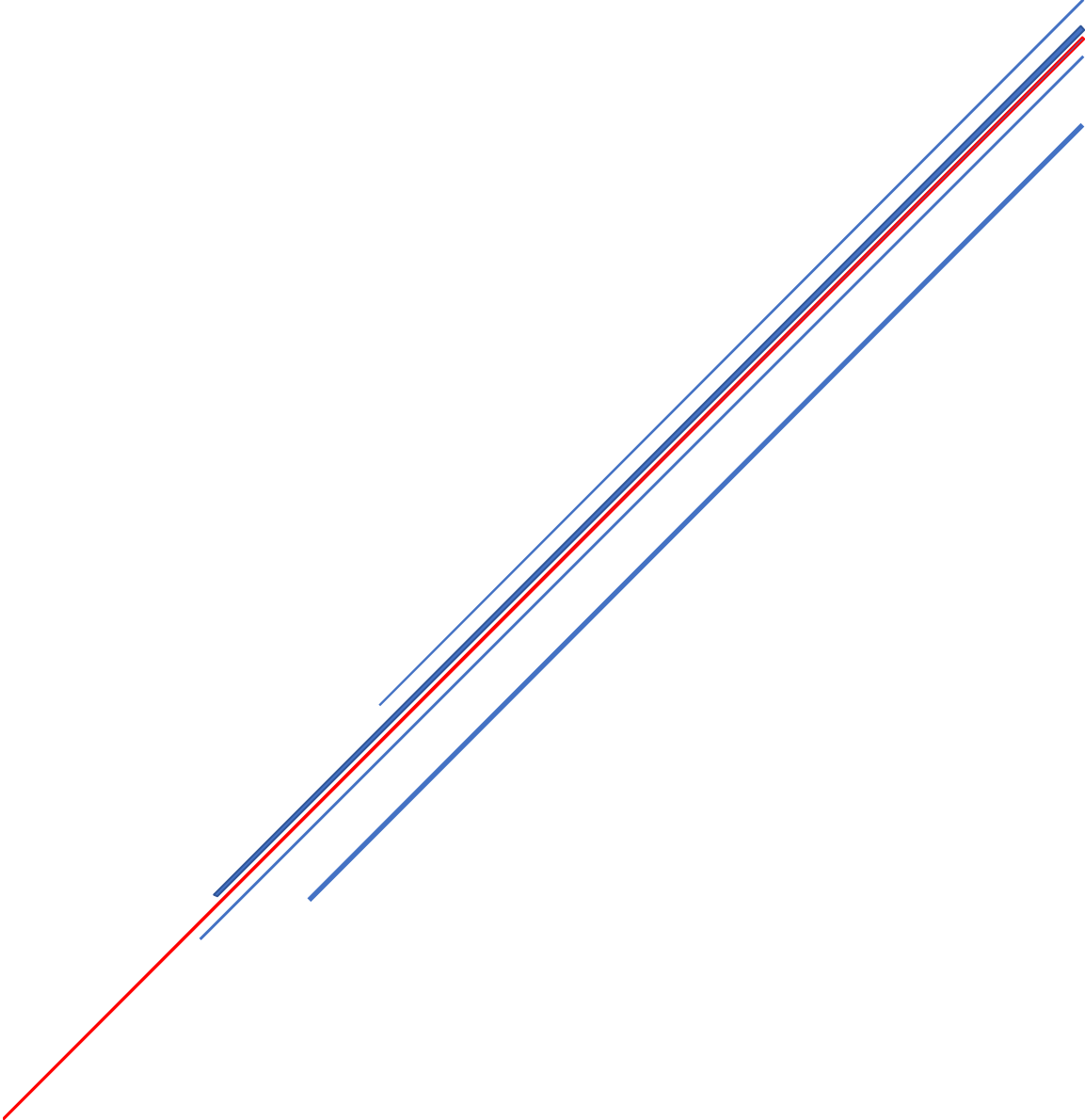


STOCK PORTFOLIO



Hope Christian Center
803-266-3789

Remnant of Grace Outreach Ministries, Inc.

Stockholder Agreement

Instructions

What to do with the Stockholder Agreement

The Stockholder Agreement is the official agreement that will outline the terms and rights of owning stock in the For-Profit Arm. This agreement is intended to be signed by the Stockholders (typically the Church, or Ministry) and Business President.

Once the document is signed by all parties, the Stockholders will officially be owners in the business.

Important Tips:

- To ensure all parties are aware of their rights and commitments, it's vital that they thoroughly read the agreement.**
- This document should NOT be sent to any county or state agencies. It is strictly an internal governing document.**
- This document should be filed with your corporate records and kept in a secure location.**

Stockholder Agreement

Remnant of Grace Outreach Ministries, Inc.

Stockholder Agreement

Remnant of Grace Outreach Ministries, Inc.

This stockholder agreement made on; **May 1, 2020** is between the following Parties:

Parent Name: Remnant of Grace Outreach Ministries, Inc., 13021 Main Street, Williston, S.C.

IN CONSIDERATION OF the premises and mutual covenants and agreements in this Agreement, the sufficiency of which is hereby acknowledged, the parties agree as follows:

I. Background

The Corporation is incorporated pursuant to **insert the statute under which the business is incorporated as shown on incorporation template** Statutes (the "Act").

The Act permits the Stockholders to enter into a stockholder agreement in writing to restrict the powers of the directors of the Corporation to manage the business and affairs of the Corporation and to confer certain powers normally possessed by the directors of the Corporation on the Stockholders.

The Stockholders have decided to enter into this agreement (the "Agreement") to govern their respective interests, obligations, liabilities, ownership and rights in the Corporation and to provide for the better government of the Corporation.

All of the Stockholders have executed this Agreement.

The Corporation has executed this Agreement for the purpose of acknowledging notice of this Agreement and, where permitted by law, for the purpose of agreeing to give effect to the terms of this Agreement.

II. Interpretation

- A. "**Articles**" are the Corporation's Articles of Incorporation or Articles of Amalgamation, as the case may be;
- B. "**Board**" means the board of directors of the Corporation;
- C. "**Business Day**" means a day other than a Saturday or Sunday or statutory holiday;
- D. "**Bylaws**" means the bylaws of the Corporation as of the date of this Agreement and as may be amended from time to time;

- E. **"Fair Market Value"** means the fair market value as determined by this Agreement;
- F. **"Financial Statements"** means the financial statements of the Corporation, prepared in accordance with generally accepted accounting principles;
- G. **"Party"** or **"Parties"** means all of the Stockholders, and the Corporation;
- H. **"Stock"** refers to stock in the capital of the Corporation;
- I. **"Stockholder"** means any one of the Stockholders who is or later becomes a Stockholder in the Corporation. Stockholder representation is by percentage of stock ownership.
- J. **"Stockholders"** mean any two or more of the Stockholders who are or later become Stockholders in the Corporation.

III. Stockholder Agreement

This Agreement restricts the Board's power to manage and supervise the Corporation to the extent necessary to effect the Stockholders' objectives as such objectives are set out in this Agreement and transfers such powers to the Stockholders. The Stockholders acknowledge that to the extent the Board's powers are restricted and transferred to the Stockholders, the obligations and liabilities of the Board, and the individual directors thereon, are also transferred to the Stockholders.

IV. Bylaws and Articles

The Bylaws shall be read as being subject to the provisions of this Agreement. The Bylaws shall not be amended or repealed except by majority vote of the Stockholders.

The Articles shall be read as being subject to the provisions of this Agreement. The Articles shall not be amended or repealed except by majority vote of the Stockholders.

V. Warranties

- A. The Corporation warrants that as of the date of this Agreement, all issued and outstanding Stock is owned at par value as follows:

Name	Number of Stocks	Class
Remnant of Grace Outreach Ministries, Inc.	51,000	A

- B. Each Stockholder warrants that the Stockholder is the sole beneficial owner of the Stock identified as being owned by that Stockholder in this Agreement.

- C. The Corporation warrants that it has the necessary corporate power and authority to enter into this Agreement and to perform its obligations under this Agreement.
- D. Each Stockholder warrants that he or she is not prevented by reason of law or any other contractual agreement from entering into this Agreement.

VI. Management of the Corporation

- A. The Stockholders shall exercise any and all voting rights attached to all Stock owned by them to elect the following individuals as directors of the Corporation unless the person that the Stockholders have agreed to elect is unable or unwilling to act as a director:

Insert name of person to serve on board

Insert name of person to serve on board

Insert name of person to serve on board

- B. The following persons shall be appointed to the office or offices of the Corporation shown beside their respective names:

Title	Name	Term	Annual Salary
President	Norman O'neal, Jr.	Indefinite	\$0.00
Vice-President	Insert Name	Indefinite	\$0.00
Chief Financial Officer	Insert Name	Indefinite	\$0.00
Secretary	Insert Name	Indefinite	\$0.00

- C. The Corporation's bank shall be _____ or as may be chosen in the future by majority vote of the Stockholders.
- D. The Corporation shall not make capital expenditures in excess of \$1,000.00 (one thousand dollars) without the prior approval of the majority of the Stockholders.
- E. The Corporation shall not mortgage, charge, grant a security interest in or otherwise encumber the Corporation's assets, except for purchase money security interests incurred in the ordinary course of business, without the prior written approval of the majority of the Stockholders.

- F. The Corporation shall not sell, lease, exchange or dispose of any of the Corporation's assets that have an aggregate value in excess of \$500.00 (five hundred dollars) in any fiscal year, except for inventory that is disposed of in the ordinary course of business, without the prior approval of all of the Stockholders.
- G. The Corporation shall not purchase, redeem or acquire any Stock from any Stockholder except as provided in this Agreement and except in compliance with corporate solvency provisions and capital requirements of the Act.
- H. The Corporation shall not issue any Stock after the date of this Agreement unless the Stock is issued in accordance with this Agreement or with the prior written approval of all of the Stockholders.
- I. Stock shall not be issued for other than money consideration, without the prior written approval of the Stockholders. Money includes a debt owing by the Corporation or a debt secured by a guarantee given by the Corporation. Money does not include a promissory note or other promise to pay.
- J. Stockholders agree for a period of no less than 5 (five) years from the effective date of this Agreement to bind themselves to the following:
 - 1. Each Stockholder shall offer their fair share of work and dedication to the Corporation.
 - 2. Stockholder that wish to be released from this shareholder agreement before the due time must sell their shares at par value to the Corporation.

VIII. Capital Requirements of the Corporation

If more than one-half of the Stockholders (stockholders refers to their percentage of stock ownership) determine by written resolution that the Corporation requires additional funds to meet the Corporation's obligations to its creditors or to achieve the purpose for which the Corporation was incorporated, the Stockholders shall provide the Corporation with an interest-free stockholder loan (the "Loan") in an amount that is sufficient to enable the Corporation to meet such obligations or objectives, as the case may be. Each Stockholder shall contribute to the Loan on a pro rata basis. The Stockholders may exempt any Stockholder from contributing to the Loan, but if less than all of the Stockholders contribute to the Loan, the Stockholders who contribute to the Loan shall be entitled to interest at a reasonable commercial rate.

IX. Pre-Emptive Rights

- A. Subject to the limitations on pre-emptive rights in the Act, and subject to the Articles, any Stock issued by the Corporation shall be offered and issued in accordance with the following provisions:
 - 1. The Stock shall be offered first to the Stockholders of the class of Stock being issued (the "First Offer") on a pro rata basis.

2. Any Stock remaining after the First Offer shall be offered on an equal basis to the other Stockholders of that class (the "Second Offer") for not less than the subscription price specified in the First Offer and on terms not more favorable than those in the First Offer.
 3. Any Stock remaining after the Second Offer shall be offered on an equal basis to all Stockholders in the Corporation (the "Third Offer") for not less than the subscription price specified in the Second Offer and on terms not more favorable than those in the Second Offer.
 4. Any Stock remaining after the Third Offer may be offered to any person or persons (the "Final Offer") for not less than the subscription price specified in the Third Offer and on terms not more favorable than those in the Third Offer.
- B. The First Offer, the Second Offer, the Third Offer and the Final Offer (collectively and individually, the "Offer") shall be in writing and shall specify:
1. The subscription price at which the Stock is offered;
 2. The date by which the Offer must be accepted, which shall be not less than 10 (ten) Business Days from the date on which the Offer is made;
 3. The terms of the Offer;
 4. The closing date for the transaction, which shall be between 30 (thirty) and 90 (ninety) Business Days from the date on which the Offer is accepted or a date specified in writing.
- C. If the Offer is not accepted within the time period specified for accepting the Offer, the Offer shall be deemed to be declined.
- D. Stock shall not be issued unless:
1. The subscriber is a party to this Agreement; or
 2. The subscriber agrees to be bound by and to become a party to this Agreement and gives a written and legally binding undertaking to be bound by and become a party to this Agreement.

X. Restrictions on Transfer or other disposal of interest

Stockholders shall not agree to directly or indirectly sell, assign, transfer, give, pledge, hypothecate or otherwise dispose of or in any other way encumber any Stock or any interest in any Stock and shall not create any security interest in or grant any option with respect to any Stock or any interest in any Stock, except in accordance with the express provisions of this Agreement or except with the prior written approval of all of the Stockholders.

XI. Death or incapacity of a stockholder

If a Stockholder dies or becomes incapable (the "Incapacitated Stockholder") of performing duties that the Stockholder is required to perform as a director or officer or as otherwise imposed by this Agreement, by reason of sickness, injury, mental or physical incapacity ("Incapacity") and it appears as though the Incapacitated Stockholder will not recover so as to be able to perform those duties within 180 (one hundred eighty) days of the Incapacity, the other Stockholders may initiate a Buyout Offer all of the Incapacitated Stockholder's Stock by delivering notice within 180 (one hundred eighty) days of the Incapacity to the Incapacitated Stockholder or any guardian or trustee appointed to care for the Incapacitated Stockholder's financial affairs, or the Incapacitated Stockholder's estate, as appropriate in the circumstances ("Representative"). If there is more than one other Stockholder purchasing the Incapacitated Stockholder's Stock, each such Stockholder shall, subject to the prior written agreement of the other purchasing Stockholders, purchase on a pro rata basis the Incapacitated Stockholder's Stock. Each Stockholder may obtain insurance on the life of any other Stockholder in an amount not exceeding the estimated Fair Market Value of that Stockholder's Stock. The proceeds from any such life insurance shall be used for the sole purpose of purchasing a deceased Stockholder's Stock.

- A. The Buyout Offer shall be in writing and shall specify:
 - 1. The price at which the Stock shall be sold to Stockholders;
 - 2. The date by which time the Incapacitated Stockholder or Representative must respond, which shall be not less than 10 (ten) Business Days from the date on which the Buyout Offer is made;
 - 3. The terms of the Buyout Offer; and
 - 4. The closing date for the sale of the Stock, which shall be between 30 (thirty) and 90 (ninety) Business Days from the date on which the Buyout Offer is accepted.
- B. The response to the Buyout Offer shall be limited to:
 - 1. Either an acceptance to the Buyout Offer or;
 - 2. A counter to the Buyout Offer subject to the provisions of Article XII of this Agreement Counter Offer.
- C. If the Incapacitated Stockholder or Representative fails to respond to the Buyout Offer in writing within said deadline as set within the Buyout Offer, it shall be deemed as having accepted the Buyout Offer.

XII. Mediation

- A. Any dispute arising among two or more of the Stockholders that cannot be resolved by discussion within a time period of 30 (thirty) Business Days shall be resolved by non-

binding mediation by a mutually selected individual to serve as mediator. The intent of this provision is that both parties rely on an individual of like faith and belief.

- B. The mediator does not have to be state certified and does not have to officially recognize applicable legislation.
- C. Mediation may be commenced by any of the Stockholders by the delivery of written notice to all other Stockholders.
- D. The notice shall specify the dispute to be mediated and the issues of fact and law to be determined (the "Notice of Dispute").
- E. The mediator shall be at arm's-length from every Party to this Agreement and shall not have any interest in the dispute.
- F. The mediator shall determine the procedure for hearing the dispute and may give written reasons for material findings of fact and a written decision.
- G. The determination of the mediator shall be binding upon the parties concerned.
- H. The mediator shall determine the liability among the parties to the dispute for the cost of the mediation and the payment of the mediator.

XIII. Right of First Refusal

- A. Stockholders are prohibited from selling, transferring or otherwise disposing of their Stock or any interest in their Stock unless:
 - 1. The Stock is first offered to the corporation at a price per share subject to Article XIV and then to the Stockholders of the class of Stock, if the corporation refuses to purchase ("Offer One");
 - 2. The remaining Stock is then offered to the Stockholders of the class of Stock, if the Stockholders of the class of Stock refuse to purchase, on a pro rata basis ("Offer Two") for not less than the price specified in Offer One and on terms not more favorable than those in Offer One; and
 - 3. Stock remaining after Offer Two is offered to all other Stockholders on an equal basis ("Offer Three") for not less than the price specified in Offer Two and on terms not more favorable than those in Offer Two.
 - 4. Stock remaining after Offer Three may be offered to any person or entity (the "Third Party Offer") for a period of 180 (one hundred eighty) days from the date on which Offer Three was made for not less than the price specified in Offer Three and on terms not more favorable than those in Offer Three.
- B. Offer One, Offer Two, Offer Three and the Third-Party Offer (collectively and individually the "Offer") shall be in writing and shall specify:
 - 1. The price at which the Stock is offered;

2. The date by which time the Offer must be accepted, which shall be not less than 10 (ten) Business Days from the date on which the Offer is made;
 3. The terms of the Offer; and
 4. The closing date for the sale of the Stock, which shall be between 30 (thirty) and 90 (ninety) Business Days from the date on which the Offer is accepted.
- E. Any Offer not accepted within the time period specified for accepting the Offer shall be deemed to be declined.

XIV. Valuation

A. The par value of the stock shall be **\$.001**.

B. "Simple Calculated Value of the Stock"

1. For the purpose of determining the Simple Calculated Value the following definitions apply:
 - a. "NI" means the Net income of the Corporation for the most recent 365 (three hundred sixty-five) day period.
 - b. "TN" means the Total Number of Issued or Outstanding Class A Stock.
3. The Simple Calculated Value shall be determined using the following equation:

$$NI * 3 / TN$$

4. Use of the Simple Calculated Value requires written approval by all Stockholders.

C. The "**Fair Market Value of the Stock**" shall be determined as follows:

1. The Stockholder or Stockholders desiring the valuation shall give written notice to all other Stockholders that a valuation is required (the "Valuation Notice").
2. The Valuation Notice shall specify the reason for the valuation and shall name 3 firms or persons that specialize in and have substantial experience in business valuation that are at arm's-length from all Parties (the "Potential Valuators").
3. The Stockholders receiving the Valuation Notice shall select one of the Potential Valuators to act as the valuator (the "Valuator").
4. The Valuator shall value the Stock in accordance with generally accepted accounting principles in the jurisdiction in which the Corporation is incorporated or continued.
5. The Stockholders shall share the cost of valuating the Stock, and each Stockholder shall pay an equal amount of the cost of valuation.

XV. Dividends

Subject to corporate law solvency requirements and to the extent permitted by law and after payment of any stockholder loans and after establishing sufficient reserves for the normal operation of the Corporation's business activities and debt serving requirements, up to 100% (one hundred percent) of the Corporation's profits may be distributed by way of dividend. Dividends shall be distributed determined by majority vote of the board of directors.

XVI. Conflict of Opportunities and non-Competition

- A. Each Stockholder agrees any business opportunity that comes to the attention of the Stockholder while the Stockholder is a Stockholder, director, officer or employee of the Corporation and that is similar to or that relates to the current or anticipated business opportunities of the Corporation or that arises out the Stockholder's connection with the Corporation, belongs to the Corporation.
- B. Each Stockholder agrees that while a Stockholder, director, officer or employee of the Corporation and for a period of 10 (ten) years after ceasing to be a Stockholder, director, officer or employee of the Corporation, the Stockholder shall not, solely or jointly with others:
 - 1. Undertake, plan, organize or be involved in any way with any business or any business activity that competes with the current or anticipated business of the Corporation in the geographic area in which the Corporation carries on its usual business;
 - 2. Be directly or indirectly involved with a business that is in direct competition with the business of the Corporation in the geographic area in which the Corporation carries on its usual business; or
 - 3. Divert or attempt to divert from the Corporation any business the Corporation enjoyed, solicited, or attempted to solicit from its customers, prior to the Stockholder ceasing to be a Stockholder.
- C. Each Stockholder agrees that for so long as the Stockholder is a Stockholder, director, officer or employee of the Corporation, the Stockholder shall not engage or participate in any other business activities that conflict with the best interests of the Corporation.

XVII. Non-Solicitation

Each Stockholder agrees that while a Stockholder, director, officer or employee of the Corporation and for a period of 10 (ten) years after ceasing to be a Stockholder, director, officer or employee of the Corporation, the Stockholder shall not in any way, directly or indirectly, induce any Stockholder, director, officer or employee of the Corporation to leave their position with the Corporation or to compete in any way with the Corporation and shall not interfere with the Corporation's relationship with its other Stockholders,

directors, officers or employees. Such enticement or interference would be harmful and damaging to the Stockholders and to the Corporation.

XVIII. Notice of this agreement on stock

Stock certificates shall have subscribed on them the following notice or a notice that is substantially similar to the following notice:

*The Stock represented by this certificate are subject to the provisions of a Stockholder Agreement, made on **insert date here**, which restricts the right to sell, transfer or encumber any stock in the Corporation, including the stock represented by this certificate. Notice of the said agreement is hereby given. A copy of the said agreement may be obtained by sending a written request to the Board of Directors for the Corporation.*

XIX. Effective date and term

- A. This Agreement shall come into effect on the date of its execution.
- B. This Agreement shall remain in effect until the earliest of
 1. The date specified in a written agreement, signed by all of the Stockholders, terminating this Agreement;
 2. The date on which there is only one Stockholder in the Corporation; or
 3. The bankruptcy, winding-up or dissolution of the Corporation.

But in any event, this Agreement shall not last longer than 10 (ten) years unless the Stockholders renew it.

XX. Address for Notice

Service of all notices under this Agreement shall be sufficient if delivered personally or mailed certified, return receipt requested, postage prepaid, to the following addresses:

Remnant of Grace Outreach Ministries, Inc., 13021, Main Street, Williston, South Carolina.

Any Stockholder may, on written notice to all other Stockholders and the Corporation, change the Stockholder's address for notice under this Agreement. If the Corporation's registered address changes, the Corporation may, on written notice to all Stockholders, change its address for notice under this Agreement.

XXI. Severability

- A. If there is a conflict between any provision of this Agreement and its governing legislation (the "Legislation"), the Legislation shall prevail and this Agreement shall be amended in order to comply with the Legislation. Further, any provisions required by the Legislation are incorporated into this Agreement.

- B. If there is a conflict between any provision of this Agreement and any form of Agreement prescribed by the Legislation, that prescribed form shall prevail and such provisions of the Agreement shall be amended or deleted as necessary in order to comply with that prescribed form. Further, any provisions that are required by that prescribed form are incorporated into this Agreement.
- C. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions shall nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts had not been included in this Agreement and the remaining provisions had been executed by the Parties subsequent to the expungement of the invalid provision.

XXII. General Provisions

- A. This Agreement shall not be amended or modified except by the written agreement of the all Stockholders, and all Stockholders, without the consent of the Corporation, may modify, amend or rescind this Agreement.
- B. This Agreement constitutes the entire agreement between the Parties and supersedes any previous agreement or representation with respect to the matters set forth in this Agreement, and there are no conditions, warranties, representations, agreements, express or implied, relating to such matters.
- C. This Agreement shall be construed in accordance with and governed by the laws of the State of **South Carolina**.
- D. Headings are inserted for the convenience of the Parties and for the purpose of interpreting this Agreement. Words in the singular mean and include the plural and vice versa.
- E. This Agreement shall inure to the benefit of and be binding upon the respective heirs, executors, administrators, successors and assigns, as the case may be, of the Parties.
- F. This Agreement may be executed in counterparts.
- G. Time is of the essence in this Agreement.
- H. The Parties shall do all acts and things and execute all documents that are reasonably necessary or advantageous to enforce this Agreement according to its tenor and intent and each Party shall bear that Party's own expenses in connection with the same.
- I. All dollar amounts in this Agreement refer to U.S. dollars, and all payments required to be paid under this Agreement shall be paid in U.S. dollars unless the Parties agree otherwise.
- J. No Party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performance if such delay or default is caused by conditions beyond that Party's control including, but not limited to acts of God or government

restrictions, wars, insurrections, natural disasters, such as earthquakes, hurricanes or floods and/or any other cause beyond the reasonable control of the Party whose performance is affected.

- K. This Agreement shall require that **Commonwealth Builders, Inc.**, agrees to prohibit itself from engaging in activities which violate **Commonwealth Builders, Inc.'s** written doctrines. **Remnant of Grace Outreach Ministries, Inc.** further agrees to prohibit itself from condoning, promoting or allowing any of its assets to be used for activities that violate **Remnant of Grace Outreach Ministries, Inc.'s** written doctrines.

IN WITNESS WHEREOF the Parties have executed this Agreement on this _____ day of _____, 20_____.

President, Remnant of Grace Outreach Ministries, Inc.

Secretary, Remnant of Grace Outreach Ministries, Inc.

President, Commonwealth Builders, Inc.

Remnant of Grace Outreach Ministries, Inc.

11681, Main Street, Williston, South Carolina, 29853

remnantofgraceoutreachministries.com

Stock Certificate



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Corp.doc2.doc

Par Value Explanation



What if Your
Ministry Had Additic