



## Office of the Secretary of State

### CERTIFICATE OF FILING OF

Lionheart Children's Academy  
File Number: 801883897

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 11/14/2013

Effective: 11/14/2013



A handwritten signature of John Steen in black ink.

John Steen  
Secretary of State

FILED  
in the Office of the  
Secretary of State of Texas  
NOV 14 2013  
Corporations Section

**CERTIFICATE OF FORMATION  
OF  
LIONHEART CHILDREN'S ACADEMY**

I, the undersigned natural person over the age of eighteen (18), acting as an organizer, adopt the following Certificate of Formation of Lionheart Children's Academy (the "Corporation") under the Texas Business Organizations Code (the "Code"):

**ARTICLE 1  
NAME**

The filing entity being formed is a nonprofit corporation. The name of the Corporation is Lionheart Children's Academy.

**ARTICLE 2  
NONPROFIT CORPORATION**

The Corporation is a nonprofit corporation organized under the Code and shall have all of the powers, duties, authorizations, and responsibilities as provided therein. Notwithstanding the foregoing, the Corporation shall neither have nor exercise any power, nor engage directly or indirectly in any activity that would invalidate its status as an organization exempt from federal income tax and described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision or provisions of any subsequent United States Internal Revenue law or laws (the "Internal Revenue Code of 1986").

**ARTICLE 3  
DURATION**

The Corporation shall continue in perpetuity, notwithstanding subsequent action by the Board of Directors.

**ARTICLE 4  
PURPOSES**

The Corporation is formed for any lawful purpose or purposes not expressly prohibited under Title 1, Chapter 2, or Title 2, Chapter 22 of the Code, including any purpose described by section 2.002 of the Code. The Corporation is organized and shall be operated exclusively for religious, charitable, and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Notwithstanding the foregoing, the Corporation's purposes also include the limited participation of the Corporation in any other activities, including taxable activities, but only to the extent the activities would be permitted by a tax-exempt organization. More particularly, but without limitation, the purposes of this Corporation are:

(a) To assist and serve local churches, Christian organizations and denominations, and the general public by providing child care centers, before-school care, and after-school care, featuring programs that integrate a religious curriculum and which enable individuals to be gainfully employed.

(b) To promote the Christian religion by any appropriate form of expression, within any available medium, and in any location through the Corporation's combined or separate formation of a church, ministry, charity, school or eleemosynary institution, without limitation.

(c) To collect and disburse any and all necessary funds for the maintenance of said Corporation and the accomplishment of its purpose within the State of Texas and elsewhere.

(d) To make distributions to organizations which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended.

(e) This Corporation is also organized to promote, encourage, and foster any other similar religious, charitable and educational activities; to accept, hold, invest, reinvest and administer any gifts, legacies, bequests, devises, funds and property of any sort or nature, and to use, expend, or donate the income or principal thereof for, and to devote the same to, the foregoing purposes of the Corporation; and to do any and all lawful acts and things which may be necessary, useful, suitable, or proper for the furtherance of accomplishment of the purposes of this Corporation. Provided, however, no act may be performed which would violate Section 501(c)(3) of the Internal Revenue Code of 1986, as it now exists or as it may hereafter be amended.

## ARTICLE 5 POWERS AND RESTRICTIONS

Except as otherwise provided in this Certificate of Formation and in order to carry out the above-stated purposes, the Corporation shall have all those powers set forth in the Code, as it now exists or as it may hereafter be amended. Moreover, the Corporation shall have all implied powers necessary and proper to carry out its express powers. The powers of the Corporation to promote the purposes set out above are limited and restricted in the following manner:

(a) The Corporation shall not pay dividends and no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its organizers, officers or other private persons, except that the Corporation shall be authorized and empowered to make payments and distributions (including reasonable compensation for services rendered to or for the Corporation) in furtherance of its purposes as set forth in this Certificate of Formation. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of this Certificate of Formation, the Corporation shall not carry on any other activities not permitted to be carried on by (i) a corporation

exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

(b) In the event this Corporation is in any one year a "private foundation" as defined by Section 509(a) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws, it shall be required to distribute its income for such taxable year at such time and in such manner as not to subject the foundation to taxation under Section 4942 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; and further shall be prohibited from: (i) any act of "self dealing" as defined in Section 4941(d) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; (ii) retaining any "excess business holdings" as defined by Section 4943(c) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; (iii) making any investments in such manner as to subject the foundation to taxation under Section 4944 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; or (iv) making taxable expenditures as defined in Section 4945(d) of the internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

(c) The Corporation shall not accept any gift or grant if the gift or grant contains major conditions which would restrict or violate any of the Corporation's religious, charitable or educational purposes or if the gift or grant would require serving a private as opposed to a public interest.

## **ARTICLE 6 DISSOLUTION**

Upon the dissolution of the Corporation, the Corporation shall, after paying or making provision for payment of all the liabilities of the Corporation, distribute all of the assets to an entity of like faith and order and is exempt from taxes under Internal Revenue Code Section 501(c)(3) (or the corresponding provision of any future tax law of the United States).

## **ARTICLE 7 MEMBERSHIP**

The Corporation shall have no members.

## **ARTICLE 8 REGISTERED OFFICE AND AGENT**

The registered agent is Arthur S. Dobbs. The street address of the initial registered office of the Corporation is 610 S. Industrial Blvd., Suite 170, Euless, Texas 76040.

## ARTICLE 9 BOARD OF DIRECTORS

Plenary power to manage and govern the affairs of the Corporation is vested in the board of directors (the "Board of Directors") of the Corporation. The qualifications, manner of selection, duties, terms, and other matters relating to the Board of Directors of the Corporation shall be provided in the Bylaws. The Board of Directors may vest management responsibility for selected matters in committees, officers, offices, and employees of the Corporation, as deemed appropriate from time to time.

The initial Board of Directors shall consist of three (3) persons. The number of directors may be increased or decreased pursuant to the Bylaws. The number of directors may not be decreased to less than three (3). Directors need not be residents of Texas. The initial Board of Directors shall consist of the following persons at the following addresses:

<u>Name of Director</u>	<u>Street Address</u>
Ernest Martin	610 S. Industrial Blvd., Suite 170 Euless, Texas 76040
Robert Page	610 S. Industrial Blvd., Suite 170 Euless, Texas 76040
Arthur S. Dobbs	610 S. Industrial Blvd., Suite 170 Euless, Texas 76040

## ARTICLE 10 LIMITATION ON LIABILITY OF DIRECTORS

A director is not liable to the Corporation for monetary damages for an act or omission in the director's capacity as director except to the extent otherwise provided by a statute of the State of Texas.

## ARTICLE 11 INDEMNIFICATION

Except as may be defined and limited by the Bylaws, the Corporation may, but is not required to, indemnify a person who was, is, or is threatened to be made a named defendant or respondent in litigation or other proceedings because the person is or was a director or other person related to the Corporation. The Corporation may provide a trust fund, insurance, or other arrangement to effectuate this article.

**ARTICLE 12  
CONSTRUCTION**

All references in this Certificate of Formation to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time.

**ARTICLE 13  
INCORPORATOR**

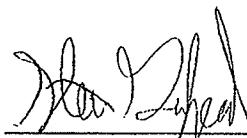
The name and street address of the Incorporator is:

Steven Goodspeed	4501 Merlot Avenue
	Grapevine, TX 76051

**ARTICLE 14  
AMENDMENT**

This Certificate of Formation may be amended or restated by a vote of two-thirds (2/3) majority of the members of the Board of Directors.

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument. I execute this Certificate of Formation on the 5th day of November, 2013.



\_\_\_\_\_  
Steven Goodspeed, Incorporator



## Office of the Secretary of State

November 15, 2013

Lawyer's Aid Service Inc  
PO Box 848  
Austin, TX 78767 USA

RE: Lionheart Children's Academy  
File Number: 801883897

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It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at [www.irs.gov](http://www.irs.gov).

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section  
Business & Public Filings Division  
(512) 463-5555  
Enclosure

**BYLAWS  
OF  
LIONHEART CHILDREN'S ACADEMY**

These Bylaws govern the affairs of Lionheart Children's Academy, a Texas nonprofit corporation (the "Corporation"). The Corporation is organized under the Texas Business Organizations Code, as amended (the "Code").

**ARTICLE 1  
NAME AND PRINCIPAL OFFICE**

The name of this religious nonprofit organization is Lionheart Children's Academy, a Texas nonprofit corporation. The principal office of the Corporation in the State of Texas shall be located at 610 S. Industrial Blvd., Suite 170, Euless, Texas 76040. The Board of Directors of the Corporation shall have full power and authority to change any office from one location to another, either in Texas or elsewhere. The Corporation shall comply with the requirements of the Code and maintain a registered office and registered agent in the State of Texas. The registered office may be, but need not be, identical with the Corporation's principal office in 610 S. Industrial Blvd., Suite 170, Euless, Texas 76040. The Board of Directors may change the registered office and the registered agent as provided in the Code.

**ARTICLE 2  
STATEMENT OF FAITH**

**The Scripture**

We believe that the Bible is God's word. We believe the Bible contains 66 books (Old and New Testament). We believe the Bible is the full and only authoritative and infallible written revelation from God to man. We believe the Bible is the final authority in all matters of faith and practice. We believe the Bible is accessible to each person for understanding through the work of the Holy Spirit.

**God**

We believe that God eternally exists in three persons – the Father, the Son, and the Holy Spirit – and that these three are one God, having the same nature, attributes and perfection, and worthy of the same worship and obedience.

**Man**

We believe that man was originally created in the image of God but has fallen through sin, and as a consequence has separated himself from God, being dead in sin. Man is now essentially and unchangeably unholy apart from divine grace.



## **Jesus Christ**

We believe that Jesus Christ was sent by God the Father to manifest God to man and to become the Redeemer of a lost world. Jesus was born of the Virgin Mary, lived a sinless life, and voluntarily accepted the Father's will and became the sacrificial Lamb to take away the sins of man through His death on the cross. On the third day after His burial, He rose again and was received into heaven where He now rules over all things and makes intercession for His people. We believe Christ is the only and exclusive mediator between God and man in salvation and prayer.

## **Salvation**

The shed blood of Jesus Christ and His resurrection provide the only way for salvation of lost and sinful man. Salvation comes by grace through faith in Jesus Christ alone, and not through any merit on the part of the sinner. All the glory for the salvation of man belongs to God alone.

## **The Holy Spirit**

We believe in the Holy Spirit, who indwells believers at the moment of their conversion and empowers believers to live the Christian life.

## **The Church**

We believe that all who are united to the risen and ascended Christ are members of His Church regardless of denominational affiliation. Having become members one of another, all are under solemn duty to keep the unity of the Spirit in the bond of peace, agreeing on core doctrinal beliefs about Christ and salvation and rising above minor doctrinal differences, loving one another with a pure heart.

## **The Local Church**

We believe that the local church is the primary instrument of God in the world today for the purpose of Biblical teaching, corporate worship, encouragement, fellowship, discipleship, evangelism and missions. Christians should make a commitment to a local church where they can be spiritually fed, connect with other ministries, and practice Biblical stewardship.

## **The Christian Life**

We believe that Christians are called to walk not after the flesh but after the Spirit, and so living in the power of the Spirit they will not fulfill the desires of the flesh. The flesh with its fallen nature needs to be kept constantly in subjection to Christ, so as not to come forth in our lives and bring dishonor to the Lord.

## **Charismatic Issues**

We are an interdenominational ministry that seeks to serve and cooperate with all segments of the evangelical body of Christ. We realize there is division in the Christian body over the matter of speaking in tongues and the second indwelling of the Holy Spirit after conversion and we respect the diversity of perspectives and traditions. In order to maintain harmony in the ministry it is our policy to refrain from these practices and teachings.

## **The Eternal State**

We believe that after death, those who have trusted in the Lord Jesus Christ shall be resurrected and be reunited with Christ in heaven. Those who have not believed in Christ will be separated from God forever.

## **ARTICLE 3 AUTONOMY**

The Corporation is autonomous and maintains the right to govern its own affairs, independent of any denominational control. Recognizing, however, the benefits of cooperation with other churches and ministries in world missions and otherwise, this Corporation may voluntarily affiliate with any churches and ministries of like precious faith.

## **ARTICLE 4 PURPOSES**

The Corporation is formed for any lawful purpose or purposes not expressly prohibited under Title 1, Chapter 2, or Title 2, Chapter 22 of the Code, including any purpose described by section 2.002 of the Code. The Corporation is organized and shall be operated exclusively for religious, charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. Notwithstanding the foregoing, the Corporation's purposes also include the limited participation of the Corporation in any other activities, including taxable activities, but only to the extent the activities would be permitted by a tax-exempt organization. More particularly, but without limitation, the purposes of this Corporation are:

(a) To assist and serve local churches, Christian organizations and denominations, and the general public by providing child care centers, before-school care, and after-school care, featuring programs that integrate a religious curriculum and which enable individuals to be gainfully employed.

(b) To promote the Christian religion by any appropriate form of expression, within any available medium, and in any location through the Corporation's combined or separate formation of a church, ministry, charity, school or eleemosynary institution, without limitation.

(c) To collect and disburse any and all necessary funds for the maintenance of said Corporation and the accomplishment of its purpose within the State of Texas and elsewhere.

(d) To make distributions to organizations which qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended.

(e) This Corporation is also organized to promote, encourage, and foster any other similar religious, charitable and educational activities; to accept, hold, invest, reinvest and administer any gifts, legacies, bequests, devises, funds and property of any sort or nature, and to use, expend, or donate the income or principal thereof for, and to devote the same to, the foregoing purposes of the Corporation; and to do any and all lawful acts and things which may be necessary, useful, suitable, or proper for the furtherance of accomplishment of the purposes of this Corporation. Provided, however, no act may be performed which would violate Section 501(c)(3) of the Internal Revenue Code of 1986, as it now exists or as it may hereafter be amended.

## **ARTICLE 5 POWERS AND RESTRICTIONS**

Except as otherwise provided in these Bylaws and in order to carry out the above-stated purposes, the Corporation shall have all those powers set forth in the Code, as it now exists or as it may hereafter be amended. Moreover, the Corporation shall have all implied powers necessary and proper to carry out its express powers. The powers of the Corporation to promote the purposes set out above are limited and restricted in the following manner:

(a) The Corporation shall not pay dividends, and no part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its organizers, officers or other private persons, except that the Corporation shall be authorized and empowered to make payments and distributions (including reasonable compensation for services rendered to or for the Corporation) in furtherance of its purposes as set forth in the Articles of Incorporation or these Bylaws. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provisions of the Articles of Incorporation or these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on by (i) a corporation exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws, or (ii) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

(b) In the event this Corporation is in any one year a "private foundation" as defined by Section 509(a) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws, it shall be required to distribute its income for such taxable year at such time and in such manner as not to subject the foundation to taxation under Section 4942 of the Internal Revenue Code of 1986, as amended, or corresponding

provisions of any subsequent federal tax laws; and further shall be prohibited from: (i) any act of “self dealing” as defined in Section 4941(d) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; (ii) retaining any “excess business holdings” as defined by Section 4943(c) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; (iii) making any investments in such manner as to subject the foundation to taxation under Section 4944 of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws; or (iv) making taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, as amended, or corresponding provisions of any subsequent federal tax laws.

(c) The Corporation shall not accept any gift or grant if the gift or grant contains major conditions which would restrict or violate any of the Corporation’s religious, charitable, or educational purposes or if the gift or grant would require serving a private as opposed to a public interest.

## **ARTICLE 6 MEMBERSHIP**

This Corporation shall have no members.

## **ARTICLE 7 MANAGEMENT OF THE CORPORATION BOARD OF DIRECTORS**

**7.01 Management.** Power to manage and govern the affairs of the Corporation is vested in the Board of Directors of the Corporation.

**7.02 Number of Directors.** The Board of Directors shall consist of at least three (3) persons as required by the Code, but shall not consist of more than nine (9) persons.

**7.03 Term of Directors.** Each Director shall hold office for a period of one (1) year or until his successor is elected, appointed, or designated herein, and may serve successive terms.

**7.04 Chairman of the Board.** The members of the Board shall elect a Chairman who shall preside at all the meetings of the Board of Directors. The members of the Board shall also elect a Vice-Chairman to serve as Chairman of the Board of Directors in the Chairman’s absence.

**7.05 Powers.** The Board of Directors shall have all of the rights, powers, and responsibilities of a board of directors pursuant to the Code, subject to any limitations under the Code, the Articles of Incorporation of the Corporation, and these Bylaws. All corporate powers shall be exercised by or under the authority of the Board of Directors. The Board of Directors shall have final authority for affairs pertaining to property and other temporal matters as required by civil law for nonprofit corporations. In particular, the Board of Directors shall be responsible for the acquisition and disposition of Corporation property, which includes the management of its financial

resources. The Board of Directors shall have the power to buy, sell, mortgage, pledge or encumber any property of the Corporation and incur related indebtedness.

**7.06 Nomination and Election.** At any meeting at which the election of a Director occurs, any Director then on the Board may nominate a candidate with the second of any other Director then on the Board. A person who meets any qualification requirements to be a Director and who has been duly nominated may be elected as a Director. In addition to nominations made at meetings, a Nominating Committee shall consider possible nominees and make nominations for each election of Directors. The secretary shall include the names nominated by the Nomination Committee, and any report of the Committee, with the notice of the meeting at which the election occurs.

**7.07 Vacancies.** Any vacancy occurring in the Board of Directors, and any Director position to be filled due to an increase in the number of Directors, shall be filled by the Board of Directors. A vacancy is filled by the affirmative vote of the majority of the remaining Directors, even if it is less than a quorum of the Directors, or if it is a sole Director. A person so elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

**7.08 Meetings.** Regular or Special meetings of the Board of Directors may be held either within or outside the State of Texas, but shall be held at the Corporation's principal office if the notice thereof does not specify the location of the meeting. A regular or special meeting may be held at any place consented to in writing by all of the Directors, either before or after the meeting. If such consents are given, they shall be filed with the minutes of the meeting. Any meeting, regular or special, may be held by conference telephone or similar remote communication technology, as long as all Directors participating in the meeting can communicate concurrently with each other participant. All Directors shall be deemed to be present in person at a meeting conducted in accordance with the foregoing sentence. A regular meeting of the Board of Directors shall occur at least annually.

(a) **Regular Meetings.** Regular meetings of the Board of Directors may be held without notice if the time and place of such meetings are fixed by a resolution of the Board of Directors.

(b) **Special Meetings.** A special meeting of the Board of Directors may be called by the Chairman or any three (3) members of the Board of Directors.

(c) **Notice of Special Meetings.**

1) **Manner of Giving.** Notice of the date, time and place of special meetings shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first class mail, postage paid; (c) by telephone communication, either directly to the Director or to a person at the Director's office or home who the person giving the notice has reason to believe will promptly communicate the notice to the Director; (d) by telecopier to the Director's office or home; or (e) by electronic mail ("e-mail").

2) **Time Requirements.** Notice sent by first class mail shall be deposited in the United States mail at least four (4) days before the time set for the meeting. Notices given by

personal delivery, telephone, telecopier or e-mail shall be delivered, telephoned, faxed or e-mailed to the Director or given at least twenty-four (24) hours before the time set for the meeting.

3) Notice Contents. The notice shall state the time and place for the meeting. However, the notice does not need to specify the place of the meeting if the special meeting is to be held at the Corporation's principal office. Unless otherwise expressly stated herein, the notice does not need to specify the purpose or the business to be transacted at the special meeting.

4) Waiver. Attendance of a Director at a meeting shall constitute waiver of notice of such meeting, except where the Director attends a meeting for the express purpose of objecting that the meeting is not properly called.

**7.09 Action Without Meeting.** Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all of the Directors, individually or collectively, consent in writing to the action. Such action by written consent or consents shall be filed with the minutes of the proceedings of the Corporation.

**7.10 Quorum.** A majority of the number of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The Directors present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Directors leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Directors in attendance required to constitute a quorum. If a quorum is present at no time during a meeting, a majority of the Directors present may adjourn and reconvene the meeting one time without further notice.

**7.11 Proxies.** Voting by proxy is prohibited.

**7.12 Duties of Directors.** Directors shall discharge their duties, including any duties as Committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the best interest of the Corporation. Directors may in good faith rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person that were prepared or presented by a variety of persons, including officers and employees of the Corporation, professional advisors or experts such as accountants or legal counsel. A Director is not relying in good faith if the Director has knowledge concerning a matter in question that renders reliance unwarranted.

Directors are not deemed to have the duties of trustees of a trust with respect to the Corporation or with respect to any property held or administered by the Corporation, including property that may be subject to restrictions imposed by the donor or transferor of the property.

**7.13 Delegation of Duties.** The Board of Directors is entitled to select advisors and delegate duties and responsibilities to them, such as the full power and authority to purchase or otherwise acquire stocks, bonds, securities, and other investments on behalf of the Corporation; and to sell, transfer, or otherwise dispose of the Corporation's assets and properties at a time and for a consideration that the advisor deems appropriate. Directors have no personal liability for actions

taken or omitted by the advisor if the Board of Directors acts in good faith and with ordinary care in selecting the advisor. The Board of Directors may remove or replace the advisor, with or without cause.

**7.14 Interested Parties.** Pursuant to the Law and the provisions of Article 11 below, a contract or transaction between the Corporation and a Director of the Corporation is not automatically void or voidable simply because the Director has a financial interest in the contract or transaction.

**7.15 Actions of Board of Directors.** The Board of Directors shall try to act by consensus. However, the vote of a majority of the Directors present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Board of Directors unless the act of a greater number is required by law or the bylaws. A Director who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the decision of the Board of Directors. Directors may not be present by proxy.

**7.16 No Compensation.** Directors shall not receive salaries or compensation for their services to the Board of Directors. The Board of Directors may adopt a resolution providing for payment to Directors for expenses of attendance, if any, at a meeting of the Board of Directors. A Director may serve the Corporation in any other capacity and receive reasonable compensation for those services.

**7.17 Removal of Directors.** The Board of Directors may vote to remove a Director at any time, with or without cause. A meeting to consider the removal of a Director may be called and noticed following the procedures provided in these Bylaws. A Director may be removed by the affirmative vote of a majority of the Directors.

**7.18 Resignation of Directors.** Any Director may resign at any time by giving written notice to the Corporation. Such resignation shall take effect on the date of the receipt of such notice, or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**7.19 Corporation Questions.** In any case where a question arises regarding ecclesiastical polity, Christian doctrine, questions of property of the Corporation, or with respect to any other matter that shall arise concerning the Corporation and its internal workings, the Board of Directors shall decide such question by majority vote.

**7.20 Deadlock.** In the case where the Board of Directors shall, by reason of deadlock (whether because an even number of Directors is seated on the Board of Directors, or because certain Directors are absent even though a quorum is present, or because of abstention, or for any other reason), be unable to reach a conclusive vote on any issue before the Board of Directors, then, in such instance, the Chairman of the Board shall cast an additional ballot which shall be known as a "majority ballot," so that an official act or decision may be taken by the Board of Directors. The majority ballot shall be cast in addition to the regular Director's vote cast by the Chairman.

## **ARTICLE 8 OFFICERS**

**8.01 Officer Positions.** The officers of the Corporation shall be the President, Vice President, Secretary, and Treasurer. The Board of Directors may create additional officer positions, define the authority and duties of each such position, and appoint persons to fill the positions. None of the said officers need be a Director, and any two of these offices may be combined, except for that of the President and Secretary.

**8.02 Election and Term of Office.** The officers of the Corporation shall be elected by the Board of Directors at a regular or special meeting of the Board of Directors and shall hold office until they resign, are terminated, or upon death.

**8.03 President.** The President is the Chief Executive Officer of the Corporation and shall supervise and control all of the business and day-to-day affairs of the Corporation. The President is expressly authorized to do all things necessary and proper to fulfill his leadership position and to fulfill all duties incident to the office of President.

**8.04 Vice President.** The Board of Directors shall, by majority vote, elect the Vice President of the Corporation. When the President is unable to act, or refuses to act, or the office of President is vacant, the Vice President shall perform the duties of the President. When the Vice President acts in place of the President, the Vice President shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform other duties as assigned by the President or Board of Directors. Except as expressly authorized by the Board of Directors, the Vice President shall have no authority to sign for or otherwise bind the Corporation.

**8.05 Treasurer.** The Board of Directors shall, by majority vote, elect the Treasurer of the Corporation. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Corporation; (b) receive and give receipts for moneys due and payable to the Corporation from any source; (c) deposit all moneys in the name of the Corporation in banks, trust companies, or other depositories as provided in the Bylaws or as directed by the Board of Directors; (d) write checks and disburse funds to discharge obligations of the Corporation; (e) maintain the financial books and records of the Corporation; (f) prepare financial reports at least annually; (g) perform other duties as assigned by the Senior Pastor or by the Board of Directors; (h) if required by the Board of Directors, give a bond for the faithful discharge of his or her duties in a sum and with a surety as determined by the Board of Directors; and (i) perform all of the duties incident to the office of treasurer.

**8.06 Secretary.** The Board of Directors shall, by majority vote, elect the Secretary of the Corporation. The Secretary shall: (a) give all notices as provided in the Bylaws or as required by law; (b) take minutes of the meetings of the members and of the Board of Directors and keep the minutes as part of the corporate records; (c) maintain custody of the corporate records and of the seal of the Corporation; (d) affix the seal of the Corporation to all documents as authorized; (e) keep a register of the mailing address of each Director, officer, and employee of the Corporation; (f) perform duties as assigned by the President or by the Board of Directors; and (g) perform all duties incident to the office of secretary.



**8.07 Removal of Officers.** The officers of the Corporation may be removed, with or without cause, by a majority vote of the Board of Directors. The President may be removed with cause by a majority vote of the members of the Board of Directors.

**8.09 Resignation of Officers.** Any Officer may resign at any time by giving written notice to the Corporation. Any such resignation shall take effect on the date of the receipt of such notice, or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

**8.10 Vacancies.** A vacancy in any office shall be filled only in the manner prescribed in these Bylaws for regular appointment or election to that office.

## **ARTICLE 9 COMMITTEES AND ADVISORY TEAMS**

**9.01 Establishment.** The Board of Directors may, at its discretion, adopt a resolution establishing one or more Committees or Advisory Teams. Any and all Advisory Teams shall conform to rules established by the Board of Directors.

**9.02 Delegation of Authority.** Each Committee shall consist of two (2) or more persons, the majority of whom shall be Directors. If the Board of Directors establishes or delegates any of its authority to a Committee, it shall not relieve the Board of Directors, or Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. The Board of Directors shall define by resolution the activities and scope of authority and the qualifications, in addition to those set forth herein, for membership on all Committees.

No Committee shall have the authority to: (a) amend the Articles of Incorporation; (b) adopt a plan of merger or a plan of consolidation with another Corporation; (c) authorize the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation; (d) authorize the voluntary dissolution of the Corporation; (e) revoke proceedings for the voluntary dissolution of the Corporation; (f) adopt a plan for the distribution of the assets of the Corporation; (g) amend, alter, or repeal the Bylaws; (h) elect, appoint, or remove a member of a Committee or a Director or officer of the Corporation; (i) approve any transaction to which the Corporation is a party and that involves a potential conflict of interest as defined in Section 11 below; or (j) take any action outside the scope of authority delegated to it by the Board of Directors or in contravention of the Code.

The Board of Directors may designate various Advisory Teams not having or exercising the authority of the Board of Directors. Such Advisory Teams shall only function in an advisory capacity to the Board of Directors. The President shall have the power to appoint and remove members of all Advisory Teams. The President shall serve as an ex officio member of all Advisory Teams. The Board of Directors shall define, by resolution, the scope of activities and the qualifications for membership on all Advisory Teams.

**9.03 Term of Office.** Each member of a Committee or Advisory Team shall serve until the next annual meeting of the Board of Directors, or until a successor is appointed. However, the term of any Committee or Advisory Team member may terminate earlier if the Committee or Advisory Team is terminated by the Board of Directors, or if the member becomes incapacitated or dies, ceases to qualify, or resigns. A vacancy on a Committee or Advisory Team may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a Committee or Advisory Team shall serve for the unexpired portion of the terminated Committee member's term.

**9.04 Chair and Vice Chair.** Unless otherwise expressly stated herein, one member of each Committee or Advisory Team shall be designated as the chair, and another member shall be designated as the vice chair. The chair and vice chair of each Committee and Advisory Team shall be appointed by the President. The chair shall call and preside at all meetings. When the chair is absent, is unable to act, or refuses to act, the vice chair shall perform the duties of the chair. When a vice chair acts in place of the chair, the vice chair shall have all the powers of and be subject to all the restrictions upon the chair.

**9.05 Quorum.** One half the number of members of a Committee or Advisory Team shall constitute a quorum for the transaction of business at any meeting. The members present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required to constitute a quorum. If a quorum is present at no time during a meeting, the chair may adjourn and reconvene the meeting at a later time without further notice.

**9.06 Actions.** Committees and Advisory Teams shall try to take action by consensus. However, the vote of a majority of members present and voting at a meeting at which a quorum is present shall be sufficient to constitute the act of the Committee or Advisory Team unless the act of a greater number is required by law or these Bylaws. A member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the Committee or Advisory Team.

## **ARTICLE 10**

### **TRANSACTIONS OF THE CORPORATION**

**10.01 Contracts and Legal Instruments.** Subject to Article 11 below, the Board of Directors may authorize an individual officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Corporation. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

**10.02 Deposits.** All funds of the Corporation shall be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Board of Directors selects.

**10.03 Gifts.** The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or any special purpose of the

Corporation including, but not limited to, gifts of money, annuity arrangements, securities, and other tangible and intangible personal property, real property, and interest therein. The Board of Directors may make gifts and give charitable contributions that are not prohibited by these Bylaws, the Articles of Incorporation, state law, or any requirements for maintaining the Corporation's federal and state tax status.

#### **10.04 Ownership and Distribution of Property.**

(a) The Corporation shall hold, own, and enjoy its own personal and real property, without any right of reversion to another entity, except as provided in these Bylaws.

(b) "Dissolution" means the complete disbanding of the Corporation so that it no longer functions as a congregation or as a corporate entity. Upon the dissolution of the Corporation, its property shall be applied and distributed as follows: (1) all liabilities and obligations of the Corporation shall be paid and discharged, or adequate provision shall be made therefore; (2) assets held by the Corporation upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirements; (3) assets received and not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, shall be transferred or conveyed to one or more domestic or foreign corporations, societies, or organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), and are engaged in activities substantially similar to those of the Corporation; this distribution shall be done pursuant to a plan adopted by the Board of Directors; and (4) any assets not otherwise disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the corporation is then located, for such purposes and to such organizations as said court shall determine, provided such organizations are in agreement with the Corporation's basic form of Government.

**10.05 Real Property.** Title to real property of the Corporation shall be in the name of the Corporation. Real property may be purchased in the name of or on behalf of the Corporation with the affirmative vote of the Board of Directors. Real property of the Corporation may be sold, mortgaged, conveyed, transferred, or otherwise disbursed with the affirmative vote of the Board of Directors.

**10.06 Approval of Purchases.** The purchases of fixed assets in excess of \$10,000.00 shall be subject to the prior approval of the Board of Directors.

### **ARTICLE 11 WHISTLEBLOWER POLICY**

**11.01 Purpose.** The Corporation requires all of its Directors, Officers, employees, and volunteers to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. As employees and representatives of the Corporation, individuals must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. Therefore, if a Director, Officer, employee, or volunteer of the Corporation

reasonably believes that the Corporation, by and through its Directors, Officers, employees, or volunteers, or entities with whom the Corporation has a business relationship, is in violation of applicable law or regulation, or any policy or procedure of the Corporation, then that individual shall file a written complaint with either his or her supervisor or the Board of Directors of the Corporation. This policy is intended to encourage and enable employees and others to raise serious concerns within the Corporation prior to seeking resolution outside the Corporation.

#### **11.02 Procedure.**

(a) **Reporting Responsibility.** It is the responsibility of all of the Corporation's Directors, Officers, employees, and volunteers to comply with all applicable laws and regulations, as well as all policies and procedures of the Corporation and to report violations or suspected violations in accordance with the Policy.

If a Director, Officer, employee, or volunteer of the Corporation reasonably believes that any policy, practice, or activity of the Corporation is in violation of any applicable law, regulation, policy, or procedure of the Corporation, then the Director, Officer, employee, or volunteer should share their questions, concerns, or complaints with someone who may be able to address them properly. If the concerns are not addressed, the reporting individual should make a formal complaint as outlined herein.

(b) **Acting in Good Faith.** Anyone filing a complaint concerning a violation or suspected violation of any applicable law, regulation, policy, or procedure of the Corporation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the applicable law, regulation, policy, or procedure of the Corporation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

(c) **Reporting Violations.** In most cases, an employee or volunteer's supervisor is in the best position to address an area of concern. However, if the reporting individual is not comfortable speaking with his or her supervisor, or the reporting individual is not satisfied with his or her supervisor's response, the reporting individual is encouraged to speak with a member of the Board of Directors. Directors are required to report suspected violations directly to the entire Board of Directors.

(d) **Accounting and Auditing Matters.** The Board of Directors shall address all reported concerns or complaints regarding corporate accounting practices, internal controls, or auditing. The Board of Directors shall work until the matter is resolved.

(e) **Evidence.** Although the reporting individual is not expected to prove the truth of an allegation, the reporting individual needs to demonstrate that there are reasonable grounds for concern on his or her part and that these concerns are most appropriately handled through this procedure.

(f) **Investigation of Complaint.** After receipt of the complaint, the director to whom the complaint was made shall provide the complaint to the entire Board of Directors. The Board

of Directors shall then determine whether an investigation is appropriate and the form that it should take. Concerns may be resolved through the initial inquiry by agreed action without the need for further investigation. The entire Board of Directors shall receive a report on each complaint and a follow-up report on action taken.

(g) **Handling of Reported Violations.** The director to whom the complaint was made shall notify the reporting individual and acknowledge receipt of the reported violation within five (5) business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

A reporting individual who reasonably believes that s/he has been retaliated against in violation of this Policy shall follow the same procedures as s/he did when s/he filed the original complaint.

### **11.03 Safeguards.**

(a) **Confidentiality.** Reported or suspected violations may be submitted on a confidential basis by the reporting individual or may be submitted anonymously. Reports of violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

However, the reporting individual is encouraged to put his or her name to the allegation because appropriate follow-up questions and investigations may not be possible unless the source of the information is identified. Concerns expressed anonymously will be investigated, but consideration will be given to:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from documentation and/or other sources.

Every effort will be made to protect the reporting individual's identity; though all individuals considering such a report should be advised that anonymity cannot be assured if an external investigation or criminal proceedings relating to the report occur.

(b) **No Retaliation.** No reporting individual who, in good faith, reports a violation shall suffer harassment, retaliation, or adverse employment consequence. An employee or representative of the Corporation who retaliates against a reporting individual who has reported a violation in good faith is subject to discipline up to, and including, termination of employment or dismissal from Corporation representation.

(c) Harassment or Victimization. Harassment or victimization of the reporting individual for providing information in accordance with this policy by anyone affiliated with the Corporation will not be tolerated. In addition, the provision of such information shall not in any way influence, positively or negatively, the carrying out of routine disciplinary procedures by management as stated in the Corporation's employment policy.

(d) Malicious Allegations. The Board of Directors recognizes that intentionally untruthful, malicious, erroneous, or harassing allegations would be damaging to the mission, integrity, and moral of the church or the reputation of the accused individual. The safeguards stated in this policy do not apply to individuals who make such complaints. Such allegations may result in disciplinary action, including but not limited to termination of employment and/or dismissal of membership.

## **ARTICLE 12**

### **CONFLICT OF INTEREST POLICY**

**12.01 Purpose.** The purpose of the conflict of interest policy is to protect the Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a director or officer of the Corporation, 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 conflicts of interest applicable to nonprofit and charitable organizations.

#### **12.02 Definitions.**

(a) Interested Person. Any director, principal officer, or member of a committee with powers delegated by the Board of Directors, 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;
- 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 or indirect remuneration, as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest.

#### **12.03 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 opportunity to disclose all material facts to the Board of Directors.

(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 or 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 or 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 chairman of the Board of Directors may, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

3) After exercising due diligence, the Board of Directors 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 of interest, the Board of Directors shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interests, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision whether to enter into the transaction or arrangement.

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

1) If the Board of Directors 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.

2) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Directors determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

**12.04 Records of Proceedings.** The minutes of the Board of Directors shall contain:

(a) 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 Board of Director's decision as to whether a conflict of interest in fact existed.

(b) 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.

#### **12.05 Compensation.**

(a) A voting member of the Board of Directors who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee 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.

(c) No voting member of the Board of Directors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

### **ARTICLE 13 INDEMNIFICATION**

**13.01** The Corporation may provide a trust fund, insurance, or other arrangement to effectuate this Article. As described herein, requests for indemnification shall not be unreasonably withheld.

(a) **Mandatory Indemnification.** To the maximum extent permitted by Code, as amended from time to time (provided, however, that if an amendment to the Code in any way limits or restricts the indemnification rights permitted by law as of the date of adoption of these Bylaws, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a director (either elected or ex-officio) or officer of the Corporation, or to such person's heirs, executors, administrators and legal representatives, for the defense of any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal (the "Proceeding"), to which such person was, is or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines, judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:



1) The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Corporation; and

2) The director or officer conducted himself in good faith, and he reasonably believed (a) in the case of conduct in his official capacity with the Corporation, that his conduct was in its best interest; (b) in all other cases, that his conduct was at least not opposed to the best interests of the Corporation; and (c) in the case of any criminal proceeding, that he had no reasonable cause to believe his conduct was unlawful. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein described.

(b) **Permissive Indemnification.** The Corporation may, to the maximum extent permitted by Code, as amended from time to time (provided, however, that if an amendment to the Code in any way limits or restricts the indemnification rights permitted by law as of the date of adoption of these Bylaws, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person's heirs, executors, administrators and legal representatives, to the same extent as set forth in Article 13, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Corporation and met the standards of conduct set forth in Article 13. The Corporation may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation to the extent doing so is consistent with public policy or as may be provided by these Bylaws, by contract, or by general or specific action of the Board of Directors.

## **ARTICLE 14 BOOKS AND RECORDS**

**14.01 Required Books and Records.** The Corporation shall keep correct and complete books and records of account.

**14.02 Fiscal Year.** The fiscal year of the Corporation shall begin on the first day of January and end on the last day in December in each year.

**14.03 Audited Financial Statements.** The Corporation shall have each annual financial statement of the Corporation audited by a certified public accounting firm selected by the Board of Directors.

## **ARTICLE 15 MISCELLANEOUS PROVISIONS**

**15.01 Amendments to Bylaws.** These Bylaws may only be altered, amended, or repealed, and new bylaws may only be adopted by a majority vote of the Board of Directors.

**15.02 Construction of Bylaws.** These Bylaws shall be construed in accordance with the laws of the State of Texas. All references in the Bylaws to statutes, regulations, or other sources of legal authority shall refer to the authorities cited, or their successors, as they may be amended from time to time. If any Bylaw provision is held to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision and the Bylaws shall be construed as if the invalid, illegal, or unenforceable provision had not been included in the Bylaws. The headings used in the Bylaws are used for convenience and shall not be considered in construing the terms of the Bylaws. Wherever the context requires, all words in the Bylaws in the male, female or neuter genders shall be deemed to include the other genders, all singular words shall include the plural, and all plural words shall include the singular.

**15.03 Seal.** The Board of Directors may provide for a corporate seal.

**15.04 Power of Attorney.** A person may execute any instrument related to the Corporation by means of a power of attorney if an original executed copy of the power of attorney is provided to the secretary of the Corporation to be kept with the Corporation records.

**15.05 Parties Bound.** The Bylaws shall be binding upon and inure to the benefit of the Corporation's Directors, officers, employees, and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as otherwise provided in the Bylaws.

**15.06 Christian Alternative Dispute Resolution.** In keeping with 1 Corinthians 6:1-8, all disputes which may arise between any member of the Corporation and the Corporation itself, or between any member of the Corporation and any Pastor, Director, officer, employee, volunteer, agent, or other member of this Corporation, shall be resolved by mediation, and if not resolved by mediation, then by binding arbitration under the procedures and supervision of the *Rules of Procedure for Christian Conciliation, Institute for Christian Conciliation*, or similar faith-based mediation and arbitration group. In the event that the Institute for Christian Conciliation ceases to exist during the course of this Agreement, arbitration under this section shall be conducted according to the rules of the American Arbitration Association. Judgment upon an arbitration award may be entered in any court otherwise having jurisdiction. The parties each agree to bear their own costs related to any mediation or arbitration proceeding including payment of their own attorneys' fees. Either party may file a motion seeking temporary injunctive relief from a court of competent jurisdiction in order to maintain the status quo until the underlying dispute or claim can be submitted for mediation or arbitration.

If a dispute may result in an award of monetary damages that could be paid under a Corporation insurance policy, then use of the conciliation, mediation, and arbitration procedure is conditioned on acceptance of the procedure by the liability insurer of the Corporation and the insurer's agreement to honor any mediation, conciliation or arbitration award up to any applicable policy limits. The mediation, conciliation, and arbitration process is not a substitute for any disciplinary process set forth in the Bylaws of the Corporation, and shall in no way affect the

authority of the Corporation to investigate reports of misconduct, to conduct hearings, or to administer discipline of members.

## **ARTICLE 16**

### **EMERGENCY POWERS AND BYLAWS**

An “emergency” exists for the purposes of this section if a quorum of the Board of Directors cannot readily be obtained because of some catastrophic event. In the event of an emergency, the Board of Directors may: (i) modify lines of succession to accommodate the incapacity of any Board of Directors member, officer, employee or agent; and (ii) relocate the principal office, designate alternative principal offices or regional office, or authorize officers to do so. During an emergency, notice of a meeting of the Board of Directors only needs to be given to those Board of Directors members for whom such notice is practicable. The form of such notice may also include notice by publication or radio. One or more officers of the Corporation present at a meeting of the Board of Directors may be deemed Board of Directors members for the meeting, as necessary to achieve a quorum. Corporate action taken in good faith during an emergency binds the Corporation and may not be the basis for imposing liability on any Board of Directors Member, officer, employee or agent of the Corporation on the ground that the action was not authorized. The Board of Directors may also adopt emergency bylaws, subject to amendments or repeal by the full Board of Directors, which may include provisions necessary for managing the corporation during an emergency including: (i) procedures for calling a meeting of the Board of Directors; (ii) quorum requirements for the meeting; and (iii) designation of additional or substitute Board of Directors members. The emergency bylaws shall remain in effect during the emergency and not after the emergency ends.

### CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of Lionheart Children's Academy and that the foregoing Bylaws constitute the Bylaws of the Corporation. These Bylaws were duly adopted by the Board of Directors of the Corporation dated Feb. 7, 2014.

SIGNED as of this 7<sup>th</sup> day of February, 2014.

Kelly Jones  
Name:

Title: Secretary

INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 25 2014**

LIONHEART CHILDRENS ACADEMY  
610 S INDUSTRIAL BLVD STE 170  
EULESS, TX 76040

Employer Identification Number:  
46-4093705  
DLN:  
17053049386014  
Contact Person:  
CUSTOMER SERVICE ID# 31954  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Public Charity Status:  
509(a) (2)  
Form 990 Required:  
Yes  
Effective Date of Exemption:  
November 14, 2013  
Contribution Deductibility:  
Yes  
Addendum Applies:  
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

For important information about your responsibilities as a tax-exempt organization, go to [www.irs.gov/charities](http://www.irs.gov/charities). Enter "4221-PC" in the search bar to view Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, which describes your recordkeeping, reporting, and disclosure requirements.

Sincerely,



Director, Exempt Organizations