

The By-Laws of Asbury Church

An Oklahoma Non-Profit Corporation

Article I: Purpose

Section 1 Asbury Church is a nonprofit corporation and ecclesiastical body organized exclusively for religious purposes. The purposes for which Asbury Church is formed include, but are not limited to:

- a) To Help Others Follow Jesus, to promote the worship of the Holy Trinity, to preach the Word of God, to uphold the rich tradition of sacramental practice, to maintain Christian fellowship, to foster the edification of believers, and to welcome and advance the work of the Kingdom of God on earth.
- b) To be obedient to our Lord Jesus Christ's command to "Go and make disciples of all nations, baptizing them in the name of the Father, and of the Son, and of the Holy Spirit, and teaching them to obey everything I [Jesus] have commanded you (Matthew 28:19-20)."
- c) To support disciples of Jesus Christ by proclaiming the good news of salvation through faith in our Lord Jesus Christ, and by exemplifying Jesus' command to love God and neighbor, by any suitable method or media, which includes but is not limited to the following:
 - 1) Connecting disciples who worship Jesus Christ, by using personal evangelism, television and radio, the internet, conventions, preaching, teaching, missions, and other Christian methods.
 - 2) Assisting and furthering the proclamation of Scriptural Christianity through printed and digital material, by providing speakers, mentoring, or coaching, and by other instructional and educational programs which may be deemed necessary or convenient in effecting the above purposes; and
 - 3) Establishing new programs of outreach and ministry, and the strengthening and partnering with existing programs and organizations that have a similar purpose and dedication to presenting Christ as Savior and Lord.
- d) To explore and promote the full ministry of the good and life-giving Holy Spirit throughout the life and work of the church, not least in the entire sanctification of Christian disciples;
- e) To engage in spiritual work and services based upon the authority of the Holy Bible.
- f) Additional general purposes and powers are:

- 1) To solicit, collect, receive, acquire, hold, and invest money and property, both real and personal, including money and property received by gift, contribution, bequest, or devise; to sell and convert property, both real and personal, into cash, and to use the funds of Asbury Church and the proceeds, income, rents, issues, and projects derived from any property of the Church for any of the purposes for which the Church is formed.
- 2) To purchase, acquire, own, hold, sell, lease, assign, transfer, dispose of, mortgage, pledge, hypothecate, or encumber, shares, bonds, notes, debentures, or other securities or evidence of indebtedness of any person, firm, corporation, or association and, while the owner or holder of them, to exercise all rights, powers and privileges of ownership;
- 3) To purchase or acquire, own, hold, use, lease (either as lessor or lessee), sell, exchange, assign, convey, dispose of, mortgage, hypothecate, or encumber real and personal property;
- 4) To enter into, make, perform, and carry out contracts of every kind for any lawful purpose without limit on amount, with any person, firm, association or corporation, municipality, county, parish, state, territory, government, or other municipal or governmental subdivision;
- 5) To borrow money, incur indebtedness, and to secure repayment by mortgage, pledge, deed of trust, or other hypothecation of property, both real and personal; and
- 6) To do all things necessary, expedient, or appropriate to the accomplishment of any of the objects and purposes for which this corporation is formed.
- 7) That the undersigned wish to avail themselves of the provisions of the Oklahoma Non-Profit Corporation Law.

Section 2 Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purpose of Asbury Church. No part of the net earnings of the Asbury Church shall ever inure to or for the benefit of or be distributable to its members, Council members, officers, or other private persons, except that Asbury Church shall be empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes for which it was formed.

- a) Notwithstanding any other provisions of these Bylaws, Asbury Church shall not carry on any other activities not permitted to be carried on (a) by an association exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1954 (or any corresponding or successor provision of any United States Internal Revenue Law), or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1954 (or any corresponding or successor provision of any United States Internal Revenue Law).
- b) In the event of any dissolution of the corporation or the winding up of its affairs, or other liquidation of its assets, the corporation's property shall not be conveyed to any organization created or operated for profit or to any individual for less than the fair market value of such property, and all assets remaining after the payment of the corporation's debts shall be conveyed or distributed as the Administrative Council shall determine, only to an organization or organizations created and operated for nonprofit purposes similar to those of the corporation, and within the intent of Section 501c3 of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue law); provided, that any such assets not so disposed of shall be disposed of by the Circuit Court of the county in which the principal office of the corporation is located, exclusively for such purposes or to such organizations as said Court shall determine are organized and operated exclusively for such purpose.

Section 3 Statement on Biblical Authority, Statement of Faith, & Statement of Moral Principles. These statements shall be identical to those adopted by Asbury Church in its Articles of Incorporation.

Article II: Governing Body – Administrative Council

Section 1 Purpose: The Administrative Council works with and governs staff leadership and all governance committees (Finance & Stewardship, Staff Parish Relations Committee (SPRC), and Trustees) to provide strategic conversations, planning, effective communication, and updates between committees. They work together to cast vision and make necessary strategic decisions that help the church carry out its mission of helping others follow Jesus.

Section 2 Number, Nomination, Qualifications and Authority: The governing authority of this corporation shall reside in an Administrative Council, (hereinafter the “Council”), consisting of the Senior Pastor, Executive Pastor/Executive Director/or equivalent role (hereinafter referred to as “Executive Pastor”), and not less than three (3) Council Members and no more than twelve (12) Council Members. No pastor or staff member shall have a vote on the Administrative Council. The members of the Administrative Council shall be nominated by staff leadership and voted and approved by majority vote of the Administrative Council.

Council Members shall consist of a chairperson, the Finance and Stewardship committee chairperson, the SPRC chairperson, the Trustees chairperson, the Asbury Foundation chairperson, Lay Leader(s) and not less than three (3) at large Council Members and no more than six (6) at large Council Members. Council Members serve as follows: up to two shall serve for three (3) years, up to two shall serve for two (2) years and up to two shall serve for one (1) year. Thereafter, Council Members shall be elected by the current Council at its annual meeting each year, as terms expire. Committee chairpersons shall be members of the Administrative Council for as long as they serve in a Chair position, but other members may be approved upon nomination of staff leadership and majority vote of the current council. Each Council Member shall serve a term of three (3) years. Members may be elected for a second consecutive term.

The council will seek to continually consider age, gender, and ministry representation (kids, students, women's, men's, etc.) in its selection of new members. Prior to or in conjunction with installation, newly elected Council Members of the Administrative Council shall affirm their acceptance of the purpose, principles, and mission statement of Asbury Church.

Section 3 Vacancies: Vacancies on the Administrative Council shall be filled for the remainder of the unexpired term by majority vote of the remaining Council Members at their next official meeting which fulfills the requirements for quorum.

Section 4 Removal from Office: Any member of the Administrative Council may be removed from office, for any reason, by a two-thirds vote of the Council at a regular or special meeting of the Administrative Council. Two unexcused absences from Council meetings within a oneyear period may be grounds for removal.

Section 5 Regular Meetings: The Council shall hold regular meetings of which time and place shall be determined by the Council. The order of business at each meeting of the corporation, unless otherwise amended by affirmative, majority vote of all members present, shall be as follows:

- a) Call to order by Chairperson
- b) Roll call of all members of the Administrative Council
- c) Minutes of last meeting
- d) Financial reports & other committee reports
- e) Old Business
- f) New Business
- g) Adjournment

Section 6 Annual Meeting: The Council shall hold its annual meeting in the last quarter of each calendar year, with one (1) month prior notice to be given to the Council Members by the Secretary, and at such time and place may be determined by the Administrative Council. At this time, new members of the Council shall be voted on and installed.

Section 7 Special Meetings: Special meetings of the Administrative Council may be called at the discretion of the Senior Pastor, Chairperson, or no less than three (3) Council Members.

Section 8 Quorum: At all meetings of the Administrative Council, the presence of a majority of Council Members shall constitute a quorum for the conduct of business, and the acts of majority of Council Members present at such meetings shall be the acts of the entire Council, except where a larger number is required by law, the Articles of Incorporation, or by these By-laws.

Section 9 Parliamentary Procedures: The parliamentary procedure of the Administrative Council shall be governed by the current edition of Robert's Rules of Order.

Article III: Finance and Stewardship Committee

Section 1 Purpose and Authority: The Executive Pastor and CFO shall work with the Finance and Stewardship Committee, to develop an annual budget and provide the necessary oversight and accountability to carry out the budget. The Finance and Stewardship Committee will arrange for and ensure a Financial and Accounting Audit of Asbury's accounting books and records will be conducted annually by an independent third party specializing in financial and accounting audits. Additionally, the Finance and Stewardship Committee shall lead the way in helping the church engage its congregation in financial stewardship. The Finance and Stewardship Committee shall report to the Administrative Council.

Section 2 Number, Nomination, Election and Term of Office:

- a) The Finance and Stewardship Committee (hereinafter referred to as Finance Committee) report to the Administrative Council and shall consist of not less than three (3) members and no more than nine (9) members. In addition to these voting members, Finance Committee Members will consist of the Lay Leader(s), Senior Pastor, Executive Pastor, CFO, Chair of Trustees, and Chair of SPRC (all of whom have voice but no vote).
- b) The members of the Finance and Stewardship Committee shall be nominated by staff leadership and voted and approved by majority vote of the Finance Committee.
- c) Finance Committee members serve as follows: Three shall serve for three (3) years, three shall serve for two (2) years and three shall serve for one (1) year. Thereafter, Finance and Stewardship Committee Members shall be elected by the Administrative Council at its annual meeting each year, as terms expire. Committee chairpersons shall be members of the Administrative Council. Each Committee Member shall serve a term of three (3) years. Members may be elected for a second consecutive term. A minimum of two (2) members and a maximum of four (4) members shall serve in each class.
- d) Prior to or in conjunction with installation, newly elected Committee Members of the Finance Committee shall affirm their acceptance of the purpose, principles, and mission statement of Asbury Church.
- e) Any member of the Finance Committee may be removed from office, for any reason, by a two-thirds vote of the Committee at a regular or special meeting of the Finance Committee or Administrative Council. Two unexcused absences from Committee meetings within a one-year period may be grounds for the removal.

Section 3 Vacancies: Vacancies on the Finance Committee shall be filled for the remainder of the unexpired term by majority vote of the remaining Finance Committee Members at their next official meeting which fulfills the requirements for quorum.

- Section 4 Removal from Office: Removal of a member of the Finance Committee shall require twothirds vote of the Finance Committee or the Administrative Council.
- Section 5 Regular Meetings: The Finance Committee shall hold regular meetings, at least quarterly, of which time and place shall be determined by the Committee.
- Section 6 Special Meetings: Special meetings of the Finance Committee may be called at the discretion of the Senior Pastor, Executive Pastor, Controller, Chairperson, or no less than three (3) Committee Members.
- Section 7 Quorum: At all meetings of the Finance Committee the presence of a majority of Committee Members shall constitute a quorum for the conduct of business, and the acts of majority of Committee Members present at such meetings shall be the acts of the entire Committee, except where a larger number is required by law, the Articles of Incorporation, or by these By-laws.
- Section 8 Parliamentary Procedures: The parliamentary procedure of the Finance Committee shall be governed by the current edition of Robert's Rules of Order.

Article IV: Staff Parish Relations Committee

- Section 1 Purpose and Authority: The Senior Pastor, Executive Pastor, and the Director of Human Relations work with the Staff Parish Relations Committee (herein called SPRC), to fulfill legal, ethical, and practical responsibilities related to staff. The SPRC shall report to the Administrative Council.
- Section 2 Number, Nomination, Election and Term of Office:
- a) The SPRC shall report to the Administrative Council and shall consist of not less than three (3) members and no more than nine (9) members. In addition to these voting members, SPRC Members will consist of the Lay Leader(s), Senior Pastor, and Executive Pastor (all of whom have voice but no vote).
 - b) The members of the SPRC shall be nominated by staff leadership and voted and approved by majority vote of the SPRC.
 - c) SPRC members serve as follows: Three shall serve for three (3) years, three shall serve for two (2) years and three shall serve for one (1) year. Thereafter, SPRC Members shall be elected by the Administrative Council at its annual meeting each year, as terms expire. Committee chairpersons shall be members of the Administrative Council. Each Committee Member shall serve a term of three (3) years. Members may be elected for a second consecutive term. A minimum of two (2) members and a maximum of four (4) members shall serve in each class.

- d) Prior to or in conjunction with installation, newly elected Committee Members of the SPRC shall affirm their acceptance of the purpose, principles, and mission statement of Asbury Church.
- e) Any member of the SPRC may be removed from office, for any reason, by a two-thirds vote of the Committee at a regular or special meeting of the SPRC or Administrative Council. Two unexcused absences from Committee meetings within a one-year period may be grounds for the removal.

- Section 3 Vacancies: Vacancies on the SPRC shall be filled for the remainder of the unexpired term by majority vote of the remaining SPRC members at their next official meeting which fulfills the requirements for quorum.
- Section 4 Removal from Office: Removal of a member of the SPRC Committee shall require two-thirds vote of the SPRC or the Administrative Council.
- Section 5 Regular Meetings: The SPRC shall hold regular meetings, at least quarterly, of which time and place shall be determined by the Committee.
- Section 6 Special Meetings: Special meetings of the SPRC may be called at the discretion of the Senior Pastor, Executive Pastor, Chairperson, or no less than three (3) Committee Members.
- Section 7 Quorum: At all meetings of the SPRC the presence of a majority of Committee Members shall constitute a quorum for the conduct of business, and the acts of majority of Committee Members present at such meetings shall be the acts of the entire Committee, except where a larger number is required by law, the Articles of Incorporation, or by these By-laws.
- Section 8 Parliamentary Procedures: The parliamentary procedure of SPRC shall be governed by the current edition of Robert's Rules of Order.

Article V: Board of Trustees

- Section 1 Purpose and Authority: The Senior Pastor, Executive Pastor, Controller, Director of Operations (or equivalent role), and the Director of Facilities (or equivalent role) will work with the Board of Trustees (hereinafter called Trustees), to fulfill all physical plant responsibilities including the development of an annual capital budget. The Trustees shall report to the Administrative Council.

- Section 2 Number, Nomination, Election and Term of Office:
- a) The Trustees shall report to the Administrative Council and shall consist of not less than three (3) members and no more than nine (9) members. In addition to these voting members, Trustee Members will consist of the Lay Leader(s), Senior Pastor, and Executive Pastor, Controller, Director of Operations, and the Director of Facilities (all of whom have voice but no vote).
 - b) The members of the Trustees shall be nominated by staff leadership and voted and approved by majority vote of the Trustees.
 - c) Trustee members serve as follows: three shall serve for three (3) years, three shall serve for two (2) years and three shall serve for one (1) year. Thereafter, Trustee Members shall be elected by the Administrative Council at its annual meeting each year, as terms expire. Committee chairpersons shall be members of the Administrative Council. Each Committee Member shall serve a term of three (3) years. Members may be elected for a second consecutive term. A minimum of two (2) members and a maximum of four (4) members shall serve in each class.
 - d) Prior to or in conjunction with installation, newly elected Committee Members of the Trustees shall affirm their acceptance of the purpose, principles, and mission statement of Asbury Church.
 - e) Any member of the Trustees may be removed from office, for any reason, by a two-thirds vote of the Committee at a regular or special meeting of the Trustees or Administrative Council. Two unexcused absences from Committee meetings within a one-year period may be grounds for the removal.
- Section 3 Vacancies: Vacancies on the Trustees shall be filled for the remainder of the unexpired term by majority vote of the remaining Trustee members at their next official meeting which fulfills the requirements for quorum.
- Section 4 Removal from Office: Removal of a member of the Trustees shall require two-thirds vote of the Trustees or the Administrative Council.
- Section 5 Regular Meetings: The Trustees shall hold regular meetings, at least quarterly, of which time and place shall be determined by the Committee.
- Section 6 Special Meetings: Special meetings of the Trustees may be called at the discretion of the Senior Pastor, Executive Pastor, Chairperson, or no less than three (3) Committee Members.

Section 7 Quorum: At all meetings of the Trustees Committee the presence of a majority of Committee Members shall constitute a quorum for the conduct of business, and the acts of majority of Committee Members present at such meetings shall be the acts of the entire Committee, except where a larger number is required by law, the Articles of Incorporation, or by these By-laws.

Section 8 Parliamentary Procedures: The parliamentary procedure of the Trustees shall be governed by the current edition of Robert's Rules of Order.

Article VI: Asbury Foundation Board

Section 1 Purpose and Authority: The Senior Pastor, Executive Pastor, and CFO will work with the Asbury Foundation Board (hereinafter called Foundation), to fulfill all fiscal and management responsibilities of the assets held by the Foundation on behalf of Asbury Church. The Foundation shall report to the Administrative Council.

Section 2 Governing: As the Asbury Foundation is a separate entity, with governing documents, but is a 501c3 supporting organization to Asbury Church, the Trust Agreement of the Asbury Foundation outlines all governing rules of the Foundation. Per the Foundation Trust Agreement, all changes must be reported to and approved by the Administrative Council of Asbury Church. Additionally, nominations of new Foundation board members must be approved by the Administrative Council.

Article VII: Development Center Board

Section 1 Purpose and Authority: The Executive Pastor, CFO, & Director of Operations (or equivalent role), will work with the Development Center Board (hereinafter called Board), to fulfill all responsibilities of the operations of the development center. The Board shall report to the Administrative Council.

- Section 2 Number, Nomination, Election and Term of Office:
- a) The Board shall report to the Administrative Council and shall consist of not less than three (3) members and no more than nine (9) members. A maximum of one (1) board member is permitted to not be a member of Asbury Church, so long as they are an active member of another church, all remaining board members must be active members of Asbury Church. In addition to these voting members, Board Members will consist of the Executive Pastor, CFO, & Director of Operations (all of whom have voice but no vote).
 - b) The members of the Board shall be nominated by staff leadership and other Board members and voted and approved by majority vote of the Administrative Council.
 - c) Board members serve as follows: three shall serve for three (3) years, three shall serve for two (2) years and three shall serve for one (1) year. Thereafter, Board Members shall be elected by the Administrative Council at its annual meeting each year, as terms expire. Each Committee Member shall serve a term of three (3) years. Members may be elected for a second consecutive term. A minimum of one (1) member and a maximum of four (4) members shall serve in each class.
 - d) Prior to or in conjunction with installation, newly elected Committee Members of the Board shall affirm their acceptance of the purpose, principles, and mission statement of Asbury Church.
 - e) Any member of the Board may be removed from office, for any reason, by a two-thirds vote of the Committee at a regular or special meeting of the Board or Administrative Council. Two unexcused absences from Committee meetings within a one-year period may be grounds for the removal.
- Section 3 Vacancies: Vacancies on the Board shall be filled for the remainder of the unexpired term by majority vote of the remaining Board members at their next official meeting which fulfills the requirements for quorum.
- Section 4 Removal from Office: Removal of a member of the Board shall require two-thirds vote of the Board or the Administrative Council.
- Section 5 Regular Meetings: The Board shall hold regular meetings, at least quarterly, of which time and place shall be determined by the Committee.
- Section 6 Special Meetings: Special meetings of the Board may be called at the discretion of the Executive Pastor or CFO.

Section 7 Quorum: At all meetings of the Board the presence of a majority of Committee Members shall constitute a quorum for the conduct of business, and the acts of majority of Committee Members present at such meetings shall be the acts of the entire Committee, except where a larger number is required by law, the Articles of Incorporation, or by these By-laws.

Section 8 Parliamentary Procedures: The parliamentary procedure of the Board shall be governed by the current edition of Robert's Rules of Order.

Article VIII: Asbury Preschool Board

Section 1 Purpose and Authority: The Asbury Preschool Board (hereinafter called Board) shall be responsible for the management and oversight of all preschool operations including but not limited to staff supervision, budget, policies, and facility needs. The Asbury Preschool Board is the managing body of Asbury Preschool, LLC according to the operating agreement signed with Asbury Church, Inc. The Board shall report to the Administrative Council.

Section 2 Number, Nomination, Election and Term of Office:

- a) The Board shall report to the Administrative Council and shall consist of the Director of the Preschool and the Executive Pastor of Asbury Church and not less than three (3) additional members and no more than seven (7) additional members. A maximum of one (1) board member is permitted to not be a member of Asbury Church, so long as they are an active member of another church, all remaining board members must be active members of Asbury Church. In addition to these voting members, the CFO of Asbury Church (voice but no vote) will also sit on the board.
- b) The members of the Board shall be nominated by staff leadership and other Board members and voted and approved by majority vote of the Administrative Council.
- c) Board members serve as follows: up to three shall serve for three (3) years, up to three shall serve for two (2) years and up to three shall serve for one (1) year. Thereafter, Board Members shall be elected by the Administrative Council at its annual meeting each year, as terms expire. Each Committee Member shall serve a term of three (3) years. Members may be elected for a second consecutive term. A minimum of one (1) member and a maximum of three (3) members shall serve in each class.
- d) Prior to or in conjunction with installation, newly elected Committee Members of the Board shall affirm their acceptance of the purpose, principles, and mission statement of Asbury Church.
- e) Any member of the Board may be removed from office, for any reason, by a two-thirds vote of the Board at a regular or special meeting of the Board or Administrative

Council. Two unexcused absences from Committee meetings within a one-year period may be grounds for the removal.

- Section 3 Vacancies: Vacancies on the Board shall be filled for the remainder of the unexpired term by majority vote of the remaining Board members at their next official meeting which fulfills the requirements for quorum.
- Section 4 Removal from Office: Removal of a member of the Board shall require two-thirds vote of the Board or the Administrative Council.
- Section 5 Regular Meetings: The Board shall hold regular meetings, at least quarterly, of which time and place shall be determined by the Committee.
- Section 6 Special Meetings: Special meetings of the Board may be called at the discretion of the Preschool Director or Executive Pastor.
- Section 7 Quorum: At all meetings of the Board the presence of a majority of Committee Members shall constitute a quorum for the conduct of business, and the acts of majority of Committee Members present at such meetings shall be the acts of the entire Committee, except where a larger number is required by law, the Articles of Incorporation, or by these By-laws.
- Section 8 Parliamentary Procedures: The parliamentary procedure of the Trustees shall be governed by the current edition of Robert's Rules of Order.

Article IX: Officers

- Section 1 Election and Term of Office: Asbury Church shall have a President, Vice President, Secretary, and Treasurer. These positions shall be appointed each year in conjunction with the nomination and election of the Administrative Council Chair and Secretary along with the nomination and election of the Finance & Stewardship Chair and Asbury Church Lay Leader. The President shall always default to the Administrative Council Chair. The Vice President shall always default to the lay leader. The treasurer shall always default to the chair of the Finance & Stewardship Committee. The Secretary shall always default to the secretary of the Administrative Council. Term of office for all officers shall be one (1) year, commencing July 1st and concluding June 30th each fiscal year.
- Section 2 Duties of the President:

- a) Conduct the annual meeting and regular monthly meetings of the Administrative Council;
- b) Appoint committees with the approval of the Council;

Section 3 Duties of the Vice-President:

- a) Perform all duties usually performed by the President during the absence or disability of the President; and
- b) Perform any other duties as may be required by these By-Laws or the Administrative Council.

Section 4 Duties of the Secretary:

- a) Be responsible for all correspondence, including but not limited to recording meeting minutes, except as otherwise prescribed by the Administrative Council; and
- b) Perform any other duties and functions customarily pertaining to this office, including but not limited to serving as the corporate secretary, or as prescribed by the Administrative Council.

Section 5 Duties of the Treasurer:

- a) Oversee an account of all transactions as Treasurer and of the financial condition of the corporation whenever necessary; and
- b) Oversee any and all records required of a non-profit charitable organization by the Internal Revenue Service, including but not limited to serving as the corporate secretary, to allow donors to deduct donations from their taxable income.

Article X: Conflict of Interest

Section 1 Purpose: The purpose of this provision of the bylaws is to protect this tax-exempt organization's interest when it is contemplating entering a transaction or arrangement that might benefit the private interest of any Employee, Director, Officer, Administrative Council member or Committee Member of Asbury 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 conflict of interest applicable to nonprofit and charitable organizations.

Section 2 Definitions: For purposes of this Article, the following terms shall have the following meanings:

- a) Interested Person. Any Employee, Director, Officer, Administrative Council member or Committee Member of Asbury Church with governing Council delegated powers, who has a direct or indirect financial or other interest, as defined below is an “interested person.”
- b) Financial or Other Interest. A person has a financial or other 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 corporation has a transaction or arrangement; or
 - 2) A compensation arrangement with the corporation or with any entity or individual with which the corporation 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 corporation is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
 - 4) A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing Council or committee decides that a conflict of interest exists.
 - 5) Other interest would include but not be limited to issues such as volunteering, board membership, or participation in potential organizations that would place the individual in a position of authority or influence.

Section 3 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 or other potential interest and be given the opportunity to disclose all material facts to the Council Members and considering the proposed transaction or arrangement.
- b) Determining Whether a Conflict of Interest Exists. After disclosure of the financial or other potential interest and all material facts, and after any discussion with the interested person, he/she shall leave the Council meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Council 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 Council meeting, but after the presentation, he/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 chairperson of the Administrative Council shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- 3) After exercising due diligence, the Administrative Council shall determine whether the corporation can obtain with reasonable efforts an equivalent or 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 Administrative Council shall determine by a majority vote of the disinterested Council Members whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter the transaction or arrangement.

d) Violations of the Conflicts of Interest Policy

- 1) If the Administrative Council has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the members 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 Administrative Council or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4 Records of Proceedings: The minutes of the Administrative Council shall contain 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.

- Section 5 Compensation:
- a) A Council Member who receives compensation, directly or indirectly, from the corporation for service is precluded from voting on matters pertaining to that member's compensation.
 - b) A Council Member whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.
- Section 6 Annual Statements: Each Council Member, principal officer, and member of a committee with governing Council delegated powers shall annually sign a statement which affirms such person:
- a) Has received a copy of the conflicts of interest policy,
 - b) Understands the corporation is charitable and to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.
- Section 7 Periodic Reviews: To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:
- a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
 - b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
- Section 8 Use of Outside Experts: When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Council of its responsibility for ensuring periodic reviews are conducted.

Article XI: Indemnification of Employees, Officers, Directors, Council and Committee Members

- Section 1 Definitions: For purposes of this Article, the following terms shall have the following meanings:

- a) "Liabilities" and "Expenses" shall mean monetary obligations incurred by or on behalf of an Employee, Officer, Director, Council or Committee Member or an officer in connection with the investigation, defense, or appeal of a Proceeding (as defined below) or in satisfying a claim there under and shall include but not limited to attorneys' fees; amounts of judgments, fines, or penalties; and amounts paid in settlement by or on behalf of an Employee, Officer, Director, Council or Committee Member.
- b) "Other Enterprise" shall mean any corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, whether for profit or not, for which an Employee, Officer, Director, Council or Committee Member is or was serving, at the request of the Asbury Church, as a Committee Member, Council Member, officer, partner, trustee, employee, or agent.
- c) "Proceeding," shall mean any claim, action, suit, or proceeding (whether brought by or in the right of Asbury Church or Other Enterprise or otherwise), civil, criminal, administrative, or investigative, whether formal or informal, and whether actual or threatened or in connection with an appeal relating thereto, in which an Employee, Officer, Director, Council or Committee Member may become involved, as a party or otherwise (i) by reason of being or having been an Employee, Officer, Director, Council or Committee Member of Asbury Church (and, if applicable, an employee or agent of Asbury Church) or a Committee or Council Member, officer, partner, trustee, employee, or agent of an Other Enterprise or arising out of his or her status as such or (ii) by reason of any past or future action taken or not taken by an Employee, Officer, Director, Council or Committee Member in any such capacity, whether or not he or she continues to be such at the time he or she incurs Liabilities and Expenses on account of the Proceeding.

Section 2 Indemnification: If an Employee, Officer, Director, Council or Committee Member is made a party to or threatened to be made a party to any Proceeding relating to his or her employment or volunteer efforts on behalf of Asbury Church, Asbury Church shall indemnify the Employee, Officer, Director, Council or Committee Member against Liabilities and Expenses incurred by him or her in connection with such Proceeding in the following circumstances and with the following exceptions.

- a) If an Employee, Officer, Director, Council or Committee Member has been wholly successful on the merits or otherwise with respect to any such Proceeding, he or she shall be entitled to indemnification for Liabilities and Expenses as a matter of right.
- b) To be entitled to indemnification pursuant to this Section, the Employee, Officer, Director, Council or Committee Member must notify the Corporation of the commencement of the Proceeding in accordance with Section five (5) of this Article and request indemnification. A review of the request for indemnification and the facts

and circumstances underlying the Proceeding shall be made by the Administrative Council pursuant to one of the following procedures:

- 1) by the Administrative Council, by a majority vote from among the Members who are not parties to, or who have been wholly successful with respect to, such Proceeding, may vote to approve or deny indemnification of the Employee, Officer, Director, Council or Committee Member.
- 2) if such quorum cannot be obtained, by a majority vote of a committee duly designated by the Chairperson (in the designation of which, Council Members who are parties to such Proceeding may participate), consisting solely of two or more members who are not parties to, or who have been wholly successful with respect to, such Proceeding; or
- 3) by independent legal counsel selected by a majority vote from among the Council Members who are not parties to, or who have been wholly successful with respect to, such Proceeding. Any determination made in accordance with the above procedures shall be binding on Asbury Church.
- 4) If several claims, issues, or matters of action are involved, a Council Member or officer may be entitled to indemnification as to some matters even though he or she is not entitled to indemnification as to other matters.

Section 3

Prepaid Liabilities and Expenses: The Liabilities and Expenses that are incurred or are payable by an Employee, Officer, Director, Council or Committee Member in connection with any Proceeding shall be paid by the Church in advance, with the understanding and agreement between such Employee, Officer, Director, Council or Committee Member and the Church that, in the event it may ultimately be determined as provided herein that the Employee, Officer, Director, Council or Committee Member was not entitled to be indemnified or was not entitled to be fully indemnified, the Employee, Officer, Director, Council or Committee Member shall repay to the Church such amount, or the appropriate portion thereof, so paid or advanced.

Section 4 Exceptions to Indemnification: Notwithstanding any other provisions of this Article to the contrary, the Corporation shall not indemnify an Employee, Officer, Director, Council or Committee Member for any Liabilities and Expenses for which payment is made to or on behalf of an Employee, Officer, Director, Council or Committee Member under an insurance policy, except in respect to any excess beyond the amount of payment under such insurance policy. In addition, an Employee, Officer, Director, Council or Committee Member shall not be entitled to indemnification under this provision if the Employee, Officer, Director, Council or Committee Member was engaged in any criminal activity, gross negligence, willful or reckless conduct as determined by the Administrative Council. Further, the Church may withdraw indemnity should the Employee, Officer, Director, Council or Committee Member fail to fully cooperate in his or her defense of the Proceeding, as determined by the Administrative Council.

Section 5 Notification and Defense of Proceeding: Promptly, and no later than fifteen (15) days after receipt by an Employee, Officer, Director, Council or Committee Member of notice of the commencement of any Proceeding, the Employee, Officer, Director, Council or Committee Member will, if a request for indemnification in respect thereof is to be made against the Church under this Section, notify the Church of the commencement thereof; but the failure to so notify the Church will not relieve it from obligation that it may have to the Employee, Officer, Director, Council or Committee Member under this Section or otherwise. With respect to any such Proceeding as to which the Employee, Officer, Director, Council or Committee Member notifies the Church of the commencement thereof.

- a) The Church will be entitled to tender the claim to its insurer and / or participate therein at its own expense; and
- b) Except as otherwise provided below, to the extent that it may so desire, the Corporation, jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel reasonably satisfactory to the Employee, Officer, Director, Council or Committee Member. After notice from the Church to the Employee, Officer, Director, Council or Committee Member of its election to assume the defense of the Employee, Officer, Director, Council or Committee Member in the Proceeding, the Church will not be liable to the Employee, Officer, Director, Council or Committee Member under this Section for any legal or other Expenses subsequently incurred by the Employee, Officer, Director, Council or Committee Member in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. The Employee, Officer, Director, Council or Committee Member shall have the right to employ counsel in such Proceeding, but the Expenses of such counsel incurred after notice from the Church of its assumption of the defense thereof shall be at the expense of the Employee, Officer, Director, Council or Committee Member unless:

- 1) The employment of counsel by the Employee, Officer, Director, Council or Committee Member has been authorized by the Church.
 - 2) The Employee, Officer, Director, Council or Committee Member shall have reasonably concluded that there may be a conflict of interest between the Church and the Employee, Officer, Director, Council or Committee Member in the conduct of the defense of such Proceeding; or
 - 3) The Church shall not, in fact, have employed counsel to assume the defense of such Proceeding in each of which cases the Expenses of counsel employed by the Employee, Officer, Director, Council or Committee Member shall be paid by the Church.
 - 4) The Church shall not be entitled to assume the defense of any Proceeding brought by or in the right of the Corporation or was to which the Employee, Officer, Director, Council or Committee Member shall have made the conclusion provided for in Section 5(b)(2) above.
- c) The Corporation shall not be liable to indemnify an Employee, Officer, Director, Council or Committee Member under this Article VIII for any amounts paid in settlement of any Proceeding without the Church's prior written consent. The Church shall not settle any action or claim in any manner that would impose any penalty or limitation on an Employee, Officer, Director, Council or Committee Member without the Employee, Officer, Director, Council or Committee Member's prior written consent. Neither the Church nor an Employee, Officer, Director, Council or Committee Member will unreasonably withhold its or his or her consent to any proposed settlement.

Section 6 Other Rights and Remedies: The rights of indemnification provided under this Article VIII are not exhaustive and shall be in addition to any rights to which an Employee, Officer, Director, Council or Committee Member may otherwise be entitled by contract or as a matter of law. Irrespective of the provisions of this Article VIII, the Church may, at any time and from time to time, indemnify Employee, Officer, Director, Council or Committee Member and other persons to the full extent permitted by law, whether about past or future matters.

Section 7 Continuation of Indemnity: All obligations of the Corporation under this Section shall survive the termination of an Employee, Officer, Director, Council or Committee Member's service in any capacity covered by this Article VIII.

- Section 8 Insurance: The Corporation may purchase and maintain insurance on behalf of any Employee, Officer, Director, Council or Committee Member or other person or any person who is or was serving at the request of the Church as an Employee, Officer, Director, Council or Committee Member or agent of an Other Enterprise against liability asserted against such person and incurred by such person in any capacity or arising out his and her status as such, whether or not the Church would have the power to indemnify such person against such liability under the provisions of applicable statues, this Article, or otherwise.
- Section 9 Benefit: The provisions of this Article VIII shall inure to the benefit of each Council Member or officer and his or her respective heirs, personal representatives, and assigns and the Corporation, its successors and assigns.
- Section 10 Severability: In case any one or more of the provisions contained in this Article VIII shall, for any reason, be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Article VIII, but this Article VIII shall be construed as if such invalid, illegal, or unenforceable provision or provisions had never been contained herein.

ARTICLE XII: CHURCH MEMBERSHIP

- Section 1 Membership: Members of Asbury Church shall be made up of those who have accepted Christ as their Savior, been baptized, are in accord with the Statement of Faith of Asbury Church and have taken the vow of membership.
- Section 2 Duties of Members: Prior to or in conjunction with membership, individuals must attend a Newcomer Orientation (or equivalent), meet with a member of the pastoral staff, and agree to membership vows in front of the congregation at a worship service of Asbury Church. Members of the church vow to support the church through their prayers, presence, gifts, service, and witness. Upon joining Asbury, members are expected to be an active participant in weekly worship, find a place within the church to volunteer, and actively seek an adult discipleship community or similar small group.
- Section 3 Removal of Members: Any Member may be removed from membership by death, notice of withdrawal to the Church or transfer of membership to another Church. A member who fails to attend and appear at the Church for a period of no less than two years may be removed as a Member by a two-thirds vote of the Administrative Council at its annual meeting. Membership may be suspended by unanimous vote of the pastoral staff for any reason and Membership shall be terminated by two thirds vote of the Administrative Council.
- Section 4 Miscellaneous: No other rights or privileges are afforded to the members of the Church.

Article XIII: Fiscal Year

Section 1 Fiscal Year: The fiscal year shall begin on the first day of July and end on the last day of June each year. As such, all current governance terms shall be extended to align with the fiscal calendar.

Article XIV: Dissolution

Section 1 Dissolution: The corporation shall be dissolved (i) through the authorization by a vote of two-thirds of the members of the corporation voting at a meeting of members to consider dissolution, or (ii) upon an order of judicial dissolution in accordance with state law. Upon dissolution of the corporation by the members, one liquidator selected by the members shall settle the corporation's affairs in accordance with state law. In the event Asbury Church, shall cease, terminate, discontinue doing business, or abandon its principal function for all reasons, the assets and property of the Church shall be given to another organization recognized as tax exempt from the Federal income tax as a 501(c)(3) organization, and shares the same purposes, principles, and mission statement of Asbury Church. The decision as to who shall receive the assets of Asbury Church shall be solely made by the Administrative Council.

Section 2 Prohibited Dissolution: No part of the net earnings of Asbury Church shall inure to the benefit of, or be distributable to, its employees, members, officers, directors, Committee or Council Members, or any person except that the Church shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments in the furtherance of the corporation. Notwithstanding any other provisions of the Articles of Incorporation or these By-Laws of the corporation, the Church shall not carry on any activity not permitted to be carried on:

- a) By a corporation exempt from Federal Income Tax, under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (or by the corresponding section of any future Revenue Code of the United States of America); or
- b) By a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended (or the corresponding section of any future United States Revenue Law).

Article XV: Amendments

Section 1 Amendments: An amendment to these By-Laws may be proposed by any member of the Administrative Council. Such amendment shall be proposed in writing to the Council Chair, so that the Council Members are notified at least thirty (30) days prior to the next regular or special Council meeting. Amendments may be adopted by an affirmative vote of two-thirds of the entire Administrative Council. This may include proxy votes by way of written vote, electronic vote (i.e., email), or oral vote by telephone to the Chair of the Council. Said proxy vote shall then be delivered to the Council.

