

Bylaws of Mocks Church

A North Carolina Nonprofit Corporation

ARTICLE 1: PURPOSE

Section 1

Mocks Church is a nonprofit corporation organized exclusively for religious purposes. The purposes for which Mocks Church is formed include, but are not limited to:

- a) To promote the worship of the Holy Trinity, to preach the pure 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 included 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 purposed; and
 - 3) Establishing new programs of outreach and ministry, and the strengthening and partnering with existing programs and organization 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.

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 Mocks Church. No part of the net earnings of Mocks Church shall ever inure to or for the benefit of or be distributable to its members, Board members, officers, or other private persons, except that Mocks 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, Mocks 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 1986 (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 1986 (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 Board shall determine, only to an organization or organizations created and operated for nonprofit purposes similar to those of the corporation, and with the intent of Section 501 (c) (3) of the Internal Revenue Code of 1986 (or the corresponding provision of the 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 to such organization as said Court shall determine are organized and operated exclusively for such purposes.

Section 3

Statement on Biblical Authority, Statement of Faith, & Statement of Moral Principles:

These statements shall be identical to those adopted by Mocks Church in its Articles of Religion.

Article II: Governing Body – Administrative Board

Section 1

Purpose: The administrative Board is charged with the spiritual oversight of the congregation along with the Pastoral Staff. The Administrative Board shall be persons of sound moral character and accountability. It works with and governs all committees (Finance, Staff Parish Relations Team (SPRT), and Trustees) to provide strategic conversation, planning, effective communication, and updates between committees. They work together to cast vision and make necessary strategic decision 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 Board (herein after the "Board"), consisting of the Pastor and not less than three (3) Board members and no more than eighteen (18) Board members. No pastor or staff member shall have a vote on the Administrative Board. The Administrative Board will appoint a nominating committee to fill the Administrative Board. The members of the Administrative Board shall be nominated by the nominating committee and voted and approved by majority vote of the Administrative Board.

Administrative Board members shall consist of the Pastor, Chair of Administrative Board, Administrative Board Secretary, the Finance Chair, the SPRT Chair, the Trustees Chair, Lay

Leader(s), Youth, Children, Missions, Treasurer, Membership, Nurture Representative, Mocks Men Representative, Mocks Women Representative, and not more than three (3) at large Board Members. After the initial Board, Board members shall be elected by the current Board at its annual meeting each year, as terms expire. Committee chairpersons shall be members of the Administrative Board 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 Board. Each Board member shall serve a term of three (3) years. Members may be elected for a second consecutive term.

The Board 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 Board members of the Administrative Board shall affirm their acceptance of the purpose, principles, and mission statement of Mocks Church.

Committees: The Administrative Board may designate or form any committee and appoint members/chairperson of said committees as considered by the Administrative Board to be in the best interest of the church.

Section 3

Vacancies: Vacancies on the Administrative 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: Any member of the Administrative Board may be removed from office, with or without cause, by a two-thirds (2/3) vote of the Board at a regular or special meeting of the Administrative Board.

Section 5

Regular Meetings: The Board shall hold regular meetings of which time and place shall be determined by the Board. The order of business at each meeting of the board/corporation, unless otherwise amended by affirmative, and 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 Board
- c) Minutes of last meeting
- d) Financial reports & other committee reports
- e) Old Business
- f) New Business,
- g) Adjournment

Section 6

Annual Meeting: The Board shall hold its annual meeting in the month of January each calendar year, with two (2) weeks (2 consecutive Sundays) prior notice to be given to the Board Members by the Secretary, and at such time and place may be determined by the

Administrative Board. At this time, new members of the Board shall be voted on and installed.

Section 7

Special Meetings: Special meetings of the Administrative Board may be called at the discretion of the Pastor, Chairperson, or no less than three (3) Board members.

Section 8

Quorum: At all meetings of the Administrative Board, the presence of a majority of Board members shall constitute a quorum for the conduct of business, and the acts of majority of Board members present at such meetings shall be the acts of the entire Board, except where a larger number is required by law, the Articles of Incorporation, or by these Bylaws.

Articles III: Finance Committee

Section 1

Purpose and Authority: The Pastor and Treasurer shall work with the Finance committee to develop an annual budget and provide the necessary oversight and accountability to carry out the budget. The Finance committee will arrange for and ensure a Financial and Accounting Audit of the Church's accounting books and records will be at the discretion of the administrative board by an independent third party specializing in financial and accounting audits. Additionally, the Finance committee shall lead the way in helping the church engage its congregation in financial stewardship. The Finance committee shall report to the Administrative Boards.

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

The Finance committee reports to the Administrative Board and shall consist of not less than three (3) members and no more than ten (10) members. Finance committee members will consist of the Lay Leader, Pastor, Treasurer, Trustees chair, Outreach Team Representative, Administrative Board chair, SPRT chair, Finance chair, Financial secretary, and Nurture representative.

- a) The members of the Finance committee shall be nominated by the Administrative Board and voted and approved by majority vote of the Administrative Board. The Administrative Board may create/approve a nominating committee to fulfill these positions.
- b) 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 committee members shall be elected by the Administrative Board at its annual meeting each year, as terms expire. Committee chairpersons shall be members of the Administrative Board. 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.
- c) 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 Mocks Church.

- d) Any member of the Finance committee may be removed from office, with or without cause, by a two-thirds (2/3) vote of the committee at a regular or special meeting of the Finance committee or Administrative Board.

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 two-thirds (2/3) vote of the Finance committee or the Administrative board.

Section 5

Regular Meetings: The Finance committee shall have meetings 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 Pastor, Treasurer, 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 Bylaws.

Article IV: Staff Parish Relations Team

Section 1

Purpose and Authority: The Pastor works with the Staff Parish Relations Team (herein referred to as SPRT), to fulfill legal, ethical, and practical responsibilities related to staff. The SPRT shall report to the Administrative Board.

Section 2: Number, nomination, election, and Term of Office

- a) The SPRT shall report to the Administrative Board and shall consist of not less than three (3) members and no more than nine (9) members. In addition to these members, SPRT members will consist of the Lay Leader, Pastor, and Administrative chair.
- b) The members of the SPRT shall be nominated by the nominating committee and voted and approved by the majority vote of the Administrative Board. The Administrative Board may create/approve a nominating committee to fulfill these positions.
- c) SPRT members serve as follows: Three shall serve for there (3) years, three shall serve for two (2) years, and three shall serve for one (1) year. Thereafter, SPRT members shall

be elected by the Administrative Board at its annual meeting each year, as terms expire. Committee chairpersons shall be member of the Administrative Board. Each committee member shall serve a term of there (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 SPRT shall affirm their acceptance of the purpose, principles, and mission statement of Mocks Church.
- e) Any member of the SPRT may be removed from office, with or without cause, by a two-thirds (2/3) vote of the committee at a regular or special meeting of the SPRT or Administrative Board.

Section 3

Vacancies: Vacancies of the SPRT shall be filled for the remainder of the unexpired term by majority vote of the remaining SPRT members at their next official meeting which fulfills the requirements for quorum.

Section 4

Removal from Office: Removal of a member of the SPRT committee shall require two-thirds (2/3) vote of the SPRT or the Administrative Board.

Section 5

Regular Meetings: The SPRT shall have meetings of which time and place shall be determined by the committee.

Section 6

Special Meetings: Special meetings of the SPRT may be called at the discretion of the Pastor, Chairperson, or no less than three (3) committee members.

Section 7

Quorum: At all meetings of the SPRT, 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 Bylaws.

Article V: Board of Trustees

Section 1

Purpose and Authority: The Pastor, Treasurer, Chair of Board of Trustees, will work with the Board of Trustees to fulfill all physical plant responsibilities, including the development of an annual capital budget. The Trustees shall report to the Administrative Board.

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

- a) The Trustees shall report to the Administrative Board 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), Pastor, Treasurer, all of whom have voice but no vote.

- b) The members of the Trustees shall be nominated by the nominating committee and voted and approved by the majority vote of the Administrative Board.
- c) Trustee members serve as follows: Three shall serve for there (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 Board at its annual meeting each year, as terms expire. Committee chairpersons shall be member of the Administrative Board. Each committee member shall serve a term of there (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 Mocks Church.
- e) Any member of the Trustees may be removed from office, with or without cause, by a two-thirds (2/3) vote of the committee at a regular or special meeting of the SPRT or Administrative Board.

Section 3

Vacancies: Vacancies on the Trustees shall be filled for the remainder of the unexpired term by majority vote of the remaining Trustee committee 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 (2/3) vote of the Trustees or the Administrative Board.

Section 5

Regular Meetings: The Trustees shall have meetings 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 Pastor, Chairperson, or no less than three (3) committee members.

Section 7

Quorum: At all meetings of the Trustees, 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 Bylaws.

Article VI: Officers

Section 1

Election and Term of Office: The Administrative Board shall appoint in January each year, a Chairperson, Vice-chairperson, and Secretary. Term of office for all officers shall be three (3) years, commencing January 1st and concluding December 31st each year.

Section 2

Duties of the Chairperson:

- a) Conduct the annual meeting of the Administrative Board
- b) Appoint committees with the approval of the Administrative Board

Section 3

Duties of the Vice-Chairperson:

- a) Perform all duties usually performed by the Chairperson during the absence or disability of the Chairperson
- b) Perform any other duties as may be required by these Bylaws or the Administrative Board.

Section 4

Duties of the Secretary:

- a) Perform all duties usually performed by the Vice-Chairperson during the absence or disability of the Vice-Chairperson
- b) Be responsible for all correspondence except as otherwise prescribed by the Administrative Board
- c) Perform any other duties and functions customarily pertaining to this office or as prescribed by the Administrative Board
- d) Keep a record of Board meeting minutes

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 to allow donors to deduct donation from their taxable income
- c) The Treasurer may be appointed by the Administrative Board. The Treasurer may be a non-member.

Section 6

Designation of Corporate Officers: The Administrative Board shall serve as corporate officers of Mocks Church.

Section 7

Only church members may serve as an Administrative or Corporate officer of Mocks Church.

Article VII: Indemnification of Employees, Officers, Administrative Board 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, Administrative Board or Committee Member 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 judgement, fines, or penalties; and amounts paid in settlement by or on behalf of an Employee, Officer, Administrative Board 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, Administrative Board or Committee Member is or was serving, at the request of the Corporation, as a Board 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 the Corporation of 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, Administrative Board or Committee Member may become involved, as a party or otherwise (i) by reason of being or having been an Employee, Officer, Administrative Board or Committee Member of the Corporation (and, if applicable, an employee or agent of the Corporation) or a Board 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, Administrative Board 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, Administrative Board or Committee Member is made a party to or threatened to be made a party to any Proceeding, the Corporation shall indemnify the Employee, Officer, Administrative Board or Committee Member against Liabilities and Expense incurred by him or her in connection with such Proceeding in the following circumstances:

- a) If an Employee, Officer, Administrative Board 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 Expense as a matter of right.
- b) In all other situations, an Employee, Officer, Administrative Board or Committee Member shall be entitled to indemnification for Liabilities and Expenses as a matter of right unless, with respect to any action or failure to act by the Board Member or Officer that is at issue in such Proceeding, such action or failure to act constituted willful misconduct or recklessness. To be entitled to indemnification pursuant to this Section, the Board Member or Officer must notify the Corporation of the commencement of the proceeding in accordance with Section 5 of this Article and request for indemnification. A review of the request for indemnification and the facts and circumstances underlying the Proceeding shall be made pursuant to one of the following procedures:

- 1) By the board, by a majority vote from among the Members who are not parties to, or who have been wholly successful with respect to, such Proceeding;
 - 2) If such quorum cannot be obtained under Section 2 (b)(1) above, by a majority vote of a committee duly designed by the Chairperson (in the designation of which, Board Members who are not 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 Board Members who are not parties to, or who have been wholly successful with respect to, such Proceeding.
 - 4) Any determination made in accordance with the above procedures shall be binding on the Corporation.
- c) If several claims, issues, or matters of action are involved, an Employee, Officer, Administrative Board or Committee Member 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, Administrative or Committee Member in connection with any Proceeding shall be paid by the Corporation in advance, with the understand and agreement between such Board Member or Officer and the Corporation that, in the event it shall ultimately be determined as provided herein that the Board Member or Officer was not entitled to be indemnified or was not entitled to be fully indemnified, the Board Member or officer shall repay to the Corporation such amount, or the appropriate portion thereof, so paid or advanced.

Section 4

Exception to Indemnification: Notwithstanding any other provisions of this Article to the contrary, the Corporation shall not indemnify an Employee, Officer, Director, Board or Committee Member for any Liabilities and Expenses for which payment is actually made to or on behalf of an Employee, Officer, Administrative Board or Committee Member under an insurance policy, except in respect to any excess beyond the amount of payment under such insurance policy.

Section 5

Notification and Defense of Proceeding: Promptly after receipt by an Employee, Officer, Administrative Board or Committee Member of notice of the commencement of any Proceeding, the Board Member or Officer will, if a request for indemnification in respect thereof is to be made against the Corporation under this Section, notify the Corporation of the commencement thereof; but the failure to so notify the Corporation will not relieve it from obligation that it may have to the Board Member or Officer under this Section or otherwise. With respect to any such Proceeding as to which the Board Member or Officer notifies the Corporation of the Commencement thereof:

- a) The Corporation will be entitled to 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 Board Member or Officer. After notice from the Corporation to the Board Member or Officer of its election to assume the defense of the Board Member or Officer in the Proceeding, the Corporation will not be liable to the Board Member or Officer under this Section for any legal or other expenses subsequently incurred by the Board Member or Officer in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. The Board Member or Officer shall have the right to employ counsel in such Proceeding, but the expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of the Board Member or Officer unless:
 - 1) The employment of counsel by the Board Member or Officer has been authorized by the Corporation;
 - 2) The Board Member or Officer shall have reasonably concluded that there may be a conflict of interest between the Corporation and the Board Member or Officer in the conduct of the defense of such Proceeding; or
 - 3) The Corporation 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 Administrative Board Member or Officer shall be paid by the Corporation. The Corporation 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 Board Member or Officer 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, Administrative Board or Committee Member under this Article for any amounts paid in settlement of any Proceeding without the Corporation's prior written consent. The Corporation shall not settle any action or claim in any manner that would impose any penalty or limitation on an Employee, Officer, Administrative Board or Committee Member without the Employee, Officer, Administrative Board or Committee Member or Officer's prior written consent. Neither the Corporation nor an Employee, Officer, Administrative Board 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 are not exhaustive and shall be in addition to any rights to which an Employee, Officer, Administrative Board or Committee Member may otherwise be entitled by contract or as a matter of law. Irrespective of the provisions of this Article, the Corporation may, at any time and from time to time, indemnify Board Members, Officers, Employees, and other persons to the full extent permitted by law, whether with regard to past or future matters.

Section 7

Continuation of Indemnity: All obligation of the Corporation under this Section shall survive the termination of a Board Member's or Officer's service in any capacity covered by this Article.

Section 8

Insurance: The Corporation may purchase and maintain insurance on behalf of any Board Member, Officer, or other person or any person who is or was serving at the request of the Corporation as a Board Member, Officer, Employee, or Agent of an Other Enterprise against liability asserted against such person and incurred by such person in any capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of applicable statutes, this Article, or otherwise.

Section 9

Benefit: The provisions of the Article shall inure to the benefit of each Board Member, 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 the Article 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, but this Article shall be construed as if such invalid, illegal, or unenforceable provision or provisions had never been contained herein.

Article VIII: Conflict of Interest

Section 1

Purpose: The purpose of the Conflict of Interest policy is to protect this tax-exempt organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of any Employee, Officer, Administrative Board or Committee member of Mocks 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, Officer, Administrative Board member or Committee member with governing Board delegated powers, who has a direct or indirect financial interest, as defined below is an interested person.

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

- 1) An ownership or investment interest in any entity with which the 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 Board or Committee decides that a conflict of interest exists.

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 interest and be given the opportunity to disclose all material facts to the Board Members and considering the proposed transaction or arrangement.
- b) **Determining Whether a Conflict of Interest Exists:** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board Members shall decide if a conflict of interest exists.
- c) **Procedures for Addressing the Conflict of Interest:**
 - 1) An interested person may make a presentation at the Board meeting, but after the presentation, he/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 Board 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 Board shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - 4) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict or interest, the Administrative Board shall determine by a majority vote of the disinterested Board 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 into the transaction or arrangement.
- d) **Violations of the Conflicts of Interest Policy**
 - 1) If the Administrative Board 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 Board 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 Board 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 Board 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 Board 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 Employee, Officer, Administrative Board or Committee member with governing Board 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 in order 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 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 good 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 Board of its responsibility for ensuring periodic reviews are conducted.

Article IX: Pastoral Matters

Section 1

Pastoral Recruitment and Confirmation: In the event a pastor shall resign or be removed, the SPRT shall recruit and present a candidate for the role of pastor. Only one candidate will be considered at a time. This process shall be spiritually directed and accomplished as timely as possible. The SPRT may appoint a pulpit committee to assist with the selection process.

Section 2

Presentation and Approval: Upon recommendation of the SPRT, the pastoral candidate shall preach at least one regular scheduled church service. The pastoral candidate will be presented to the Administrative Board for its approval. The pastor is to be approved by the Administrative Board by a two-thirds (2/3) vote. After Administrative Board approval, the candidate will be announced to the congregation, after which the candidate will be voted upon by the church members. Notice from the pulpit must be given two (2) consecutive Sundays prior to the candidate's preaching service(s); and two (2) consecutive Sundays prior to the church members' vote. The vote shall be taken by written, secret ballot. Members must be present to vote; the candidate cannot be present. The candidate must be approved by two-thirds (2/3) vote of members present.

Section 3

Resignation: In the event the Pastor should voluntarily choose to leave, his/her successor shall be chosen according to this Article. When an associate or assistant pastor resigns, the Pastor shall make the recommendation for the successor to the SPRT, which will then follow the provision of the Article.

Section 4

Removal: In the event a pastor shall have serious charges brought against him/her, or his/her ministry has ceased to be effective, the matter shall be brought to the SPRT and the Administrative Board. In the event the matter cannot be resolved, power is then vested in the Administrative Board to come together with the pastor to consider his/her removal. After prayerful consideration, the Administrative Board may remove the pastor by a two-thirds (2/3) vote.

Article X: Church Membership

Section 1

Membership: Previously members of Mocks UMC, are now members of Mocks Church.

- a) Members of the church shall be comprised of those parishioners who have accepted Christ as their Savior, are in accord with the Articles of Religion of Mocks Church, and have taken the vow of membership. No corporate rights or privileges are afforded to the member of the church. The membership shall be non-voting.
- b) Those seeking membership, must attend a pre-membership meeting with the pastor in which they will review the church's statement of faith, bylaws, general practices and policies, and expectations of members.
- c) Membership will be granted upon the recommendation of the pastor and a majority vote of the Administrative board, and upon compliance with any of the following conditions:
 - 1) By baptism at this local church following a profession of faith as a believer in Christ Jesus as personal Savior;
 - 2) By letter of transfer from another bible-believing church of like faith and practice, or other written statement of good standing from the prior church if the applicant has been baptized subsequent to a profession of faith, or
 - 3) By testimony of faith, having been baptized in another Bible-believing church of like faith and practice.

Section 2

Member Responsibility and Duties: Members of Mocks Church shall have the responsibility and vow to support the church through their prayers, presence, gifts, service, and witness.

- a) Only members of at least eighteen (18) years of age who are physically present at a duly called meeting of the church shall be entitled to vote. There shall be no proxy or absentee voting. The eligible membership of the church may only exercise voting privileges in those areas that are defined and limited by these bylaws. Members may not vote to initiate any church action; rather the vote of a member is to confirm and ratify the direction of the church as determined by the pastor and the Administrative board.

Section 3

Removal of Members: A member may be removed from membership by a two-thirds (2/3) vote of the Administrative Board with or without notice.

- a) **Qualifications for removal:** Not attending church worship/functions nor supporting the church with tithes and gifts.
- b) **Reinstatement:** Membership may be reinstated by attending church worship and functions and showing good faith by supporting with tithes and gifts.
- c) Church discipline issues should not be shared with the entire membership and only inform the entire membership of what they absolutely need to know.

Article XI: The Ownership of Property

Section 1

The ownership of all real and personal property, moveable, or immovable, now owned or hereafter by Mocks Church shall be held by the Church in its corporate name. The term "ownership," within this Article, contemplates both legal and beneficial interest in the land and does not concede a trust in favor of any party. The Administrative Board shall have the supervision, oversight, and care of all property. No other entity, denomination, or affiliated

party that the Church may later join shall have any ownership interest in the Church Property.

Article XII: Dissolution

Section 1

Dissolution: The corporation shall be dissolved (1) through the authorization by a vote of two-thirds (2/3) of the Administrative or Board Members of the corporation voting at a meeting of the Administrative Board to consider dissolution; or (ii) upon an order of judicial dissolution. Upon dissolution of the corporation by the Administrative Board, the Board, after paying or making provisions for payment of all the liabilities of the church, shall settle the corporation's affairs in accordance with North Carolina Nonprofit Corporations Act. In the event Mocks Church shall cease, terminate, discontinue doing business, or abandon its principal function for any and all reasons, the assets and property of the Corporation 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 Mocks Church.

Section 2

Prohibited Dissolution: No part of the net earnings of Mocks Church shall inure to the benefit of, or be distributable to, its members, officers, Board members, or any person except that the corporation 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 Bylaws of the corporation, the corporation 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).

Nondiscrimination Policy: The church shall not discriminate against members, applicants for membership, students, or others on the basis of race, color, nationality, or ethnic origin; however, as an religious institution, it reserves the right to deny or terminate employment or to deny or terminate any other status of persons whose lifestyle, words, actions, or otherwise do not align with the church's Articles of Religion, standard of conduct or other policies of the church. This policy statement is not intended to waive the ministerial exception or any other exception or exemption to federal, state, or local antidiscrimination laws or regulations.

Article XIII: Church Business Meetings & Administrative Board Meetings

Section 1

Annual Church Business Meeting:

- a) The annual church business meeting, for the election of officers and the transaction of other business, shall be held in January of each year. A quorum shall consist of the eligible members present. Public notice of the meeting shall be given from the pulpit for two (2) successive Sundays immediately preceding the meeting.
- b) The Administrative Board shall serve as moderator for church business meeting. Administrative Board chair or his/her designer shall serve as moderator.
- c) The moderator shall determine the rules or procedure according to his/her sense of fairness and common sense, giving all members a reasonable opportunity to be heard on a matter. The moderator is the final authority on questions of procedure, and his decision is final and controlling.
- d) Church business meetings, including the annual church business meeting and special meetings, may be held by electronic video means for the transaction of any business normally conducted during in-person church business meetings. A quorum shall be all eligible voting members attending the virtual meeting, and voting shall be conducted by any means deemed acceptable by the Administrative board. Notice of business meetings and other notice required by these bylaws shall be provided by email, the church website, social media site, text message, and/or methods deemed by the Administrative board to be most likely to reach church members at least two (2) weeks before the meeting. Such notice satisfies "notice from the pulpit" when that method of notice is otherwise required by these bylaws. Attendance at the meeting without protest shall be deemed waiver of notice.
- e) The fiscal year of Mocks Church shall begin January and end in December.

Church Special Business Meetings: The Administrative board may call a special church business meeting by giving notice from the pulpit of such meeting and purpose for which it is called at least one (1) Sunday prior to said meeting.

Voting: Voting at any church business meeting is limited to eligible members in good standing with the church who are physically present at the meeting; an exception to this in-person vote requirement exists if the church is meeting electronically as permitted by this Article, Section 1d, of these bylaws. Absentee voting is not permitted, and any member who is undergoing church discipline at the time of a vote is not permitted to vote. A majority vote of those attending the meeting, whether in person or electronically, will constitute the requisite number of votes for passage of amendments and motions, whether by the Administrative board voting at a board meeting or by the members voting in a church business meeting.

Motions: Members who desire that a certain motion be made or subject matter be discussed during an annual, regular, or special business meeting must file a written recommendation with the church's Administrative board. Any Committee chairperson may present a motion for consideration at a board meeting without written notice. All other motions will be presented to the chairman of the Administrative board. No non-board member may make a motion from the floor.

Article XIV: Binding Christian Arbitration

Section 1

Submission to Arbitration: Members of the church must agree to submit to binding Christian arbitration any legal matters within the church that cannot otherwise be resolved, and expressly waive any and all rights in law and equity to bring any civil disagreement before a court of law, except that judgement upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

Arbitration Procedures: The procedures for arbitration shall be as adopted by the Administrative Board. If the Administrative Board has not adopted procedures, the church will use arbitration procedures provided by the National Center for Life and Liberty. This arbitration provision is ecclesiastical and faith-based in nature and is intended to operate under the rules and guidelines of this local church. It is not intended to operate under any state or federal guidelines for arbitration.

Article XV: Miscellaneous

Section 1

Records: The Church is responsible to maintain the following accurate and contemporaneous records and reports:

- a) Financial Records of the Church
- b) Minutes of the proceeding of the meetings of the Administrative Board, meetings related to corporate ecclesiastical governance, and church member meetings as related to corporate of ecclesiastical governance
- c) Church membership records
- d) Charitable contributions.

Section 2

Inurement: No part of the net earnings of the Church shall inure to the benefit of, or be distributable to its officers, Board 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 Church's mission. Notwithstanding any other provisions of the Articles of Incorporation or these Bylaws, the Church shall not carry on any activity not permitted to be carried on (a) by a Church exempt from the 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 Church, contributions of which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended (or corresponding section of any future United States Revenue Law).

Section 3

Fiscal Year: The fiscal year of the Church shall be the calendar year.

Section 4

Legal Provision: The organization and function of the Church is under the authority of the Bylaws as outlined subject to the laws of the state of North Carolina and any applicable federal laws.

Section 5

Severability: Each provision of these Bylaws is intended to be severable. If any term or provision hereof is determined by a Court of competent jurisdiction to be invalid or illegal for any reason whatsoever, such invalid or illegal term or provision shall not affect the validity or legality of the remainder of the other section and or provision of these Bylaws.

Section 6

Controlling Law: These Bylaws are adopted in conformance to the laws of the state of North Carolina in a Specially Called Meeting of the members of the church by a two-thirds (2/3) majority of those members voting. Including any rights, remedies or obligations provided for hereunder, these Bylaws shall be construed and enforced in accordance with the laws of the state of North Carolina without regard to principles of conflicts of law that would result in application of the laws of another state.

Article XVI: Amendment

Section 1

Subject to the provision of North Carolina law, these Bylaws, or any provision of them, may be presented to be altered, amended, or repealed, or new Bylaws adopted by the Administrative Board providing that said revision or amendment is announced from the pulpit for at least two (2) consecutive Sundays, and at least fourteen (14) days before the vote is taken. Proposed amendments or changes must be made available to voting members for review at least one (1) week prior to the meeting at which the vote to amend the bylaws will be taken. Acceptance of the recommendation for adoption will require an affirmative vote of two-thirds (2/3) of the Administrative Board at any special or regular meetings at which a quorum is present.

Administrative Board Certification

This is to certify that the foregoing Bylaws are a true and exact copy of the bylaws duly adopted by the Administrative Board of Mocks Church which remain in full force and effect as of the date hereof.

This further certifies that each individual member of the Administrative Board has reviewed the Conflict of Interest policy, has determined that he or she has no conflicts as described herein, and will adhere to the policy in the future.

Adopted and approved on July 30, 2023

By: Ricky Hockaday
Administrative Board Chairperson