

**AMENDED AND RESTATED BYLAWS
OF
FERRIS AVENUE BAPTIST CHURCH
D/B/A THE AVENUE CHURCH**

PREAMBLE

These Amended and Restated Bylaws govern the affairs of Ferris Avenue Baptist Church D/B/A The Avenue Church, a Texas nonprofit religious corporation (the “Church”). The Church is organized under the Texas Business Organization Code, as amended (the “Code”). These Bylaws amend and restate, in its entirety, the previous Bylaws of the Church, as amended.

Ferris Avenue Baptist Church d/b/a The Avenue Church (hereafter “The Avenue Church” or the “Church”) strives to empower people to take their next step toward God. The purpose of this document is to help us accomplish that vision in a biblical and productive manner, through the use of ongoing systems and procedures. In addition, this document provides accountability for ministry leaders and guidelines for selecting key leaders to serve on the teams that make up The Avenue Church government. The goal of this document is to provide flexibility, in the dynamic, growing culture of The Avenue Church, to accomplish our long-term changing goals and needs.

**ARTICLE 1
NAME AND PRINCIPAL OFFICE**

The name of this religious nonprofit organization is Ferris Avenue Baptist Church d/b/a The Avenue Church. The principal office of the Church in the State of Texas shall be located in Waxahachie, Ellis County, Texas. The Board of Directors (hereafter “Board of Elders”) of the Church shall have full power and authority to change any office from one location to another, either in Texas or elsewhere. The Church shall comply with the requirements of the Code and maintain a registered office and registered agent in Texas. The registered office may be, but need not be, identical to the Church’s principal office in Ellis County. The Board of Elders may change the registered office and the registered agent as provided in the Code.

**ARTICLE 2
STATEMENT OF FAITH AND BELIEFS**

2.01 What We Believe. Although it would be impossible to detail the depths of Bible doctrine in this document, generally, the Church holds to the tenets outlined in the Church’s Statement of Faith as written and compiled by the Pastoral Team and approved by the Elders.

ARTICLE 3 AUTONOMY

This 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 world missions and otherwise, this Church may voluntarily affiliate with any churches of like precious faith.

ARTICLE 4 PURPOSES

The Corporation is formed for any lawful purpose or purposes not expressly prohibited under Title 1, Chapter 2, or Title 2, Chapter 22 of the Code, including any purpose described by Section 2.002 of the Code. The Corporation 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 Corporation's purposes also include the limited participation of the Corporation 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 Corporation are:

- (a) To empower people to take their next step toward God.
- (b) To promote the Christian religion by any appropriate form of expression, within any available medium, and in any location, through the Corporation's combined or separate formation, of a church, ministry, charity, school, or eleemosynary institution, without limitation.
- (c) To ordain, employ and discharge ordained ministers of the Gospel, and others, to conduct and carry on divine services at the place of worship of the Corporation, and elsewhere.
- (d) To collect and disburse any and all necessary funds for the maintenance of said Corporation and the accomplishment of its purpose within the State of Texas and elsewhere.
- (e) To make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended.
- (f) This Corporation 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 Corporation; 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 Corporation. 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 Corporation shall have all those powers set forth in the Code, as it now exists or as it may hereafter be amended. Moreover, the Corporation shall have all implied powers necessary and proper to carry out its express powers. The powers of the Corporation to promote the purposes set out above are limited and restricted in the following manner:

(a) The Corporation shall not pay dividends and no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its organizers, officers or other private persons, except that the Corporation shall be authorized and empowered to make payments and distributions (including reasonable compensation for services rendered to or for the Corporation) in furtherance of its purposes as set forth in these Bylaws. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation 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 these Bylaws, the Corporation 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 Corporation 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 any subsequent federal tax laws; or (iv) making a 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 Corporation shall not accept any gift or grant if the gift or grant contains major conditions which would restrict or violate any of the Corporation'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 MEMBERSHIP

6.01 Membership. The Church shall have one class of membership. Membership in this Church shall consist of all persons who have met the qualifications of membership and are listed on the membership roll. Candidates for membership shall be presented to the Board of Elders for consideration. After approval by the Pastoral Team, the new members shall have all the rights, privileges and responsibilities of a member of the Church. The Board of Elders may adopt and amend application procedures for membership in the Church.

Power to manage and govern the Church shall be vested in the Board of Elders as set forth in Article 7 of these Bylaws. As such, members are only entitled to vote in person, not by proxy or otherwise, as provided in these bylaws.

6.02 Qualifications for Membership. The minimum qualification for membership is a commitment to abide by the Church's membership covenant.

6.03 Termination and Dismissal of Membership. Members shall be removed from the Church roll for the following reasons: (a) by personal request of the member; (b) the transfer of membership to another church; (c) death; or (d) termination of membership by the Board of Elders as it deems necessary.

The Board of Elders may terminate a person's Church membership when, in the opinion of the Board of Elders, the member's life and conduct is not in accordance with the membership covenant in such a way that the member hinders the influence of the Church in the community. Dismissal of Church membership shall require the majority vote of the Board of Elders.

6.04 Restoration of Membership. Dismissed members may be restored by the Board of Elders according to the spirit of II Corinthians 2:7-8 and Galatians 6:1, when their life-styles are judged to be in accordance with the membership covenant. Restoration of Church membership shall require the vote of two-thirds (2/3) of the Board of Elders.

6.05 Church Membership Meetings. Unless otherwise stated herein, meeting of the Church members shall be held in the main sanctuary of the Church or such other place or places as may be designated from time to time by the Board of Elders.

(a) **Regular Meetings.** Regular Church membership meetings shall be held annually. The time and place of the Church membership meetings shall be announced by written notification and from the pulpit at least two Sundays prior to the meeting.

(b) **Special Meetings.** Special Church membership meetings shall be called by the Senior Pastor or upon his approval. Special meetings may be called at any time provided two-week notice is given in a regular service prior to the special meeting.

(c) **Moderator.** The moderator shall establish the agenda, protocol, and rules of order for each meeting, and he shall conduct the meeting accordingly. The Senior Pastor shall serve as

the moderator at all Church membership meetings. In his absence a moderator *pro tempore* may be appointed by the Senior Pastor.

(d) **Quorum.** In all Church membership meetings, the quorum shall consist of twenty-five (25%) of the then current membership in good standing provided it is a stated meeting or one that has been properly called.

(e) **Voting.** All members in good standing, may vote on matters of business which are properly presented at any Church membership meeting. Members are entitled to vote in person, not by proxy or by electronic or written vote. A vote of the membership duly taken and recorded shall, by a two-thirds (2/3) vote, constitute the binding position of the membership on any motion, resolution, or any transaction of business. A vote may be taken in any manner deemed expeditious by the moderator.

6.06 Notice of Religious Gathering. The annual meeting and special called business meetings of The Avenue Church are private religious gatherings. The Avenue Church reserves the right to limit attendance to The Avenue Church members and guests, and may take any and all necessary and available actions against disruptive persons.

ARTICLE 7 MANAGEMENT OF THE CHURCH BOARD OF ELDERS

7.01 Management. Power to manage and govern the affairs of the Corporation is vested in the Board of Elders of the Corporation, except for powers granted to members by these Bylaws. The term “Board of Elders” or “Elder” shall mean Board of Directors or Director, respectively, as required by the Code.

The Board of Elders functions primarily as discerners and guardians of the organization. They are not expected to oversee specific projects or ministry areas in their capacity as board members. Rather, they function as overseers for the entire Church. The Elders evaluate the effectiveness and direction of the Church according to three criteria:

1. The Church’s mission: To lead people into a growing relationship with Jesus Christ;
2. The Church’s resources; and
3. The Church’s doctrine in the Statement of Faith as written and compiled by the Pastoral Team and approved by the Elder Board.

The Board of Elders does not determine programming. This responsibility falls to the executive staff. However, the Board is responsible for evaluating programming based on its appropriateness and effectiveness in furthering the overall mission of The Avenue Church. The Senior Pastor will meet with the Board of Elders at least quarterly. For all practical purposes, the Board of Elders have final say in any and all matters concerning the overall direction of the Church. Unless otherwise specified in this document, anything voted on by the Board of Elders

requires a two-thirds majority of all in attendance in order to pass. A quorum of two-third of the members must be present and voting at a duly called meeting any time a vote is taken.

There are four decisions that the Board of Elders may not make without membership approval at an Organizational Business Meeting.

1. The Board of Elders may not appoint a new senior pastor;
2. The Board of Elders may not approve debt for the organization in excess of one-tenth of the annual operating budget;
3. The Board of Elders cannot change or establish the denominational affiliation of The Avenue Church; and
4. The Board of Elders may not dismiss the Senior Pastor, except for a felony conviction or, if in the determination of the Board of Elders, gross moral negligence.

7.02 Number of Elders. The Board of Elders shall consist of the Senior Pastor, and until changed by amendment of the Certificate of Formation or these Bylaws, such number of additional Elders as may from time to time be nominated and elected in accordance with these Bylaws, provided that the total number of Elders shall not be less than five (5) and not more than nine (9) in addition to the Senior Pastor.

7.03 Staggered Terms of Elders. Each Elder, other than the Senior Pastor, shall hold office for a period of three (3) years, unless lesser time to permit staggered terms, or until his successor is elected, appointed, or designated herein, and may not serve successive terms and must rotate off the Board of Elders for at least one (1) year before they can be reappointed to the Board of Elders. The Senior Pastor shall be a full voting member of the Board of Elders.

7.04 Chairman of the Board. The Senior Pastor shall serve as the Chairman of the power in his sole discretion to select an Appointee, who shall be endued with all powers of the Senior Pastor, in his absence, at any meetings of the Board of Elders or Committees. Any reference to the Senior Pastor in these Bylaws shall, by default, make reference to his Appointee.

7.05 Powers. The Board of Elders shall have all of the rights, powers, and responsibilities of a board of directors pursuant to the Code, subject to any limitations under the Code, the Certificate of Formation of the Church and these Bylaws. In particular, the Board of Elders shall be responsible for the acquisition and disposition of Church property. The Board of Elders shall have the power to buy, sell, mortgage, pledge or encumber any Church property, and incur related indebtedness in accordance with these Bylaws.

7.06 Nomination, Election and Qualifications. Elders shall nominate qualified individuals to serve on the Board of Elders. The Elders shall submit these names to the Pastoral Team for consideration. The Pastoral Team should review the submitted names and add or remove individuals as they deem necessary. The Elder Board should review the revised list from the Pastoral Team and further narrow down the list as needed to finalize a list of nominees. The Board of Elders shall then screen nominees and vote on the qualified persons nominated to the membership of the Board of Elders at any Board of Elder meeting. Elders shall be natural persons who are active members of The Avenue Church.

A Board of Elders candidate must be at least 25 years old and have been a member of The Avenue Church for at least three (3) years prior to their selection to the Board, have been actively involved in ministry at The Avenue Church for at least three (3) years, and fully subscribe to the Church's mission and values. Elders must have served on the Stewardship Team, Personnel Team, or Deacon Team for at least one (1) year prior to being nominated as an Elder.

Furthermore, all Elders are required to meet the qualifications for Elder as outlined in 1 Timothy 3:1-11, Titus 1:5-9.

Elders may not be members of the Pastoral Staff, except for the Senior Pastor. However, Pastoral Staff may attend Elder meetings at the request of the Elders or the Senior Pastor.

7.07 Vacancies. If a vacancy occurs on the Board of Elders, including a vacancy resulting from an increase in the number of Elders, the vacancy may be filled by the affirmative two-thirds vote of (1) remaining members of the Board of Elders, or (2) if the Elders remaining in office constitute fewer than a quorum of the board, they may fill the vacancy by the affirmative two-thirds vote of a majority of all the Elders remaining in office, or by the sole remaining Elder, as the case may be.

A vacancy that will occur at a specific later date (by reason of a resignation effective at a later date or otherwise) may be filled before the vacancy occurs but the new Elder may not take office until the vacancy occurs.

7.08 Meetings. Regular or Special meetings of the Board of Elders may be held either within or outside the State of Texas, but shall be held at the Church's registered office in Texas 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 Elders, 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 remote communication technology, as long as all Elders participating in the meeting can communicate concurrently with each other participant. A regular meeting of the Board of Elders shall occur at least quarterly.

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

(b) **Special Meetings.** A special meeting of the Board of Elders may be called by the Senior Pastor or any two (2) Elders.

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

1) **Manner of Giving.** Notice of the date, time and place of special meetings shall be given to each Elder by personal delivery, mail, facsimile, email or telephone.

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. Any other Notice methods must be given at least forty-eight (48) hours before the time set for the meeting.

3) **Notice Contents.** The notice shall state the date, 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 an Elder at a meeting shall constitute waiver of notice of such meeting, except where the Elder attends a meeting for the express purpose of objecting that the meeting is not properly called.

7.09 Action Without Meeting. Any action required or permitted to be taken by the Board of Elders may be taken without a meeting, if all of the Elders, individually, or collectively, consent in writing to the action.

7.10 Quorum. If a quorum is present at no time during a meeting, a majority of the Elders present may adjourn and reconvene the meeting one time without further notice.

7.11 Proxies. Voting by proxy is prohibited.

7.12 Duties of Elders. Elders 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. Elders 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. An Elder is not relying in good faith if the Elder has knowledge concerning a matter in question that renders reliance unwarranted.

Elders 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.

7.13 Delegation of Duties. The Board of Elders 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. Elders have no personal liability for actions taken or omitted by the advisor if the Board of Elders acts in good faith and with ordinary care in selecting the advisor. The Board of Elders may remove or replace the advisor, with or without cause.

7.14 Interested Parties. Pursuant to the Law and the provisions of Article 11 below, a contract or transaction between the Church and an Elder of the Church is not automatically void or voidable simply because the Elder has a financial interest in the contract or transaction.

7.15 Actions of Board of Elders. The Board of Elders shall try to act by consensus. However, the vote of two-thirds (2/3) of the Elders present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Elders unless the act of a greater number is required by law or the Bylaws. An Elder 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 Elders. In case of a deadlock, the Senior 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 Elders.

7.16 No Compensation. Elders, including the Senior Pastor, shall not receive salaries or compensation for their services on the Board of Elders. The Board of Elders may adopt a resolution providing for payment to Elders for expenses of attendance, if any, at a meeting of the Board of Elders. An Elder may serve the Church in any other capacity and receive reasonable compensation for those services.

7.17 Removal of Elders other than the Senior Pastor. If it becomes apparent that an Elder should not serve, that member may resign, or by three-fourths (3/4) vote of the Board of Elders, excluding the Elder under consideration, be immediately removed from the Board of Elders. The position will remain vacant until the next regularly scheduled year or until the Board of Elders nominate a suitable replacement.

The Board of Elders has the authority to dismiss the Senior Pastor pursuant to Article 8.05 herein.

7.18 Resignation of Elders. Any Elder may resign at any time by giving written notice to the Board of Elders. 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.

ARTICLE 8 OFFICERS

8.01 Officer Positions. The officers of the Church shall be the President and Secretary, and any other officers chosen at the discretion of the Senior Pastor. The Senior Pastor shall serve as the President and chief executive officer of the Church and shall act as the

moderator of the Church. The Senior Pastor may appoint a member of the Church to act as moderator. In the event of a vacancy in the office of the Senior Pastor, the Board of Elders shall appoint a member of the Church to act as moderator. The moderator shall establish the agenda, protocol and rules of order for each meeting and shall conduct the meeting accordingly. The Senior Pastor may create additional officer positions, define the authority and duties of each such position, and appoint persons to fill the positions.

8.02 Election and Term of Office. The Senior Pastor shall hold office until he resigns, is removed pursuant to Article 8.07 or dies. In the event of a vacancy, for any reason, in the office of Senior Pastor, the Board of Elders shall adopt a resolution establishing a Senior Pastor Selection Committee. The recommendation of the Senior Pastor Selection Committee shall constitute a nomination for the office of Senior Pastor. The election shall take place at a regular or special meeting of the Church's membership called for the purpose of electing a new Senior Pastor.

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

8.03 Senior Pastor-President. The Senior Pastor shall be the President of the Corporation and shall be in charge of all the ministries of the Church. The Senior Pastor shall supervise and control all of the business and day-to-day affairs of the Church. The Senior Pastor shall be responsible for hiring ministerial or non-ministerial staff of his choice and shall supervise directly or by delegation all staff members so hired; all Pastoral staff must be approved by the Personnel Team. The Senior Pastor shall be vested with the authority, subject to any rights under any contract of employment, to terminate any ministerial or non-ministerial staff member's employment with or without cause, except for Pastoral Staff subject to Section 9.04 of these Bylaws.

The Senior Pastor selects the executive staff.

The Senior Pastor of the Church is responsible for leading the Church in accordance with Biblical principles as set forth in the New Testament. As such, the Senior Pastor shall be the leader of the Church congregation, the Church staff, all Church organizations, all Church ministries, the Board of Elders, and all Church Advisory Committees, to accomplish the New Testament purposes of the Church. The Senior Pastor is expressly authorized 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.

8.04 Secretary. The Senior 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 members and of the Board of Elders 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, Elder, officer, and employee of the Church; (f) perform duties as assigned by the Senior Pastor or by the Board of Elders; and (g) perform all

duties incident to the office of secretary.

8.05 Removal of Senior Pastor-President. Subject to the rights, if any, under any contract of employment with the Church, the Senior Pastor shall only be removed upon the initial recommendation of the majority of the Church's Personnel Team. However, the Board of Elders has the right to request the resignation of the Senior Pastor at any time. A recommendation by the Personnel Team for removal of the Senior Pastor shall be submitted to the Board of Elders who, by the affirmative vote of three-fourths (3/4) of the Board of Elders at any general or special meeting duly noticed pursuant to Article 7.08 of these Bylaws, may approve his removal. The Senior Pastor shall only be removed from office, subject to the terms of any employment agreement, for any of the following reasons: (a) gross moral negligence; (b) a felony conviction; (c) resignation; or (d) death or disability.

In addition, any complaints or concerns regarding the Senior Pastor should be directed to and handled by the Board of Elders.

8.06 Removal of Other Officers. All other Church officers may be removed, with or without cause, by a vote of the Senior Pastor and a majority vote of the members of the Board of Elders.

8.07 Resignation of Officers. Any Officer may resign at any time by giving written notice to the Corporation. 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.

8.08 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 9 ADVISORY TEAMS

9.01 Establishment. The Board of Elders may, at its discretion, adopt a resolution establishing one or more Advisory Teams. Any and all Advisory Teams shall conform to rules established by the Board of Elders.

9.02 Independent Compensation Team. The Board of Elders shall establish an Independent Compensation Team that shall act as an independent compensation committee. The Senior Pastor shall not be the chairman or a voting member of the Independent Compensation Team. The Independent Compensation Team shall determine and approve the Senior Pastor's compensation, as well as any family members of his. In so doing, the Independent Compensation Team may consider duties, performance evaluations, compensation comparability data, and other relevant information. The Senior Pastor shall not participate in the Independent Compensation Team's discussion or vote.

9.03 Stewardship Team. The stewardship team oversees all financial matters related to The Avenue Church. The Senior Pastor is accountable to the stewardship team in all matters relating to finances. The Senior Pastor, or his designee, shall attend stewardship team meetings,

but shall not have voting rights. The stewardship team's primary function is to ensure the financial health of the organization, subject to the final oversight of the Board of Elders. The stewardship team is ultimately accountable to the Board of Elders of the organization. The Board of Elders has the authority to override any decision made by the stewardship team. However, if such an occasion should arise, the Board of Elders shall first meet with the stewardship team and discuss the matter fully.

The executive staff may not exceed the approved salary budget without approval from the Board of Elders and the Stewardship Team.

The stewardship team consists of five to seven members, at least one of which must be an Elder. The existing members of the stewardship team select new team members. New members shall be approved by the Board of Elders annually. Stewardship team members are required to be members of The Avenue Church and have the professional skills necessary to perform their assigned tasks. Members serve one three-year term. Former members are eligible to serve again after being inactive for one year.

Executive staff members may attend stewardship team meetings, but do not have voting privileges.

9.04 Personnel Team. The Personnel team establishes guidelines for staff compensation, excluding the Senior Pastor. Such staff compensation guidelines are subject to the final approval of the Board of Elders. The existing members of the personnel team shall select new team members. New members shall be approved by the Board of Elders annually. The Personnel Team must have at least one Elder as a team member. Salaries or other confidential compensation information shall not be published, disseminated, or discussed outside of personnel team meetings, including church business meetings. Except for the Senior Pastor, the Personnel Team shall set all executive staff's compensation. The Personnel Team shall be responsible for hiring and firing all Pastoral Staff.

9.05 Deacon Team. The Deacon Team must have a documented procedure for selecting new members of the Deacon Team. Members of the Deacon Team shall be approved by the Board of Elders and shall be self-governed unless stipulated otherwise by these Bylaws or the Board of Elders. Deacons shall have no corporate authority within the Church but shall represent all of the ministries of the Church and shall function as required by Eph. 4:11; I Tim. 3:2; 5:17; Titus 1:9; Heb. 13:17. All Deacons shall be qualified as prescribed in I Timothy 3:8-13.

9.06 Pastoral Team. The purpose of the Pastoral Team, which is the executive staff, is to communicate doctrine, determine programming, give vision to the various ministries of the Church, and oversee the day-to-day operations. The executive staff is accountable to the senior pastor. All executive staff members are required to meet the character qualifications as outlined in 1 Timothy 3:1-7 and Titus 1:5-9.

9.07 Pastor Accountability Team. The Pastor Accountability Team is a group of men to whom the Senior Pastor is accountable to regarding issues relating to his qualifications to

serve. The members of this group will be selected by the Senior Pastor and approved by the Board of Elders. They may be church members, or non-church members. The members of the pastor accountability team do not serve a pre-determined term. However, each member must be reaffirmed by the Board of Elders each year, and report no less than annually to the Board of Elders.

The Pastor Accountability Team shall be subject to the Board of Elders and shall report any qualification matters to the Board of Elders that cannot be immediately resolved by the Pastor Accountability Team.

9.08 Delegation of Authority. The Board of Elders may establish one or more Advisory Teams and may appoint individuals to and remove individuals from such Advisory Teams at the pleasure of the Board of Elders. Advisory Teams shall be self-governed and do not have corporate authority to make financial or business decisions on behalf of the Church or the Board of Elders. Advisory Teams are limited to providing advice and recommendations to the Board of Elders. Neither an Advisory Team nor Advisory Team member shall have any power to act on behalf of the Church corporation.

ARTICLE 10 TRANSACTIONS OF THE CHURCH

10.01 Contracts and Legal Instruments. Subject to the Church's Conflict of Interest Policy, the Board of Elders 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.

10.02 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 Elders selects.

10.03 Gifts. The Board of Elders 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 Elders 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.

10.04 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 Corporation; this distribution shall be done pursuant to a plan adopted by the Board of Elders; 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 corporation 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.

10.05 Approval of Purchases. Aggregate purchases and expenses in excess of 1% of the Church's annual budget shall be subject to the prior approval of the Board of Elders.

ARTICLE 11 INDEMNIFICATION

11.01 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 Code, as amended from time to time (provided, however, that if an amendment to the Code 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 an Elder (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 an Elder or officer of the Church; and

2) The Elder 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 his conduct 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 Elder or officer did not meet the standard of conduct herein described.

(b) **Permissive Indemnification.** The Church may, to the maximum extent permitted by Code, as amended from time to time (provided, however, that if an amendment to the Code 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 13, 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 13. 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 these Bylaws, by contract, or by general or specific action of the Board of Elders.

ARTICLE 12 BOOKS AND RECORDS

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

12.02 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.

12.03 Audited Financial Statements. The Church shall have each financial statement of the Church audited by a certified public accounting firm selected by the Board of Elders. The Church shall have audits performed every three years, unless otherwise requested by the Board of Elders.

ARTICLE 13 MISCELLANEOUS PROVISIONS

13.01 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 Elders.

13.02 Ordination, Licensing and Commissioning. The Board of Elders reserves the right to ordain, license, or commission individuals as ministers of the gospel to perform the ordinances and ceremonies of the church including, but not limited to, marriage, baptism, communion, and funerals.

ARTICLE 14 EMERGENCY POWERS AND BYLAWS

An “emergency” exists for the purposes of this section if a quorum of the Elders cannot readily be obtained because of some catastrophic event. In the event of an emergency, the Board of Elders may: (i) modify lines of succession to accommodate the incapacity of any Elder, 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 Elders only needs to be given to those Elders for whom such notice is practicable. The form of such notice may also include notice by publication or radio. One or more officers of the Church present at a meeting of the Board of Elders may be deemed Elders 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 Elder, officer, employee or agent of the Church on the ground that the action was not authorized. The Board of Elders may also adopt emergency bylaws, subject to amendments or repeal by the full Board of Elders, which may include provisions necessary for managing the corporation during an emergency including; (i) procedures for calling a meeting of the Board of Elders; (ii) quorum requirements for the meeting; and (iii) designation of additional or substitute Elders. The emergency bylaws shall remain in effect during the emergency and not after the emergency ends.