

BYLAWS OF
CROSSROADS COMMUNITY CHURCH

Bylaws of
Crossroads Community Church

TABLE OF CONTENTS

ARTICLE I
PURPOSE

	<u>Section</u>
General Purpose.....	1.1
Specific Purpose.....	1.2

ARTICLE II
STATEMENT OF FAITH

ARTICLE III
OFFICES

Principal Office	3.1
Other Offices.....	3.2

ARTICLE IV
MEMBERSHIP

Candidates for Members	4.1
Membership	4.2
Voting Rights of Members	4.3
Termination of Membership	4.4

ARTICLE V
LEAD PASTOR

Appointment	5.1
Powers	5.2
Removal	5.3
Compensation	5.4
Joint Responsibilities	5.5
Transactions within the Church	5.6

ARTICLE VI
ELDERS

	<u>Section</u>
Appointment	6.1
Tenure of the Elders	6.2
Spiritual Responsibilities/Powers	6.3
Legal Responsibilities/Powers.....	6.4
Removal of Elders	6.5
Notice of Meetings	6.6
Compensation	6.7

Transactions with the Church.....	6.8
Performance by the Elders.....	6.9

ARTICLE VII
THE BOARD

	<u>Section</u>
The Board Members and Responsibilities.....	7.1
Time and Place of Meetings.....	7.2
Notice of Meetings.....	7.3
Resolution of Meetings.....	7.4
Quorum.....	7.5
Action by Consent Without Meeting.....	7.6
Emergency Provisions.....	7.7
Annual Audit.....	7.8

ARTICLE VIII
OFFICERS

ARTICLE IX
INDEMNIFICATION AND ELIMINATION OF LIABILITY

Definitions.....	9.1
Indemnification of Agents.....	9.2
Indemnification Not Permitted.....	9.3
Effect of Judgment or Conviction.....	9.4
Determination and Authorization.....	9.5
Advance for Expenses.....	9.6
Provisions Not Exclusive.....	9.7

ARTICLE X
CORPORATE RECORDS

Minutes of Meetings and Records of Actions Taken Without Meetings.....	10.1
Form of Records.....	10.2
Financial Statements.....	10.3
Specific Records Which Church Must Keep.....	10.4

ARTICLE XI
TERMINATION AND DISSOLUTION

	<u>Section</u>
Dissolution.....	11.1
Winding up.....	11.2

ARTICLE XII
MISCELLANEOUS PROVISIONS

Accounts.....	12.1
Checks, Notes and Drafts.....	12.2
Amendment of Bylaws.....	12.3
Headings.....	12.4
Gender, Number.....	12.5
Conflict of Interest Policy	12.6

ARTICLE XIII
TRANSACTIONS WITH THE CHURCH

General.....	13.1
Transactions with the Church.....	13.2
Staff Voting.....	13.3

ARTICLE XIV
EMERGENCY BYLAWS

Meetings	14.1
Quorum.....	14.2
Succession	14.3
Principal Office.....	14.4
Indemnification.....	14.5
Amendment to Emergency Bylaws.....	14.6

Bylaws
of
Crossroads Community Church

ARTICLE I
PURPOSE

Section 1.1 **General Purpose.** The affairs and activities of Crossroads Community Church (“Church”) shall be carried out at all times for the purposes and according to the terms set forth in its Articles of Incorporation and these Bylaws, and in conformity with all applicable law and the provisions of the Internal Revenue Code of 1986, as amended, and the Regulations issued thereunder (the “Code”) affecting nonprofit organizations as such are described in Section 501(c)(3) of the Code.

Section 1.2. **Specific Purpose.** The Mission, Vision and Values (“Purpose”) of the Church consist of three elements:

- a) **Mission: To bring in, build up, and send out through Christ-centered community.**

The Church is led by God to help people encounter Christ where they are, calling all to surrender daily to Him, teaching them to be conformed to His image, and equipping them to grow in service to Him through the power of the Holy Spirit.

- b) **Vision: To create many places to come home and grow in Christ together**

The Church has a special heart for people who do not understand or relate to existing Hampton Roads churches including our own. Without compromising the truth of Scripture the Church intends to create and seek out places and opportunities that help them encounter Christ, growing and serving Him with others.

- c) **Values: We all continually need to be prayed for, cared for, and spurred on to worship, to grow, and to serve Jesus Christ.**

We were gentle among you, like a mother caring for her little children. We loved you so much that we were delighted to share with you not only the gospel of God but our lives as well, because you had become so dear to us.

For you know that we dealt with each of you as a father deals with his own children, encouraging, comforting and urging you to live lives worthy of God, who calls you into his kingdom and glory. (1 Thessalonians 2:7-8 & 11-12 NIV)

ARTICLE II

STATEMENT OF FAITH

The essential tenets of faith of the Church include the following:

- a) **Jesus Christ:** Jesus Christ is the Son of God, fully human and fully God, and the only one who can rescue us from our desperate trouble and give us eternal life. He is our only hope. **Colossians 1:9-14, John 3:16;**
- b) **The Bible:** The Bible is not just a book of good ideas and ancient history. It is the absolute truth that God inspired to teach, point out errors, correct people and train them for a life that meets God's approval. It is the final authority in our lives. **II Timothy 3:16-17;**
- c) **God** is Father, Son, and Holy Spirit. He created everything and everyone. **Matthew 28:19, Genesis 1:1;**
- d) **The Holy Spirit** is the full presence of God living in every Christ-follower. He lives in us to intercede for us, to form Christ in us, and to work supernaturally through us. All His power is available to every Christ-follower immediately from the moment of salvation. **John 16:7-11, Romans 8:26-30, Galatians 5:22-23, Acts 1:8;**
- e) **The devil** (or Satan) is real and alive today, and though his days are numbered, he works against God and God's followers. **Genesis 3, Matthew 4:1-11, I Peter 5:8;**
- f) **Salvation:** Jesus Christ died on a cross to pay for our sins. He rose from the grave to conquer our sin. He is alive today to set us free from sin. **Romans 5:6-11;**
- g) **Christ followers:** The Bible defines Christians or Christ-followers as people who believe Jesus is the Christ and put their trust in Him and who surrender their lives to His control to live for Him. **Romans 10:9-10, II Corinthians 5:14-15, I John 5:1;**
- h) **Life after death:** There is a physical and spiritual resurrection to follow life on this earth. **I Corinthians 15;**
- i) **Heaven and Hell:** The Bible teaches that there is a literal heaven and hell. We will be judged and assigned to one or the other for eternity. **Revelation 20:10-15, Revelation 21:1-4, Matthew 25:31-46;**
- j) **The hope of heaven:** We will never get to heaven by hard work, good deeds, or good luck. This is a gift of God through Jesus Christ, which we must simply accept. **Ephesians 2:8-10, Romans 6:23;**
- k) **Baptism** is not required for a person to be saved. But part of following Jesus is to follow His example and to be baptized (by immersion, as the Bible

consistently indicates) as a testimony to the salvation we have already received. **Matthew 3:15; Acts 2:38; Acts 8:36; John 3:23;**

- l) **The church** is made of people who are committed to Jesus Christ and joined with each other. The Bible calls this community the body of Christ on earth. God has designed for his people to grow to maturity and work effectively on earth through their meaningful interaction as the church. **Ephesians 4;** and
- m) **Jesus Christ is coming** to this earth again to conclude history. **I Thessalonians 4:16-18.**

ARTICLE III OFFICES

Section 3.1 Principal Office. The Church's principal office is located at: 1420 Lakeside Drive, Yorktown, Virginia 23692. The Lead Pastor and/or the Elders, by majority vote, may change the location of the principal office. Any change shall be noted in the Church's corporate book, or this section may be amended to state the new location.

Section 3.2 Other Offices. Other offices may be established at any time by the Lead Pastor and/or the Elders, by majority vote, at any place or places.

ARTICLE IV MEMBERSHIP

Section 4.1 Candidates for Membership. Membership in this Church identifies a person with this congregation within the body of Christ, and signifies a shared commitment to our purpose and mission.

*And God placed all things under his feet and appointed him to be head over everything for the Church, which is His body, the fullness of Him Who fills everything in every way.
Ephesians 1:22-23 (NIV)*

Section 4.2 Membership. Membership in this Church may be sought by satisfying the following criteria:

- a) by public profession of commitment to trust and follow Jesus Christ, and subsequent baptism by immersion;
- b) by completion of the current church-adopted orientation program;
- c) by signing the current "Personal Commitment Statement" of Crossroads Community Church and thereby committing to engage in the stated mission of the Church; and

- d) by receiving confirmation from the Board (as defined in Section 7.1) so that the Board takes explicit spiritual responsibility for the members under their spiritual leadership.

Section 4.3 Voting Rights of Members. Church members eighteen years and older are entitled and encouraged to participate in the transaction of Church business, and to vote on all issues submitted to the membership for their corporate decision. Congregational votes are defined in the following table.

Congregational Voting					
Conditions Requiring Congregational Vote	Calling the Vote	Notice of the Vote	Quorum	Condition is Required for Approval	Archival of Results
Adopt the ministry plan & spending plan	A majority of the elders	14 days minimum advance notice	25% of eligible voting membership	A majority of the quorum of the voting members	Retained per section 10.4
Call the Lead Pastor	Vote called by a majority of the elders	30 days advance notice	N/A	A two-thirds majority of all members who are eligible to vote	Retained per section 10.4
Dismiss the Lead Pastor	vote called by a 2/3 majority of the elders; or by petition signed by 10% of the total eligible voting membership	30 days advance notice	N/A	A majority vote of all members who are eligible to vote	Retained per section 10.4
Call a member to be an elder	Vote called by a majority of the elders	14 days minimum advance notice	25% of eligible voting membership	A two-thirds majority vote of the quorum of the voting members	Retained per section 10.4
Remove an elder	A 2/3 majority of the remaining board; or by petition signed by 10% of the total eligible voting membership	30 days advance notice	N/A	A majority of the quorum of the voting members	Retained per section 10.4

Business transactions requiring a congregational vote	Vote called by a majority of the elders; or by petition signed by 10% of the total eligible voting membership	14 days minimum advance notice	25% of eligible voting membership	A majority of the quorum of the voting members	Retained per section 10.4
Approve business transactions required by third party, separate from business transactions requiring a congregational vote	Vote called by a majority of the elders	14 days minimum advance notice	25% of eligible voting membership	A majority of the quorum of the voting members	Retained per section 10.4

Congregational Voting: Crossroads Community Church is a church with multiple sites and venues making a single business meeting impractical. Conditions requiring a congregational vote shall follow the following principles: information on transactions requiring a vote shall be provided to the congregation via electronic and paper, e.g., mailings sufficiently in advance to allow congregational feedback prior to the vote. The notification shall inform the congregation of the time frame of the feedback and the proposed date of vote. Discussion, questions and other feedback from the congregation will be received by representatives of the Board at each site prior to the formulation of the final resolution. The vote from the congregation may be taken by electronic voting or paper vote to ensure all members are afforded the opportunity to vote.

Section 4.4 Termination of Membership. Membership in the Church may be terminated under any of the following conditions:

- a) Relocation. Membership ends when a member relocates to a new city or to another church fellowship. Upon written request of the member, the Church will transfer membership to the church of the relocating member's choice.
- b) Absence from Fellowship. Membership at the Church may cease when a member ceases to attend regular services for a period of six months or longer. When a member has been absent for this period of time, membership may be terminated by a majority vote of the Board.
- c) Withdrawal by Member. Upon written or oral request of a member to the Board, membership in the Church will terminate.
- d) Termination for Cause. A member may be removed from membership by a majority vote of the Board, for behavior or actions which, in the opinion of the Board, is unscriptural, unethical or immoral.

- e) The Bible as the standard for conduct. Membership in the Church is dependent upon each member living a consistent Christian life that exemplifies a life submitted to the authority of the Bible as the authoritative word of God. The Bible embodies the way in which the members, individually, or the congregation, corporately, should conduct their lives.
- f) Reconciliation. The Board shall attempt to see a member reconciled to God through counseling in accordance with the principles outlined in Matthew 18 and I Corinthians 5. If attempts at reconciliation have been unsuccessful, in the sole opinion of the Board upon majority vote, membership in the Church shall be terminated.

ARTICLE V LEAD PASTOR

Section 5.1 Appointment. The initial Lead Pastor of the Church shall be Lynn Howard. Upon the death, resignation, or removal of the Lead Pastor, a successor Lead Pastor shall be appointed by the members as established under Authority of Members Section 4.3, as presented and affirmed by the Elders.

Section 5.2 Powers. The Lead Pastor shall have responsibility for all matters of the Church, including, but not limited to, the following:

- a) Initiating strategy and organization for executing the mission of Crossroads;
- b) Initiating vision and direction of Crossroads;
- c) Submitting to the collective authority of the elders;
- d) Supervising of all paid and volunteer staff;
- e) Spiritual leadership of the Crossroads family; and
- f) Devising and executing of strategy to carry out the purposes agreed upon by the elder team.

Section 5.3 Removal. The Lead Pastor may only be removed by vote of the membership as specified in Authority of Members Section 4.3.

Section 5.4 Compensation. The Lead Pastor shall receive such compensation for his services as determined by the Elders. The Elders shall meet from time to time to recommend changes in the Lead Pastor's compensation. Such meetings shall be held no more frequently than annually. The Elders may, by a majority vote, approve a change in the Lead Pastor's compensation. The Lead Pastor is precluded from voting on any matter in which he has a significant personal interest in the outcome, and shall comply with the Conflict of Interest policy.

Section 5.5 Joint responsibilities. The Lead Pastor and the Elders share joint responsibilities as defined in the Article VI Section 7.1, The Board Members and Responsibilities.

Section 5.6 Transactions with the Church. The Lead Pastor shall be limited by Article XIII Transactions with the Church.

ARTICLE VI ELDERS

Section 6.1 Appointment. The initial Elders shall be: Rob Amos, Waverly Dryden, Jeryl Hill and Rob Perkins. The Elders will determine the need for additional Elders. This will be presented to the congregation and nominations for new Elders will be submitted by the congregation. The Elders shall assess the nominations based on 1 Timothy 3:1-7 and Titus 1:6-9 and other considerations such as theology, experience, and team work. The Elders shall present a recommendation to the congregation for approval. Approval shall be as defined in Authority of Members, Section 4.3.

Section 6.2 Tenure of the Elders. Elders shall serve until their death, resignation, or removal by majority vote of the members per section 4.3. The Board by majority vote may allow an Elder a sabbatical for a specified period of time. During the time of the sabbatical, the Elder is considered inactive with respect to voting and Board participation.

Section 6.3 Spiritual Responsibilities/Powers. The Elders shall oversee the spiritual, fiscal and legal business and affairs of the Church. The Elders are to serve the congregation and the Lead Pastor for the development of the spiritual life of the Church. These people and their spouses are to help create a positive spiritual climate within the Church. They are a God-ordained spiritual leadership body called to create and maintain stability and health within the Church. The functions of the Elders include, but are not limited to:

- a) Enable and affirm strategy and organization for executing the mission of Crossroads.
- b) Enable and affirm the vision and direction.
- c) Provide spiritual authority over life and ministry of the lead pastor.

Section 6.4 Legal Responsibilities/Powers. The major financial affairs of the Church shall be managed by the Elders, whose members shall have a fiduciary, as well as spiritual, obligation to the Church. The Elders shall exercise all such powers and do all such lawful acts and things as are delegated and directed by the Lead Pastor, these Bylaws and/or the members, including, but not limited to, the following:

- a) Provide counsel to the Lead Pastor regarding the financial affairs of the Church;
- b) Work with the Lead Pastor to staff the Church, as deemed necessary, to help administer the affairs of the Church;
- c) Oversee the provision of the physical facilities needed by the Church;

- d) Coordinate any construction projects requiring a loan or the purchasing of property;
- e) Determine and implement, by majority vote, compensation for all staff of the Church;
- f) Oversee all divisions and entities affiliated and/or owned by the Church;
- g) Overall management of the fiscal and legal business and affairs of the Church;
- h) When authorized by a minimum of a two-thirds majority of the board (elders & lead pastor) and in accordance with votes requiring congregational approval, any two elders can provide legal signature to commit the church to long-term obligations (loans, land, major sales, major legal actions); and when required by law or the institution involved in the transaction; and
- i) Elders may delegate signature authority for normal business transactions. This shall be documented in the policy manual.

Section 6.5 Removal of Elders. An elder may at any time be removed as defined in section 4.3. Vacancies caused by such removal may be filled as defined in the Appointment section 6.1.

Section 6.6 Notice of Meetings. The secretary, or officer performing the secretary's duties, shall give not less than one (1) day notice of all meetings of Elders, provided that a meeting may be held without notice immediately after the annual meeting, and notice need not be given of regular meetings held at such time as may be fixed by a resolution of the Elders. Notice of meetings of the Elders may be given in any manner authorized by law, including oral notice. Meetings of the Elders may be held at any time without notice if all Elders are present or if those not present waive notice in writing either before or after the meeting. Any or all of the Elders may participate in any meeting by any means of communication by which all Elders participating may simultaneously hear each other during the meeting, and any such Elders shall be deemed present at the meeting for all purposes.

Section 6.7 Compensation. Elders shall not receive compensation for their services. An Elder is precluded from voting on any matter in which he has a significant personal interest in the outcome, and shall comply with the Conflict of Interest policy.

Section 6.8 Transactions with the Church. Any Elder may serve the Church in any other capacity as an officer, agent, employee, or otherwise and receive compensation therefore. All Elders approved by the membership and those participating as part of the Elder team during a training period shall be limited by Article XIII, Transactions with the Church.

Section 6.9 Performance by the Elders. Each Elder and each member of any committee designated by the Elders shall, in the performance of such Elder's duties, be fully protected in relying in good faith upon the records of the Church and upon such information, opinions, reports, or statements presented to the Church by any of the Church's officers or employees or committees of the Elders, or by any other person as to matters such member reasonably believes are within such

other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Church.

ARTICLE VII THE BOARD

Section 7.1 The Board Members and Responsibilities. The Board shall consist of the Lead Pastor and the Elders. The Board shall be responsible for the following:

- a) The spiritual growth and care of everyone in the Crossroads community.
- b) Defining the organization and paid staff positions within the organization.
- c) Defining the organization, all hiring, and removal of staff except the Lead Pastor.
- d) Establishing authority for all decisions not already defined in these Bylaws.
- e) Establishing the chair of the Board as the single point of contact for the Board, proposes meeting agenda, and tracks actions of the Board.
- f) Both chartering and disbanding committees where it deems necessary with appropriate parameters including the duration, decision making authority, etc.

A consensus will be the primary means of decision making. When a consensus cannot be reached after a reasonable time, then a two-thirds majority vote of the Board is required to approve/disapprove a matter.

Section 7.2 Time and Place of Meetings. Meetings of the Board shall be held at the time and place fixed by the Board chair, upon agreement of the Board, or pursuant to Section 7.6. Elders may meet as a body separately from the Lead Pastor; however, the Lead Pastor shall be notified of the meeting and the meeting topic.

Section 7.3 Resolutions at Meetings. All decisions shall be reflected in the minutes as having the requisite verbal or vote approval. Resolutions involving hiring or dismissal shall be signed by the Lead Pastor and the Elders; non-concurrence with the resolution may be noted with the signature of the individual. All resolutions require a two-thirds majority for approval when consensus cannot be reached. All minutes and resolutions are retained on file by the Office Administrator.

Section 7.4 Quorum. At any duly called meeting of the Board, the presence of a majority of the Board shall constitute a quorum, but less than a quorum shall have power to adjourn the meeting from time to time. The act of a two-thirds majority of the Board, not a simple quorum, shall be the act of the Board.

Section 7.5 Action by Consent Without Meeting. Any action required or permitted to be taken by the Board or any committee may be taken without a meeting, if all members of the Board or the committee shall individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the Board. The action by written consent shall have the same force and effect as a unanimous vote of the Board or the committee.

The written consent shall be captured and maintained as traceable evidence of the response of each Board Member.

Section 7.6 Emergency Provisions. In the event of the death of a Lead Pastor, the incapacity of a Lead Pastor for over thirty (30) days, or if a Lead Pastor is unable to be reached for over thirty (30) days:

- a) Any Elder may call an emergency meeting of the Board for the purpose of selecting an interim or permanent candidate to succeed the Lead Pastor;
- b) The Elders shall continue to manage the routine affairs of the Church until the appointment of an interim or permanent Lead Pastor by the members as defined in Section 4.3.
- c) Any major fiscal, legal, or business decisions shall be approved by the majority vote of the Board.

Section 7.7 Annual Audit. The Board shall obtain an annual audit performed by an independent public accounting firm in accordance with Generally Accepted Auditing Standards. The Board shall submit the audit report to the Lead Pastor and members for review.

ARTICLE VIII OFFICERS

For the purposes of laws of incorporation, the following equates the organizational positions within the Church to the corporate positions:

- a) Lead Pastor equates to the President
- b) There is no equivalent position to Vice President.
- c) Office Administrator equates to Secretary.
- d) Chief Financial Officer (CFO) equates to Treasurer or Business Manager. The Church has a position of treasurer that has more limited responsibilities and reports to the CFO.

Specific duties and responsibilities are delineated in the Crossroads Community Church Organization, Roles and Responsibilities document prepared and approved by the board and retained by the Office Administrator.

ARTICLE IX INDEMNIFICATION AND ELIMINATION OF LIABILITY

Section 9.1 Definitions. In this Article:

“Agent” means any person who is or was a Pastor, Elder, officer, employee, or other agent of the Church, or who is or was serving at the request of the Church as a Pastor, Elder, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Pastor, Elder, officer, employee or agent of a foreign or domestic corporation which was a predecessor corporation of the Church or of another enterprise at the request of that predecessor corporation.

"Church" means Crossroads Community Church and any domestic or foreign predecessor entity of the Church in a merger or other transaction in which the predecessor's existence ceased upon the consummation of the transaction.

"Expenses" means reasonable expenses, and includes but is not limited to attorney fees.

"Individual" includes, unless the context requires otherwise, the estate, heirs, executors, personal representatives and administrators of an individual.

"Liability" means the obligation to pay a judgment, settlement, penalty, fine, including any excise tax assessed with respect to an employee benefit plan, or reasonable expenses incurred with respect to a proceeding.

"Official capacity" means: (i) when used with respect to a Pastor, the office of Pastor in the Church; (ii) when used with respect to an Elder, the office of Elder in the Church; (iii) when used with respect to an officer, the office in the Church held by him; or (iv) when used with respect to an employee or agent, the employment or agency relationship undertaken by him on behalf of the Church. "Official capacity" does not include service for any foreign or domestic corporation or other partnership, joint venture, trust, employee benefit plan or other enterprise.

"Party" includes an individual who was, is or is threatened to be made a named defendant or respondent in a proceeding.

"Proceeding" means any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal.

Section 9.2 Indemnification of Agents. Except as provided in Section 9.3 of this Article, the Church shall indemnify every individual made a party to a proceeding because he is or was an agent of the Church against liability incurred in the proceeding if: (i) he conducted himself in good faith; and (ii) he believed, in the case of conduct in his official capacity with the Church, that his conduct was in its best interests and, in all other cases, that his conduct was at least not opposed to its best interests (or in the case of conduct with respect to an employee benefit plan, that his conduct was for a purpose he believed to be in the interests of the participants of and beneficiaries of the plan); and (iii) in the case of any criminal proceeding, he had no reasonable cause to believe that his conduct was unlawful.

Section 9.3 Indemnification Not Permitted. The Church shall not indemnify any agent (i) against his willful misconduct or a knowing violation of the criminal law; (ii) in connection with a proceeding by or in the right of the corporation in which the agent was adjudged liable to the Church; or (iii) in connection with any other proceeding charging improper personal benefit to him,

whether or not involving action in his official capacity, in which he was adjudged liable on the basis that personal benefit was improperly received by him.

Section 9.4 Effect of Judgment or Conviction. The termination of a proceeding by judgment, order, settlement or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth in Section 9.2 of this Article or that the conduct of such individual constituted willful misconduct or a knowing violation of the criminal law.

Section 9.5 Determination and Authorization. Unless ordered by a court of competent jurisdiction, any indemnification under Section 9.2 of this Article shall be made by the Church only as authorized in the specific case upon a determination (as provided for below) that indemnification of the individual is permissible in the circumstances because: (i) he met the standards of conduct set forth in these Bylaws and any future amendments and, with respect to a proceeding by or in the right of the Church in which such individual was adjudged liable to the Church, he is fairly and reasonably entitled to indemnification in view of all of the relevant circumstances even though he was adjudged liable; and (ii) the conduct of such individual did not constitute willful misconduct or a knowing violation of the criminal law.

- a) Such determination shall be made: (i) by the Elders by a majority vote of a quorum consisting of Elders not at the time parties to the proceeding.
- b) Authorization of indemnification, evaluation as to reasonableness of expenses and determination and authorization of advancements for expenses shall be made in the same manner as the determination that indemnification is permissible.

Section 9.6 Advance for Expenses. The Church may pay for or reimburse the reasonable expenses incurred by any individual who is a party to a proceeding in advance of final disposition of the proceeding if: (i) he furnished the Church a written statement of his good faith belief that he has met the standard of conduct described in Section 9.2 of this Article and a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that indemnification of such individual in the specific case is not permissible; and (ii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article. An undertaking furnished to the Church in accordance with the provisions of this Section shall be an unlimited general obligation of the individual furnishing the same but need not be secured and may be accepted by the Church without reference to financial ability to make repayment.

Section 9.7 Provisions Not Exclusive. As authorized by the Virginia Non-Stock Corporation Act, the provisions of this Article are in addition to and not in limitation of the specific powers of a Church to indemnify agents set forth therein. If any provision of this Article shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Church may have under the Virginia Non-Stock Corporation Act or other laws of the Commonwealth of Virginia.

Section 10.1 Minutes of Meetings and Records of Actions Taken Without Meetings. The Church shall keep as permanent records minutes of all meetings of its Board or Elders, of all actions taken by the Board or Elders without a meeting, and all actions taken by a committee of the Elders in place of the Elders on behalf of the Church.

Section 10.2 Form of Records. The Church shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

Section 10.3 Financial Statements. Upon receiving a written request, the Church shall furnish to a member in good standing, within thirty (30) days, an opportunity to review a copy of the Church's financial statements for the most recent fiscal year that includes a balance sheet as of the end of the fiscal year, an income statement for that year. If the annual financial statements are reported upon by a public accountant, his report must accompany them. If the financial statements are not reported upon by a public accountant, the president or the person responsible for the Church's accounting records shall provide a statement of the basis of accounting and a description of any respects in which the statements were not prepared on a basis of accounting consistent with the statements prepared for the preceding year. Such opportunity to review shall be given at the principal office of the Church and scheduled with the current Business Manager or Chief Financial Officer of the Church.

Section 10.4 Specific Records Which Church Must Keep. The Church shall keep a copy of the following records:

- a) The Church's articles or restated articles of incorporation and all amendments currently in effect;
- b) The Church's Bylaws or restated Bylaws and all amendments currently in effect;
- c) The Church's Corporate Book;
- d) Any resolutions adopted by the Lead Pastor and Elders;
- e) Record of member minutes and votes required to conduct business of the Church for the past three (3) years;
- f) The minutes of all meetings of the Board or Elders, and records of all action taken by the Board or Elders without a meeting, for the past three (3) years;
- g) A list of the names and business addresses of the Church's current Elders and officers;
- h) The most recent financial audit; and
- i) The Church's most recent annual report delivered to the State Corporation Commission.

TERMINATION AND DISSOLUTION

Section 11.1 Dissolution. The congregation shall be notified 45 days in advance of any resolution for dissolution. Dissolution of the Church shall be authorized if (i) the Board adopt a resolution to dissolve by the vote of a two-thirds (2/3) majority of the Board in office.

Section 11.2 Winding up. Upon the dissolution of the Church, the assets of the Church shall be distributed exclusively to one or more religious organizations with goals as nearly as possible or practically similar to the goals of this Church which would then qualify under the provisions of Section 501(c) (3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

ARTICLE XII MISCELLANEOUS PROVISIONS

Section 12.1 Accounts. The Board shall designate by resolution the bank or banks which shall be depositories for the funds of the Church, to open and close accounts in those banks, to designate and terminate those persons authorized to sign on behalf of the Church checks, drafts, or other instruments against the accounts, and to take any other action required on behalf of the Church with respect to the accounts.

Section 12.2 Checks, Notes and Drafts. Checks, notes, drafts and other orders for the payment of money shall be signed by such persons as the Elders from time to time may authorize. When the Elders so authorize, however, the signature of any such person may be a facsimile.

Section 12.3 Amendment of Bylaws. Unless proscribed by the articles of incorporation or these bylaws, these Bylaws may be amended or altered by a two thirds majority vote of the Elders. The congregation shall be notified a minimum of 30 days of proposed changes and request feedback to the Board.

Section 12.4 Headings. The underlined section headings are used herein for convenience of reference only and shall not affect the meaning of any provision of these Bylaws.

Section 12.5 Gender, Number. The use of the masculine gender includes the feminine and neuter; the singular number includes the plural, unless the context clearly specifies otherwise.

Section 12.6 Conflict of Interest Policy.

- a) Purpose. The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization 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.
- b) Definitions.

- (1) *Interested Person.* Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- (2) *Financial Interest.* A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - (i) An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
 - (ii) A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
 - (iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section (c) (2) below, 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.

c) Procedures.

- (1) *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 directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
- (2) *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 governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- (3) *Procedures for Addressing the Conflict of Interest.*
 - (i) An interested person may make a presentation at the governing board or committee 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.
 - (ii) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - (iii) After exercising due diligence, the governing board or committee shall determine whether the Organization 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.
 - (iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the

Organization'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.

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

- (i) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (ii) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing 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.

d) Records of Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain:

- (1) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- (2) 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.

e) Compensation.

- (1) A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- (2) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- (3) No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

f) Annual Statements. Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- (1) Has received a copy of the conflicts of interest policy,
- (2) Has read and understands the policy,
- (3) Has agreed to comply with the policy, and

- (4) Understands the Organization 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.
- g) Periodic Reviews. To ensure the Organization 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:
 - (1) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
 - (2) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization'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.
- h) Use of Outside Experts. When conducting the periodic reviews as provided for in Article VII, the Organization 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 XIII TRANSACTIONS WITH THE CHURCH

Section 13.1 General. This article shall apply to all paid and volunteer staff of Crossroads Community Church, including but not limited to the Lead Pastor, Senior Staff, Ministry Staff, Elder, Management and Administrative Staff; herein referred to as Staff, or Staff person.

Section 13.2 Transactions with the Church. A Staff person shall not be disqualified, by reason of his office, from dealing or contracting with the Church, either as vendor, purchaser, or otherwise, nor shall any transaction or contract of the Church not otherwise prohibited by law be void or voidable on the ground that any Staff person or any firm of which any the Staff person is a member, or any corporation of which any the Staff person is a shareholder or trustee, is in any way interested in the transaction or contract, provided that (i) the material facts of the transaction or contract and the Staff person's interest were disclosed or known to the Elders or a committee of the Elders prior to the transaction or contract and the Elders or committee authorized, approved, or ratified the transaction or contract, without counting in the majority or quorum any Staff person so interested; or (ii) the transaction or contract was fair to the Church. No such Staff person shall be liable to account to the Church for any profits realized by him from or through any transaction or contract of the Church authorized, ratified, or approved by the Elders or Lead Pastor on the ground that he or any firm of which he is a member or any corporation of which he is a shareholder or trustee was interested in the transaction or contract. Nothing in these Bylaws shall create any liability in the events above described or prevent the authorization, ratification, or approval of the transactions or contracts in any other manner provided by law.

Section 13.3 Staff Voting. Any Staff person is precluded from voting on any matter in which he has a significant personal interest in the outcome.

ARTICLE XIV
EMERGENCY BYLAWS

The Emergency Bylaws provided in this Article shall be operative during any emergency, notwithstanding any different provision in the preceding Articles of the Bylaws or in the Articles of Incorporation of the Church or in the Virginia Non-Stock Corporation Act (other than those provisions relating to emergency bylaws). An emergency exists if a quorum of the Church's Board cannot readily be assembled because of some catastrophic event. To the extent not inconsistent with these Emergency Bylaws, the Bylaws provided in the preceding Articles shall remain in effect during the emergency, and upon the termination of the emergency, the Emergency Bylaws shall cease to be operative unless and until another emergency shall occur. During any emergency:

Section 14.1 Meetings. Any meeting of the Board or committee may be called by any officer of the Church or by any member of the Board. The notice of meeting shall specify the time and place of the meeting. To the extent feasible, notice shall be given in accord with Section 7.6, but notice may be given only to the Board members as it may be feasible to reach at the time, by such means as may be feasible at the time, including publication or radio, and at a time less than 24 hours before the meeting if deemed necessary by the person giving notice. Notice shall be similarly given, to the extent feasible, to the other persons referred to in Section 14.2 (b) below.

Section 14.2 Quorum. At any meeting of the Board, a quorum shall consist of a majority of the number or Board serving at the time of the emergency. If the Board members present at any particular meeting shall be fewer than the number required for a quorum, other persons present at the meeting and holding the positions referred to below shall be deemed Board members for that particular meeting in such numbers as may be necessary to constitute a quorum, as determined by the following provisions and in the following order of priority:

- a) All other officers of the Church in the order of seniority of first selection to such offices, or if two or more shall have been first selected to such offices on the same day, in the order of their seniority in age; and
- b) Any other persons that are designated on a list approved by the Board before the emergency, such persons to be taken in the order of priority and subject to conditions as may be provided in the resolution approving the list.

Section 14.3 Succession. The Board, during as well as before any emergency, may provide, from time to time modify, lines of succession in the event that, during an emergency, any or all officers or agents of the Church shall for any reason be rendered incapable of discharging their duties.

Section 14.4 Principal Office. The Board, during as well as before any emergency may, effective in the emergency, change the principal office or designate several alternative offices or authorize the officers to do so.

Section 14.5 Indemnification. No officer, Elder, or employee shall be liable for action taken in good faith in accordance with these Emergency Bylaws.

Section 14.6 Amendment to Emergency Bylaws. These Emergency Bylaws shall be subject to repeal or change by further action of the Board, except that no such repeal or change shall modify

the standard of conduct set forth in the preceding paragraphs for purposes of establishing the liability of an officer, Elder, or employee for action or inaction occurring before the time of such repeal or change. Any amendment of the Emergency Bylaws may make any further or different provision that may be practical and necessary for the circumstances of the emergency.

Adopted by the Lead Pastor and Elders of Crossroads Community Church on the ____ day of _____, _____.

Approved by the members of the Church on the ____ day of _____, _____.

Lynn Howard

Date

Robert Amos

Date

Jeryl Hill

Date

Robert Perkins

Date

Waverly Dryden

Date