

Bylaws of

The Oriental Missionary Society – Holiness Church of North America

1. Principal Office. The Oriental Missionary Society – Holiness Church of North America (the “Conference”) shall have and maintain its principal place of business at such place within the State of California as may be fixed by the Holiness Shepherd Council of the Conference (the “Council”) from time to time.

2. Objective and Purpose. The objective and purpose of the Conference shall be set forth in the Constitution of the Conference.

3. Members of the Conference.

3.1 Classes and Rights of Members. The Conference shall have only two classes of members of the Conference; one class shall be composed solely of Ordained Ministers (as defined below) and the other class shall be composed solely of Member Churches (as defined below). No member of the Conference (a “Member”) shall hold more than one membership in the Conference. Except as expressly provided in or authorized by the Articles of Incorporation or these Bylaws, all memberships shall have the same rights, privileges, restrictions and conditions.

(a) Ordained Ministers. A person shall be admitted as an Ordained Minister upon the approval of such person’s application to become an Ordained Minister by a majority of the Ordained Ministers, and subject to such minimum requirements as shall be determined from time to time by the Ordained Ministers¹, provided, however, that each person that was an ordained minister of the Conference as of July __, 2010 shall be deemed an Ordained Minister and no such application to the Conference shall be required for such persons. An Ordained Minister shall continue to be deemed an Ordained Minister, subject to Section 3.7(a), notwithstanding such Ordained Minister’s retirement or leave of absence from active ministry in a Member Church.

(b) Member Churches. A church shall be admitted as a Member Church upon the approval of such church’s application to become a Member Church by the Council and by a two-thirds of the vote of the Members at a duly called and held meeting of the Members.

3.2 Other Persons Not Deemed Ordained Ministers. The Conference acknowledges that (a) pastors (i.e. assistant) who have completed a seminary or Bible college degree program and are either progressing towards or ministering as a Conference worker in preparation for ordination, (b) student pastors who are preparing for

¹ The requirements for Ordained Minister members should be formalized in a document that is subject to approval by the Ordained Ministers as a whole and set forth outside the bylaws. Note that the current Constitution does not spell out minimum requirements in any detail.

pastoral ministry or related Christian work or who are called to serve in a Member Church, either under a senior pastor, or in the absence of a qualified pastor, (c) lay preachers who are “interim” pastors or preach periodically at a Member Church, and (d) mature lay members of Member Churches who may serve as pastors of a Member Church in the absence of a qualified minister, among others, serve vital roles in the Member Churches, contribute to the vibrancy of the Conference and, most importantly, share the Good News of Jesus Christ. No such person, however, will be deemed an Ordained Minister until such time as such person is admitted as an Ordained Minister in accordance with Section 3.1(a).

3.3 Number Of Members. There is no limit on the number of Members the Conference may admit.

3.4 Membership Book. The Conference shall keep a membership book containing the name and address of each Member. Termination of the membership of any Member shall be recorded in the book, together with the date of termination of such membership. Such book shall be kept at the Conference’s principal office and shall be available for inspection by any Councilperson (as defined below) or Member during regular business hours.

3.5 Nonliability Of Members. A Member is not, as such, personally liable for the debts, liabilities, or obligations of the Conference.

3.6 Nontransferability Of Memberships. No Member may transfer a membership or any right arising from such membership.

3.7 Termination of Membership.

(a) Ordained Minister Members. The membership of an Ordained Minister shall terminate on:

(i) The date the Ordained Minister shall deliver a notice of such termination to the Council personally or by mail or overnight delivery or such later date as may be set forth in the notice delivered by the Ordained Minister;

(ii) Upon the determination by the Council after recommendation by the Judicial Council, or such other ad hoc council or committee formed by the Council, that the Ordained Minister has engaged in conduct materially prejudicial to the interests or purposes of the Conference; or

(iii) The Ordained Minister’s death.

(b) Member Church. The membership of a Member Church shall terminate on:

(i) Upon the determination by the Council after recommendation by the Judicial Council, or such other ad hoc council or committee formed by the Council,

that the Member Church has engaged in conduct materially and seriously prejudicial to the interests or purposes of the Conference; or

- (ii) The dissolution of the Member Church.

3.8 Rights on Termination of Membership. All rights of a Member shall cease on termination of membership.

4. Meetings of Members.

4.1 Place of Meetings. Meetings of Members shall be held at the principal office of the Conference or at such other place or places within or without the State of California as may be designated from time to time by resolution of the Council.

4.2 Regular Meetings. The Members shall meet periodically for the purpose of electing Councilpersons and transacting other business as may come before the meeting. Cumulative voting for the election of Councilpersons shall not be permitted. Councilperson candidates receiving the highest number of votes up to the number of Councilpersons to be elected shall be elected at any regular meeting of the Members.

4.3 Special Meetings of Members. Special meetings of the Members shall be called by the Council, a majority of the Ordained Ministers (one vote for each English and each Nichigo Department Ordained Minister and one vote for each retired Ordained Minister), a majority of the voting power of the Member Churches' English and Nichigo Departments or at least 15% of the voting power of all the Members.

4.4 Notice of Meetings.

(a) Time of Notice. The Secretary of the Conference shall give written notice to Members of each meeting of the Members not less than ten nor more than 90 days before the date of the meeting to each Member who, on the record date for the notice of the meeting, is entitled to vote at the meeting.

(b) Contents of Notice. Notice of a meeting of the Members shall state the place, date, and time of the meeting and (1) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or (2) in the case of a regular meeting, those matters which the Council, at the time notice is given, intends to present for action by the Members. Subject to any provision to the contrary in these Bylaws, however, any proper matter may be presented at a regular meeting for such action. The notice of any meeting of Members at which Councilpersons are to be elected shall include the names of those persons who are nominees for Councilperson at the time notice is given to Members.

(c) Notice of Meetings Called by Members. Members representing at least 15% of the voting power of all the Members may call a special meeting by delivering a written request for such a meeting, specifying the general nature of the business proposed to be transacted, to the Chairperson of the Council, or Conference Administrator or Secretary of the Conference. The officer receiving the request shall

promptly cause notice to be delivered to all the Members entitled to vote that a meeting will be held, stating the date of the meeting, which date the Council shall fix, provided, that such date shall not be less than 35 nor more than 90 days after the receipt of the request for the meeting by the officer. If the notice is not given within 20 days after the receipt of the request, persons calling the meeting may give the notice themselves.

4.5 Quorum for Meetings.

(a) Members holding a majority of the voting power of the Conference, present in person, shall constitute a quorum at all meetings of the Members.

(b) The Members present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Members from the meeting, provided that any action taken after the loss of a quorum must be approved by at least a majority of the Members required to constitute a quorum.

4.6 Conduct of Meetings. Meetings of Members shall be presided over by the Chairperson of the Council, or, in his or her absence, by the Conference Administrator of the Conference or, in his or her absence, by the Vice President of the Conference or, in the absence of all of these persons, by a chairperson chosen by a majority of the voting Members, present in person. The Secretary of the Conference shall act as secretary of all meetings of Members, provided, that, in his or her absence, the presiding officer shall appoint another person to act as secretary of the meeting.

4.7 Majority Action as Membership Action. Every act or decision done or made by a majority of the voting power present in person at a duly held meeting at which a quorum is present is the act of the Members, unless applicable law, the Articles of Incorporation of the Conference, or these Bylaws require a greater number.

4.8 Voting Rights.² With respect to each matter submitted to a vote by the Members, each Member is entitled to the number of votes determined in accordance with this Section 4.8.

(a) **Voting Rights of Ordained Ministers.** Each Ordained Minister (one from each department) shall be entitled to one vote with respect to each matter submitted to a vote by the Members.

(b) **Voting Rights of Member Churches.** Each Member Church shall be entitled to a number of votes, with respect to each matter submitted to a vote by the Members, equal to the quotient (rounded up) of (x) the number of Active Members at such Member Church on the record date for such matter divided by (y) 50, provided, however, that if and for long as such Member Church has no Ordained Minister serving as a pastor

² This draft of bylaws is silent on whether or not proxy voting is allowed. Silence on this matter, however, means that proxy voting is allowed. The only way to disallow it is to explicitly state in the bylaws that it is not allowed. If we are going to allow proxy voting, then we should include a provision for clarity's sake and to put appropriate bounds around the exercise of proxy voting.

of such Member Church, then the number of votes such Member Church shall hold for such period shall be increased by one and such additional vote shall be directed by the senior most person serving as a pastor of such Member Church. Each Member Church shall determine the number of Active Members at such Member Church in good faith. The term "Active Member" means, for purpose of these Bylaws, a person who is a member of such Member Church who is entitled to vote at meetings of the members of such Member Church and who regularly and faithfully participates as a member of the Member Church, generally through the regular attendance at such Member Church's worship services or other fellowship gatherings. The Conference expects that at each meeting of the Members, but subject to Section 4.9, each Member Church would be represented by a number of delegates, each of which would be a member of such Member Church, equal in number to the number of votes held by such Member Church, provided, that the failure to be so represented at a meeting of Members shall have no effect on the number of votes which such Member Church holds as determined pursuant to this Section 4.8(b).

4.9 Action by Written Consent without a Meeting.

(a) Any action that may or is required to be taken at any annual or special meeting of Members, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, is signed by Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. Any action approved by written consent shall have the same force and effect as if such action had been approved by the Members at a meeting of the Members.

(b) Prompt notice of the taking of action by written consent without a meeting by less than unanimous written consent shall be given to those Members who have not consented in writing.

5. Holiness Shepherd Council. The Holiness Shepherd Council shall serve as the Board of Directors as that term is used in Section 9210 of the Nonprofit Religious Corporation Law of the State of California.

5.1 Number and Term of Office. The number of Councilpersons shall be fixed from time to time by the Council pursuant to a resolution adopted by a majority of the total number of Councilpersons (whether or not there exist any vacancies in previously authorized Council positions at the time any such resolution is presented to the Council for adoption). The Council shall be divided into two classes, as nearly equal in number as reasonably possible, with the term of office of the first class to expire at the 2012 meeting of Members and the term of office of the second class to expire at the 2014 annual meeting of Members. At each meeting of Members following such initial classification and election, Councilpersons elected to succeed those Councilpersons whose terms expire shall be elected for a term of office to expire at the meeting of Members at which Councilpersons are elected in the fourth year after such Councilpersons election. All

Councilpersons shall hold office until the expiration of the term for which elected, except in the case of the death, resignation or removal of any Councilperson.

5.2 Qualifications. Each Councilperson must have the following qualifications:³

- (a) Must be at least [30] years old;
- (b) Must be an Active Member of a Member Church; and
- (c) Must have a mature character and integrity before God.

5.3 Powers. Subject to the provisions of the Nonprofit Religious Corporation Law of the State of California and any limitations in the Articles of Incorporation and Bylaws relating to action required or permitted to be taken or approved by the Members, if any, the activities and affairs of the Conference shall be conducted and all corporate powers shall be exercised by or under the direction of the Council.

5.4 Duties. It shall be the duty of the Councilpersons to:

- (a) Perform any and all duties imposed on them collectively or individually by applicable law, by the Articles of Incorporation of the Conference, or by these Bylaws;
- (b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the Conference;
- (c) Supervise all officers, agents and employees of the Conference to assure that their duties are performed properly;
- (d) Meet at such times and places as required by these Bylaws;

5.5 Place of Meetings.

(a) Meetings of the Council shall be held at any place within or without the State of California, which may be designated in the notice of the meeting, or, if not stated in the notice or there is no notice, designated by resolution of the Council. In the absence of such designation, meetings of the Council shall be held at the principal office of the Conference. Councilpersons may participate in a regular or special meeting through use of conference telephone or similar communications equipment, so long as all Councilpersons participating in such meeting can hear one another. Participation in a meeting pursuant to this Section 5 of this Article III constitutes presence in person at such meeting.

³ Consider also whether there should be a length of membership requirement or any other requirements.

(b) Any meeting of Councilpersons, regular or special, may be held by conference telephone, electronic video screen communication, or other similar communications equipment. Participation in a meeting through use of conference telephone, electronic video screen communication, or other similar communications equipment constitutes presence in person at that meeting so long as all Councilpersons participating in the meeting are able to hear one another.

5.6 Regular Meetings. The Council may provide by resolution the time and place for the holding of regular meetings of the Council. No notice of such regular meetings of the Board need be given.

5.7 Special Meetings. Special meetings of the Council may be called by the Chairperson of the Council, the Conference Administrator, the Secretary, or by any two Councilpersons, and such meetings shall be held at the place, within or without the State of California, designated by the person or persons calling the meeting, and in the absence of such designation, at the principal office of the Conference.

5.8 Quorum for Meetings.

(a) A majority of the total number of authorized Councilpersons shall constitute a quorum for all purposes at any meeting of the Council. If a quorum shall fail to attend any meeting, a majority of those Councilpersons present may adjourn the meeting to another place, date, or time, without further notice or waiver thereof.

(b) Except as otherwise provided in these Bylaws or in the Articles of Incorporation of the Conference, or by applicable law, no business shall be considered by the Council at any meeting at which a quorum is not present, and the only motion which Councilpersons shall entertain at such meeting is a motion to adjourn.

(c) The Councilpersons present at a duly called and held meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Councilpersons from the meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum for such meeting or such greater percentage as may be required by applicable law, or the Articles of Incorporation of the Conference or these Bylaws.

5.9 Majority Action as Council Action. Every act or decision done or made by a majority of the Councilpersons present at a meeting duly held at which a quorum is present is the act of the Council, unless the Articles of Incorporation of the Conference or these Bylaws, or provisions of the Nonprofit Religious Corporation Law of the State of California, require a greater percentage or different voting rules for approval of a matter by the Council.

5.10 Conduct of Meetings. Meetings of the Council shall be presided over by the Chairperson of the Council, or, if no such person has been so designated or, in his or her absence, by a Chairperson chosen by a majority of the Councilpersons present at the meeting. The Secretary of the Conference shall act as secretary of all meetings of the

Council, provided that, in his or her absence, a person chosen by a majority of the Councilpersons present at the meeting.

5.11 Action by Written Consent Without Meeting. Any action required or permitted to be taken by the Council under any provision of law may be taken without a meeting, if all Members of the Council shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Council. Such action by written consent shall have the same force and effect as the unanimous vote of the Councilpersons. Any certificate or other document filed under any provision of law which relates to action so taken shall state that the action was taken by unanimous written consent of the Council without a meeting and that the Bylaws of the Conference authorize the Councilpersons to so act, and such statement shall be prima facie evidence of such authority.

5.12 Vacancies and Removal.

(a) Vacancies on the Council shall exist (1) on the death, resignation or removal of any Councilperson, (2) upon the expiration of the term of a Councilperson until such time as such Councilperson position is not filled and (3) whenever the number of authorized Councilpersons is increased.

(b) Councilpersons may be removed without cause, if such removal is approved by the Members or by a majority of the Ordained Ministers.

Comment [AY1]: Can we have OMB perhaps with removal authority?

(c) The Council, by a majority vote of the Councilpersons may who meet all of the required qualifications set forth in Section 5.2, may declare vacant the office of and remove any Councilperson who (i) fails or ceases to meet any of the required qualifications that were in effect at the beginning of that Councilperson's current term of office or (ii) fails to attend at least 50% of the meetings of the Council, whether regular or special meetings, in any 12-month period.

(d) Any Councilperson may resign effective upon giving written notice to the Chairperson of the Council, the Conference Administrator, the Secretary, or the Council, unless the notice specifies a later time for the effectiveness of such resignation. No Councilperson may resign if the Conference would then be left without a duly elected Councilperson or Councilpersons in charge of its affairs.

(e) Except for a vacancy created by the removal of a Councilperson pursuant to Section 5.12(b) or (c), vacancies on the Council may be filled by approval of the Council or, if the number of Councilpersons then in office is less than a quorum, by (1) the unanimous written consent of the Councilpersons then in office, (2) the affirmative vote of a majority of the Councilpersons then in office at a meeting held pursuant to notice or waiver of notice in accordance with these Bylaws, or (3) a sole remaining Councilperson. The Members may elect a Councilperson at any time to fill any vacancy not filled by the Councilpersons.

5.13 Non-Liability of Councilpersons. Councilpersons shall not be personally liable for the debts, liabilities, or other obligations of the Conference.

6. Committees.

6.1 Holiness Shepherd Council. The Council may, by a majority vote of Councilpersons, designate two or more of its members (who may also be serving as officers of the Conference) to constitute a committee of the Council (a "Council Committee") and delegate to such Council Committee any of the powers and authority of the Council in the management of the business and affairs of the Conference, except with respect to:

(a) The approval of any action, which, under applicable law or the provisions of these Bylaws, requires the approval of the Members or of a majority of all of the Members.

(b) The filling of vacancies on the Council or on any Shepherd Committee, which has the authority of the Council.

(c) The fixing of compensation of the Councilpersons for serving on the Council or on any Council Committee.

(d) The amendment or repeal of Bylaws or the adoption of new Bylaws.

(e) The amendment or repeal or any resolution of the Council, which by its express terms is not so amendable or repealable.

(f) The appointment of any Council Committee or committee of the Members.

By a majority vote of the Councilpersons then in office, the Council may at any time revoke or modify any or all of the authority so delegated, increase or decrease but not below two the number of Councilpersons on a Shepherd Committee, and fill vacancies therein from the Council. Each Council Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Council from time to time as the Council may require.

6.2 Other Committees. The Conference shall have such other committees as may from time to time be designated by resolution of the Council. Such other committees may consist of persons who are not also members of the Council. These additional committees shall act in an advisory capacity only to the Council and shall be clearly titled as "advisory" committees.

6.3 Meetings and Action of Committees. Meetings and actions of Council Committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Council, with such changes in the context of such Bylaw provisions as are necessary to substitute the Council Committee and its members for the Council and its members, except that the time for regular

meetings of Council Committees may be fixed by resolution of the Council or by the Council Committee. The time for special meetings of Council Committees may also be fixed by the Council. The Council may also adopt rules and regulations pertaining to the conduct of meetings of Council Committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

7. Officers and Conference Administration

7.1 Number of Officers. The officers of the Conference shall be a Conference Administrator, a Secretary, and a Chief Financial Officer who shall be designated the Treasurer. The Conference may also have, as determined by the Council, a Chairperson of the Council, one or more Vice Presidents, Assistant Secretaries, Assistant Treasurers, or other officers. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve as the Conference Administrator or Chairperson of the Council.

7.2 Qualification, Election, and Term of Office. Any person may serve as an officer of the Conference. Officers shall be elected by the Council, at any time, and each officer shall hold office until he or she resigns or is removed or is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

Comment [AY2]: Where do requirements for office show up...church membership, Christian lifestyle, etc?

7.3 Subordinate Officers. The Council may appoint such other officers or agents as it may deem desirable, and such officers shall serve such terms, have such authority, and perform such duties as may be prescribed from time to time by the Council.

7.4 Removal and Resignation. Any officer may be removed, either with or without cause, by the Council, at any time. Any officer may resign at any time by giving written notice to the Council or to the Conference Administrator or Secretary of the Conference. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

7.5 Vacancies. Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Council. In the event of a vacancy in any office other than that of Conference Administrator, such vacancy may be filled temporarily by appointment by the Conference Administrator until such time as the Council shall fill the vacancy or take such other action with respect to such temporary appointment. Vacancies occurring in offices of officers appointed at the discretion of the Council may or may not be filled as the Council shall determine.

7.6 Duties of Conference Administrator. The Conference Administrator shall be the president and chief executive officer of the Conference and shall, subject to the control of the Council, supervise and control the affairs of the Conference and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by applicable law, the Articles of Incorporation of the Conference or these Bylaws, or which may be prescribed from time to time by the Council. Unless another person is specifically appointed as Chairperson of the Council,

he or she shall preside at all meetings of the Council. If applicable, the Conference Administrator shall preside at all meetings of the Members. Except as otherwise expressly provided by applicable law, the Articles of Incorporation of the Conference or these Bylaws, he or she shall, in the name of the Conference, execute such deeds, mortgages, bonds, contracts, checks, or other instruments, which may from time to time be authorized by the Council.

7.7 Duties of Vice President. In the absence of the Conference Administrator, or in the event of his or her inability or refusal to act, the Vice President shall perform all the duties of the Conference Administrator, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Conference Administrator. The Vice President shall have other powers and perform such other duties as may be prescribed by applicable law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Council.

7.8 Duties of Secretary. The Secretary shall:

(a) Certify and keep at the principal office of the Conference the original, or a copy of these Bylaws as amended or otherwise altered to date.

(b) Keep at the principal office of the Conference or at such other place as the Council may determine, a book of minutes of all meetings of the Councilpersons, and, if applicable, meetings of committees of the Council and of Members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.

(c) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by applicable law.

(d) Be custodian of the records and of the seal of the Conference and see that the seal is affixed to all duly executed documents, the execution of which on behalf of the Conference under its seal is authorized by applicable law or these Bylaws.

(e) Keep at the principal office of the Conference a membership book containing the name and address of each Member, and, in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

(f) Exhibit at all reasonable times to any Councilperson, on request therefor, the Bylaws, the membership book, and the minutes of the proceedings of the Council.

(g) In general, perform all duties incident to the office of Secretary and such other duties as may be required by applicable law, by the Articles of Incorporation of the Conference, or by these Bylaws, or which may be assigned to him or her from time to time by the Council.

7.9 Duties of Treasurer. Subject to the provisions of these Bylaws relating to the "Execution of Instruments, Deposits and Funds," the Treasurer shall:

(a) Have charge and custody of, and be responsible for, all funds and securities of the Conference, and deposit all such funds in the name of the Conference in such banks, trust companies, or other depositories as shall be selected by the Council.

(b) Receive, and give receipt for, monies due and payable to the Conference from any source whatsoever.

(c) Disburse, or cause to be disbursed, the funds of the Conference as may be directed by the Council, taking proper vouchers for such disbursements.

(d) Keep and maintain adequate and correct accounts of the Conference's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

(e) Exhibit at all reasonable times the books of account and financial records to any Councilperson, on request therefor.

(f) Render to the Conference Administrator and Council, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Conference.

(g) Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

(h) In general, perform all duties incident to the office of Treasurer and such other duties as may be required by applicable law, the Articles of Incorporation of the Conference or these Bylaws, or which may be assigned to him or her from time to time by the Council.

7.10 Compensation. The salaries of the officers, if any, shall be fixed from time to time by resolution of the Council, and no officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Councilperson. In all cases, any salaries received by officers of the Conference shall be reasonable and given in return for services actually rendered the Conference which relate to the performance of the religious purposes of the Conference.

8. Execution of Instruments, Deposits and Funds.

8.1 Execution of Instruments. The Council, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Conference to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Conference, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Conference by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

8.2 Checks and Notes. Except as otherwise specifically determined by resolution of the Council, or as otherwise required by applicable law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Conference shall be signed by the Treasurer and countersigned by the Conference Administrator of the Conference.

8.3 Deposits. All funds of the Conference shall be deposited from time to time to the credit of the Conference in such banks, trust companies, or other depositories as the Council may select.

8.4 Gifts. The Council may accept on behalf of the Conference any contribution, gift, bequest, or devise for the religious purposes of the Conference.

9. Corporate Records, Reports and Seal.

9.1 Maintenance of Corporate Records. The Conference shall keep at its principal office in the State of California:

(a) Minutes of all meetings of Councilpersons, committees of the Council and, if the Conference has Members, of all meetings of Members, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

(b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;

(c) A record of its Members, if any, indicating their names and addresses and, if applicable, the class of Membership held by each Member and the termination date of any Membership;

(d) A copy of the Conference's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the Members, if any, of the Conference at all reasonable times during office hours.

9.2 Corporate Seal. The Council may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the Conference. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

10. Amendment of Bylaws. Subject to any provision of law applicable to the amendment of these Bylaws, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted as follows:

10.1 Subject to the power of Members, to change or repeal these Bylaws under Section 9150 of the Corporations Code, by approval of the Council unless the Bylaw

amendment would materially and adversely affect the rights of Members, if any, as to voting or transfer;⁴ or

10.2 By approval of the Members.

11. Prohibition Against Sharing Profits and Assets. No Member, Councilperson, officer, employee, or other person connected with the Conference, or any private individual, shall receive at any time any of the net earnings or pecuniary profit from the operations of the Conference, provided, however, that this provision shall not prevent payment to any such person of reasonable compensation for services performed for the Conference in effecting any of its religious purposes, provided that such compensation is otherwise permitted by these Bylaws and is fixed by resolution of the Council; and no such person or persons shall be entitled to share in the distribution of, and shall not receive, any of the corporate assets on dissolution of the Conference. All Members, if any, of the Conference shall be deemed to have expressly consented and agreed that on such dissolution or winding up of the affairs of the Conference, whether voluntarily or involuntarily, the assets of the Conference, after all debts have been satisfied, shall be distributed as required by the Articles of Incorporation of the Conference and not otherwise.

⁴ Consider including carveouts to the general right to amend by the Holiness Shepherd Council, e.g., Sections 3.1, 3.7 4.5, 5.1, 5.2 and 5.12 would be good candidates to carveout.