; (d) write checks and disburse funds to discharge obligations of the Church; (e) maintain the financial books and records of the Church; (f) prepare financial reports at least annually; (g) perform other duties as assigned by the Lead Pastor or by the Board of Directors; (h) if required by the Board of Directors, give a bond for the faithful discharge of his or her duties in a sum and with a surety as determined by the Board of Directors; and (i) perform all of the duties incident to the office of treasurer.

**10.06 Secretary.** The Lead Pastor shall appoint the Secretary of the Church. The Secretary of the Church shall: (a) give all notices as provided in the Bylaws or as required by law; (b) take minutes of the meetings of the Board of Directors and keep the minutes as part of the corporate records; (c) maintain custody of the corporate records and of the seal of the Church; (d) affix the seal of the Church to all documents as authorized; (e) keep a register of the mailing address of each member, Director, officer, and employee of the Church; (f) perform duties as assigned by the Lead Pastor or by the Board of Directors; and (g) perform all duties incident to the office of secretary.

**10.07 Removal of Lead Pastor-President.** The Lead Pastor shall only be removed pursuant to Article 8.07 of these Bylaws.

**10.08 Removal of Other Officers.** All other Church officers may be removed, with or without cause, by a vote of the Lead Pastor and a majority vote of the members of the Board of Directors.

**10.09 Resignation of Officers.** Any Officer may resign at any time by giving written notice to the Church. Any such resignation shall take effect on the date of the receipt of such notice, or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**10.10 Vacancies.** A vacancy in any office shall be filled only in the manner prescribed in these Bylaws for regular appointment or election to that office.

## **ARTICLE 11 OVERSEERS**

### **11.01 Requirements and Biblical Qualifications to Be an Overseer.**

The members of the Overseers shall be ordained pastors at respected congregations who know and love the Church and its Lead Pastor. They must agree to make themselves available, at their own expense, to serve Church when requested.

Biblical qualifications for Overseers shall be: “Now the overseer must be above reproach, the husband of but one wife, temperate, self-controlled, respectable, hospitable, able to teach, not given to drunkenness, not violent but gentle, not quarrelsome, not a lover of money. He must manage his own family well and see that his children obey him with proper respect. (If anyone does not know how to manage his own family, how can he take care of God's Church?) He must not be a recent convert, or he may become conceited and fall under the same judgment as the devil. He must also have a good reputation with outsiders, so that he will not fall into disgrace and into the devil's trap.” (1 Timothy 3: 2-7).

### **11.02 Responsibilities of Overseers.**

The Overseers shall provide apostolic oversight to the Lead Pastor and are charged with protecting the Church through counsel, prayer, and when required, the investigation of alleged pastoral misconduct, as defined herein in Article 8.07(a), and if any, the resulting discipline of the Lead Pastor, up to and including his removal as set forth in Article 8.

### **11.03 Number, Appointment, and Term of Overseers.**

There shall be no less than three (3) Overseers. So long as the Lead Pastor is in Good Standing (as defined in Article 8 herein), Overseers shall be nominated and confirmed by the Lead Pastor. The term of service for each Overseer shall continue until he resigns, is deceased, or is removed in accordance with these Bylaws.

### **11.04 Resignation, Removal and/or Nomination of New Overseers.**

An Overseer may resign at any time by giving written notice to the Church. Such resignation shall take effect on the date of the receipt of such notice; and, the acceptance of resignation shall not be necessary to be effective.

The Lead Pastor may remove Overseers, with or without notice and with or without cause, but at a rate that does not exceed one (1) removal per year. In the event of a vacancy by an Overseer that causes the total number of Overseers to be less than three (3), the Lead Pastor shall be given a reasonable amount of time to nominate and confirm a new Overseer. In the event that the office of Lead Pastor is vacant, the individual who was duly elected as the Corporation's Vice President may nominate or remove Overseers, in consultation with the Lead Executive Team Members, subject to the same limitations that would otherwise apply to nominations and removals by the Lead Pastor.

If disciplinary action is being considered or an investigation of the Lead Pastor is underway, no changes in the composition of the Overseers shall be made until the Overseers' work is completed and such findings are reported to the Board and Lead Executive Team Members.

## **ARTICLE 12 LEAD EXECUTIVE TEAM**

### **12.01 Requirements to Be a Member of the Lead Executive Team.**

The Lead Executive Team is comprised of staff members who function within the local Church and are viewed by the congregation as spiritual leaders of the Church. The Lead Executive Team Members are seasoned members of the staff of the Church who serve the Church in a spiritual capacity. In addition to fulfilling the job duties, the Lead Executive Team Members are to covenant together with the Lead Pastor for the development of the spiritual life of the Church and are to serve as the primary protectors and encouragers of a positive spiritual climate within the Church body. The Lead Pastor nominates and confirms the Lead Executive Team Members.

### **12.02 Responsibilities of Lead Executive Team.**

The functions of the Lead Executive Team are to:

- Maintain and teach by living a godly, Christian lifestyle;
- Serve the Church by helping the Lead Pastor to establish the vision and direction of the Church;
- Provide leadership as a member of the Executive Leadership Team;
- Demonstrate leadership to the Members of the local Church;
- Provide a prayer shield for the Church staff and the local Church;
- Defend, protect and support the integrity of the Church staff and the local Church;
- Pray for the sick;
- Organize, implement and execute licensing and ordination requirements and procedures;
- Mediate disputes among the brethren;
- Counsel with church members and staff; and
- Contact the Overseers to initiate investigation and potential discipline of the Lead Pastor if a situation involving pastoral misconduct occurs.

### **12.03 Appointment and Term of Lead Executive Team Members.**

So long as the Lead Pastor is in Good Standing (as defined in Article 8 herein), the Lead Pastor shall appoint persons to serve on the Lead Executive Team, at a rate that does not exceed two (2) new Members per year. The term of service for each Member of the Lead Executive Team shall continue until he resigns, is deceased, or is removed in accordance with these Bylaws.

### **12.04 Resignation and Removal of Lead Executive Team Members.**

A Member of the Lead Executive Team may resign at any time by giving written notice to the Lead Pastor. Such resignation shall take effect on the date of the receipt of such notice; and, the acceptance of resignation shall not be necessary to be effective.

Generally, the Lead Pastor may remove Lead Executive Team Members at any time, with or without notice and with or without cause. In the event that disciplinary action is being considered or an investigation of the Lead Pastor is underway (as set forth in these Bylaw), then no change in the composition of the Lead Executive Team shall be made until the Overseers' work is completed and its findings are reported to the Board of Directors and Lead Executive Team Members.

In the event that the office of Lead Pastor is vacant, the individual who was duly elected as the Corporation's Vice President may nominate or remove Lead Executive Team Members, subject to the same limitations that would otherwise apply to nominations and removals by the Lead Pastor.

## **ARTICLE 13 COMMITTEES AND ADVISORY TEAMS**

**13.01 Establishment.** The Board of Directors may, at its discretion, adopt a resolution establishing one or more Committees or Advisory Teams. Any and all Advisory Teams shall conform to rules established by the Board of Directors, shall serve at the pleasure of the Board of Directors and shall operate only in an advisory capacity to the Board of Directors.

**13.02 Confirmation Committee.** In accordance with Article 8.08, the Board of Directors shall adopt a resolution establishing a Confirmation Committee in the event of a vacancy in the office of Lead Pastor occurring in accordance with these bylaws. The members of the Confirmation Committee shall be one appointed member of the Board of Directors and one appointed Overseer (in accordance with Article 11).

**13.03 Board of Trustees.** The Board of Directors shall adopt a resolution establishing a Board of Trustees. The Board of Trustees may make recommendations to the Board of Directors; however, such recommendations are advisory only and shall at all times be subject to the final approval of the Board of Directors. Members of the Board of Trustees shall not be deemed to have the duties of Trustees of a trust with respect to the Church or with respect to any property held or administered by the Church, including property that may be subject to restrictions imposed by the donor or transferor of the property.

- (a) Purpose. The purpose of the Board of Trustees shall be to advise the Board of Directors on financial matters of the Church, including but not limited to the purchase of assets used in the Church's operations, development of budgets and long-range plans, review of annual or quarterly reviews and financial audits, and such other matters as may be determined by the Board of Directors. The purpose of the Board of Trustees may be modified or redefined by the Board of Directors at the discretion of the Board of Directors.
- (b) Composition and Appointment. The Board of Trustees shall be composed of at least three (3) members in good standing who are not employees of the Corporation. The Board of Directors may authorize the Executive Pastor to appoint the Trustees; otherwise, the Board of Directors shall appoint individuals to serve on the Board of Trustees.

- (c) Meetings. Trustees shall meet from time to time as determined by the Board of Directors or the Executive Pastor and shall be notified of such meeting in writing in accordance with the notice provisions set forth in Article 9.08(c).

**13.04 Compensation Committee.** Annually, the Board of Directors shall adopt a resolution establishing a Compensation Committee. The Lead Pastor shall not be the chairman or a voting member of the Committee. The Committee will be comprised of one appointed member of the Board of Directors and one appointed Overseer. The purpose of the Committee is to determine the Lead Pastor's compensation, as well as that of his family members. In doing so, the Compensation Committee may consider duties, performance evaluations, compensation comparability data, and other relevant information. The Lead Pastor shall not participate in the Compensation Committee's discussion and formulation of, or vote regarding, his salary and benefits, or any family member's salary or benefits. The Lead Pastor shall determine the staff's salary and benefits, other than any family member of his, which are subject to the approval of the Compensation Committee.

**13.05 Delegation of Authority.** Each Committee shall consist of two or more persons. If, the Board of Directors establishes or delegates any of its authority to a Committee, it shall not relieve the Board of Directors, or Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. The Board of Directors shall define by resolution the activities and scope of authority and the qualifications, in addition to those set forth herein, for membership on all Committees.

No Committee shall have the authority to: (a) amend the Articles of Incorporation; (b) adopt a plan of merger or a plan of consolidation with another Church; (c) authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Church; (d) authorize the voluntary dissolution of the Church; (e) revoke proceedings for the voluntary dissolution of the Church; (f) adopt a plan for the distribution of the assets of the Church; (g) amend, alter, or repeal the Bylaws; (h) elect, appoint, or remove a member of a Committee or a Director or officer of the Church; (i) approve any transaction to which the Church is a party and that involves a potential conflict of interest as defined in Section 11 below; or (j) take any action outside the scope of authority delegated to it by the Board of Directors or in contravention of the Act.

The Board of Directors may designate various Advisory Teams not having or exercising the authority of the Board of Directors. Such Advisory Teams shall only function in an advisory capacity to the Board of Directors. The Board of Directors shall have the power to appoint and remove members of all Advisory Teams, unless otherwise provided herein. The Lead Pastor shall serve as an ex officio member of all Advisory Teams, with the exception of the Independent Compensation Committee. The Board of Directors shall define, by resolution, the scope of activities and the qualifications for membership on all Advisory Teams.

**13.06 Term of Office.** Each member of a Committee or Advisory Team shall serve until the next annual meeting of the Board of Directors, or until a successor is appointed. However, the term of any Committee or Advisory Team member may terminate earlier if the

Committee or Advisory Team is terminated by the Board of Directors, or if the member becomes incapacitated or dies, ceases to qualify, resigns, or is removed as a member of the Church. A vacancy on a Committee or Advisory Team may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a Committee or Advisory Team shall serve for the unexpired portion of the terminated Committee member's term.

**13.07 Chair and Vice Chair.** Unless otherwise expressly stated herein, one member of each Committee or Advisory Team shall be designated as the chair, and another member shall be designated as the vice chair. The chair and vice chair of each Committee and Advisory Team shall be appointed by the Lead Pastor with consultation from the outgoing chairman. The chair shall call and preside at all meetings. When the chair is absent, is unable to act, or refuses to act, the vice chair shall perform the duties of the chair. When a vice chair acts in place of the chair, the vice chair shall have all the powers of and be subject to all the restrictions upon the chair.

**13.08 Quorum.** One half the number of members of a Committee or Advisory Team shall constitute a quorum for the transaction of business at any meeting. The members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required to constitute a quorum. If a quorum is present at no time during a meeting, the chair may adjourn and reconvene the meeting at a later time without further notice. If a committee is only comprised of two members, both members must be present in order to constitute a quorum.

**13.09 Actions.** Committees and Advisory Teams shall try to take action by consensus. However, the vote of a majority of members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Committee or Advisory Team unless the act of a greater number is required by law or these Bylaws. A member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the Committee or Advisory Team.

## **ARTICLE 14 TRANSACTIONS OF THE CHURCH**

**14.01 Contracts and Legal Instruments.** Subject to Article 15 below, the Board of Directors may authorize an individual officer or agent of the Church to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Church. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments. However, in all cases, any single transaction value over Twenty Thousand Dollars and No Cents (\$20,000.00) shall require the initial advisory of the Board of Trustees, with final approval of the transaction requiring the majority vote of the Board of Directors.

**14.02 Deposits.** All funds of the Church shall be deposited to the credit of the Church in banks, trust companies, or other depositories that the Board of Directors selects.

**14.03 Gifts.** The Board of Directors may accept on behalf of the Church any contribution, gift, bequest, or devise for the general purposes or any special purpose of the Church including, but not limited to, gifts of money, annuity arrangements, securities, and other tangible and intangible personal property, real property, and interest therein. The Board of Directors may make gifts and give charitable contributions that are not prohibited by these Bylaws, the Articles of Incorporation, state law, or any requirements for maintaining the Church's federal and state tax status.

**14.04 Ownership and Distribution of Property.**

(a) The Church shall hold, own, and enjoy its own personal and real property, without any right of reversion to another entity, except as provided in these Bylaws.

(b) "Dissolution" means the complete disbanding of the Church so that it no longer functions as a congregation or as a corporate entity. Upon the dissolution of the Church, its property shall be applied and distributed as follows: (1) all liabilities and obligations of the Church shall be paid and discharged, or adequate provision shall be made therefore; (2) assets held by the Church upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirements; (3) assets received and not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), and are engaged in activities substantially similar to those of the Church; this distribution shall be done pursuant to a plan adopted by the Board of Directors; and (4) any assets not otherwise disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Church is then located, for such purposes and to such organizations as said court shall determine, provided such organizations are in agreement with the Church's Statement of Faith and basic form of Government.

**ARTICLE 15  
CONFLICT OF INTEREST POLICY**

**15.01 Purpose.** The purpose of the conflict of interest policy is to protect the Church's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Director or officer of the Church, or might result in a possible excess benefit transaction. This policy is intended to supplement, but not replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

**15.02 Definitions.**

(a) **Interested Person.** Any Director, principal officer, or member of a committee with powers delegated by the Board of Directors, who has a direct or indirect financial interest, as defined below, is an interested person.

**(b) Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- 1) An ownership or investment interest in any entity with which the Church has a transaction or arrangement;
- 2) A compensation arrangement with the Church or with any entity or individual with which the Church has a transaction or arrangement; or
- 3) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Church is negotiating a transaction or arrangement.

Compensation includes direct or indirect remuneration, as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest.

### **15.03 Procedures.**

**(a) Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given opportunity to disclose all material facts to the Board of Directors.

**(b) Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board members shall decide if a conflict of interest exists.

**(c) Procedures for Addressing the Conflict of Interest.**

1) An interested person may make a presentation at the Board meeting, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

2) The chairman of the Board of Directors may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3) After exercising due diligence, the Board of Directors shall determine whether the Church can obtain, with reasonable efforts, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Directors shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Church's best interests, for its own benefit, and whether it is

fair and reasonable. In conformity with the above determination, it shall make its decision whether to enter into the transaction or arrangement.

**(d) Violations of the Conflicts of Interest Policy.**

1) If the Board of Directors has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

2) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**15.04 Records of Proceedings.** The minutes of the Board of Directors shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Directors' decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

**15.05 Compensation.**

(a) A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Church for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Church for services is precluded from voting on matters pertaining to that member's compensation.

(c) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Church, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

**ARTICLE 16  
WHISTLEBLOWER POLICY**

**16.01 Purpose.**

The Church requires all of its Directors, Officers, employees, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Church, individuals must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. Therefore, if a Director, Officer, employee, or volunteer of the Church reasonably believes that the Church, by and through its Directors, Officers, employees, or volunteers, or entities with whom the Church has a business relationship, is in violation of applicable law or regulation, or any policy or procedure of the Church, then that individual shall file a written complaint with either his or her supervisor or the Board of Directors of the Church. This policy is intended to encourage and enable employees and others to raise serious concerns within the Church prior to seeking resolution outside the Church.

#### **16.02 Procedure.**

**(a) Reporting Responsibility.** It is the responsibility of all of the Church's Directors, Officers, employees, and volunteers to comply with all applicable laws and regulations, as well as all policies and procedures of the Church and to report violations or suspected violations in accordance with the Policy.

If a Director, Officer, employee, or volunteer of the Church reasonably believes that any policy, practice, or activity of the Church is in violation of any applicable law, regulation, policy, or procedure of the Church, then the Director, Officer, employee, or volunteer should share their questions, concerns, or complaints with someone who may be able to address them properly. If the concerns are not addressed, the reporting individual should make a formal complaint as outlined herein.

**(b) Acting in Good Faith.** Anyone filing a complaint concerning a violation or suspected violation of any applicable law, regulation, policy, or procedure of the Church must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the applicable law, regulation, policy, or procedure of the Church. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

**(c) Reporting Violations.** In most cases, an employee or volunteer's supervisor is in the best position to address an area of concern. However, if the reporting individual is not comfortable speaking with his or her supervisor, or the reporting individual is not satisfied with his or her supervisor's response, the reporting individual is encouraged to speak with a member of the Board of Directors. Directors are required to report suspected violations directly to the entire Board of Directors.

**(d) Accounting and Auditing Matters.** The Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The Board of Directors shall work until the matter is resolved.

**(e) Evidence.** Although the reporting individual is not expected to prove the truth of an allegation, the reporting individual needs to demonstrate that there are reasonable

grounds for concern on his or her part and that these concerns are most appropriately handled through this procedure.

**(f) Investigation of Complaint.** After receipt of the complaint, the director to whom the complaint was made shall provide the complaint to the entire Board of Directors. The Board of Directors shall then determine whether an investigation is appropriate and the form that it should take. Concerns may be resolved through the initial inquiry by agreed action without the need for further investigation. The entire Board of Directors shall receive a report on each complaint and a follow-up report on action taken.

**(g) Handling of Reported Violations.** The director to whom the complaint was made shall notify the reporting individual and acknowledge receipt of the reported violation within five (5) business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

A reporting individual who reasonably believes that s/he has been retaliated against in violation of this Policy shall follow the same procedures as s/he did when s/he filed the original complaint.

### **16.03 Safeguards.**

**(a) Confidentiality.** Reported or suspected violations may be submitted on a confidential basis by the reporting individual or may be submitted anonymously. Reports of violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

However, the reporting individual is encouraged to put his or her name to the allegation because appropriate follow-up questions and investigations may not be possible unless the source of the information is identified. Concerns expressed anonymously will be investigated, but consideration will be given to:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from documentation and/or other sources.

Every effort will be made to protect the reporting individual's identity; though all individuals considering such a report should be advised that anonymity cannot be assured if an external investigation or criminal proceedings relating to the report occur.

**(b) No Retaliation.** No reporting individual who, in good faith, reports a violation shall suffer harassment, retaliation, or adverse employment consequence. An employee or representative of the Church who retaliates against a reporting individual who has reported a violation in good faith is subject to discipline up to, and including, termination of employment or dismissal from Church representation.

(c) **Harassment or Victimization.** Harassment or victimization of the reporting individual for providing information in accordance with this policy by anyone affiliated with the Church will not be tolerated. In addition, the provision of such information shall not in any way influence, positively or negatively, the carrying out of routine disciplinary procedures by management as stated in the Church's employment policy.

(d) **Malicious Allegations.** The Board of Directors recognizes that intentionally untruthful, malicious, erroneous, or harassing allegations would be damaging to the mission, integrity, and moral of the church or the reputation of the accused individual. The safeguards stated in this policy do not apply to individuals who make such complaints. Such allegations may result in disciplinary action, including but not limited to termination of appointment, employment and/or dismissal of membership.

## **ARTICLE 17 BOOKS AND RECORDS**

**17.01 Required Books and Records.** The Church shall keep correct and complete books and records of account.

**17.02 Fiscal Year.** The fiscal year of the Church shall begin on the first day of January and end on the last day in December in each year.

**17.03 Reviewed or Audited Financial Statements.** The Church shall have each annual financial statement of the Church reviewed by a certified public accounting firm selected by the Board of Directors. A full audit will be performed if requested by a majority of the Board of Directors. Such request shall be made by the Directors in view of current financial circumstances, and as may be required by the Church's contractual obligation with its bank, or by local or federal government agency.

## **ARTICLE 18 INDEMNIFICATION**

The Church may provide a trust fund, insurance, or other arrangement to effectuate this Article. As described herein, requests for indemnification shall not be unreasonably withheld.

(a) **Mandatory Indemnification.** To the maximum extent permitted by the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date of adoption of these Bylaws, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Church shall indemnify and advance expenses to any person who is or was a director (either elected or ex-officio) or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually

incurred with respect to the Proceeding, all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

1) The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Church; and

2) The director or officer conducted himself in good faith, and he reasonably believed (a) in the case of conduct in his official capacity with the Church, that his conduct was in its best interest; (b) in all other cases, that his conduct was at least not opposed to the best interests of the Church; and (c) in the case of any criminal proceeding, that he had no reasonable cause to believe the conduct of the person was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein described.

(b) **Permissive Indemnification.** The Church may, to the maximum extent permitted by the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date of adoption of these Bylaws, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Church, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Article 18, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Church and met the standards of conduct set forth in Article 18. The Church may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Church to the extent doing so is consistent with public policy or as may be provided by the Church's Constitution, by these Bylaws, by contract, or by general or specific action of the Board of Directors.

## **ARTICLE 19 MISCELLANEOUS PROVISIONS**

**19.01 King James Version.** The Holy Bible referred to in these Bylaws is the King James Version of the Old and New Testament of the Christian Faith, or any later translation which may be adopted or used by the Board from time to time.

**19.02 Amendments to Bylaws.** These Bylaws may only be altered, amended, or repealed, and new bylaws may only be adopted by a majority vote of the Board of Directors.

**19.03 Construction of Bylaws.** These Bylaws shall be construed in accordance with the laws of the State of Indiana. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws. The headings used in the Bylaws are used for

convenience and shall not be considered in construing the terms of the Bylaws. Wherever the context requires, all words in the Bylaws in the male, female or neuter genders shall be deemed to include the other genders, all singular words shall include the plural, and all plural words shall include the singular.

**19.04 Seal.** The Board of Directors may provide for a corporate seal.

**19.05 Power of Attorney.** A person may execute any instrument related to the Church by means of a power of attorney if an original executed copy of the power of attorney is provided to the secretary of the Church to be kept with the Church records.

**19.06 Parties Bound.** The Bylaws shall be binding upon and inure to the benefit of the Church members, Directors, officers, employees, and agents of the Church and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as otherwise provided in the Bylaws.

**19.07 Christian Alternative Dispute Resolution.** In keeping with 1 Corinthians 6:1-8, all disputes which may arise between any member of the Church and the Church itself, or between any member of the Church and any Pastor, Director, officer, employee, volunteer, agent, or other member of this Church, shall be resolved by mediation, and if not resolved by mediation, then by binding arbitration under the procedures and supervision of the *Rules of Procedure for Christian Conciliation, Institute for Christian Conciliation*, or similar faith-based mediation and arbitration group. In the event that the Institute for Christian Conciliation ceases to exist during the course of this Agreement, arbitration under this section shall be conducted according to the rules of the American Arbitration Association. Judgment upon an arbitration award may be entered in any court otherwise having jurisdiction. The parties each agree to bear their own costs related to any mediation or arbitration proceeding including payment of their own attorneys' fees. Either party may file a motion seeking temporary injunctive relief from a court of competent jurisdiction in order to maintain the status quo until the underlying dispute or claim can be submitted for mediation or arbitration.

If a dispute may result in an award of monetary damages that could be paid under a Church insurance policy, then use of the conciliation, mediation, and arbitration procedure is conditioned on acceptance of the procedure by the liability insurer of the Church and the insurer's agreement to honor any mediation, conciliation or arbitration award up to any applicable policy limits. The mediation, conciliation, and arbitration process is not a substitute for any disciplinary process set forth in the Bylaws of the Church, and shall in no way affect the authority of the church to investigate reports of misconduct, to conduct hearings, or to administer discipline of members.

## **ARTICLE 20 EMERGENCY POWERS AND BYLAWS**

An "emergency" exists for the purposes of this section if a quorum of the Board of Directors cannot readily be obtained because of some catastrophic event. In the event of an emergency, the Board of Directors may: (i) modify lines of succession to accommodate the incapacity of any Board of Directors member, officer, employee or agent; and (ii) relocate the principal office, designate alternative principal offices or regional office, or authorize officers to

do so. During an emergency, notice of a meeting of the Board of Directors only needs to be given to those Board of Directors members for whom such notice is practicable. The form of such notice may also include notice by publication or radio. One or more staff members present at a meeting of the Board of Directors may be deemed Board of Directors members for the meeting, as necessary to achieve a quorum. Corporate action taken in good faith during an emergency binds the Church and may not be the basis for imposing liability on any Board of Directors Member, officer, employee or agent of the Church on the ground that the action was not authorized. The Board of Directors may also adopt emergency bylaws, subject to amendments or repeal by the full Board of Directors, which may include provisions necessary for managing the Church during an emergency including; (i) procedures for calling a meeting of the Board of Directors; (ii) quorum requirements for the meeting; and (iii) designation of additional or substitute Board of Directors members. The emergency bylaws shall remain in effect during the emergency and not after the emergency ends.

**CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting secretary of Freedom Church, Inc. and that the foregoing Bylaws constitute the Bylaws of the Church. These Bylaws were duly adopted by the Board of Directors of the Church dated \_\_\_\_\_.

DATED: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Secretary