

BYLAWS OF
GRACE CHURCH WILLIAMSBURG

Version Information

Version	Date	Comments
1.0	8/31/2022	

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ARTICLE I PURPOSE

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

Section 1.2. Specific Purpose. The purposes of the Church are:

- 1.2.1. To glorify God by exalting God, edifying believers, and evangelizing unbelievers.
- 1.2.2. To operate exclusively for religious, charitable, and educational purposes within the classification of legal charities; and no part of the net earnings of the organization shall inure to the benefit of any private stockholder or individual; and no substantial part of the activities of the organization, or any receipt of its funds, shall be utilized for any other purpose except those purposes mentioned above.
- 1.2.3. To handle affairs pertaining to property and other temporal matters as required by the civil authorities.
- 1.2.4. The Church does not have or issue shares of stock, and no dividends are paid. No part of the income or assets of the Church is distributed to any member or officer without full consideration. The Church is prohibited from lending money to guarantee the obligation of a member or officer of the Church. No member or officer of the Church has any vested right, interest, or privilege in or to the assets, property, functions, or activities of the Church. The Church may contract in due course, for reasonable consideration, with its members or officers without violating this provision.

ARTICLE II MEMBERS

Section 2.1 Qualifications and Rights of Members.

- 2.1.1. There is one class of membership, active members. The roster of active members shall be maintained by the Clerk of the Church. Active members do not have a right to a legal vote but are eligible and encouraged to participate in meetings of the Church and to consider and affirm proposals or decisions presented by the Elder Council.

2.1.2. The membership consists of all who have accepted the privilege of pastoral (Elder) oversight, instruction, and government of the Church, have a credible profession of faith in Christ, have been baptized, affirm the Statement of Faith (except for areas of disagreement approved by the Elder Council), and are actively pursuing and continuing in vital fellowship with the Lord Jesus Christ.

2.1.3. Process to Become an Active Member.

- a. Upon a candidate expressing interest in membership, one or more meetings (or “membership interviews”) shall be arranged between the candidate and two or more Elders. The purpose of these meetings is for the candidate to give clear testimony of his/her biblical salvation and biblical understanding of the gospel.
- b. Reading materials may also be assigned to the candidate during this membership process to supplement and ensure his/her understanding and affirmation of certain biblical doctrine(s).
 - i. For example, the book “Life in the Father’s House” closely reflects this Church’s view of ecclesiology (i.e., the doctrine of the church). Therefore, this book may be required reading and discussed during the membership interview(s).
- c. To be received into membership, the candidate must be accepted by the Elder Council.

2.1.4. Grounds for refusal of membership include lack of a clear biblical testimony, serious disagreement with the Statement of Faith and/or Bylaws, membership in a Masonic lodge or other secret society, and/or an inconsistent lifestyle.

Section 2.2 Termination of Membership.

2.2.1. Members may be removed from membership at their own request by informing the Elder Council of their intention and reasons to withdraw.

- a. If a member requests to withdraw because of specific problems or disappointments with the Church, the Elder Council will attempt to resolve those matters so that the member may remain in the Church and enjoy greater fruitfulness and personal spiritual growth.
- b. If the Elder Council is unable to resolve those matters, it will offer to assist the member in locating a church of like faith and practice that can respond more effectively to the member’s gifts and needs.
- c. If it appears to the Elder Council that a member has requested removal to avoid church discipline, that request will not be approved until the disciplinary process has been properly concluded (see Matthew 18:12-20; “Church Discipline”).

2.2.2. Members may also be removed from membership by the Elder Council when they, in the Elder Council's sole discretion:

- a. Persistently, over an extended period of time, and without adequate reason, absent themselves from the stated services of the Church;
- b. Unite with another church;
- c. Cannot be found for a period greater than one year; or
- d. Are removed by excommunication for persistent impenitence or factiousness (see "Church Discipline")

ARTICLE III CONGREGATIONAL MEETINGS

Section 3.1 Congregational Meetings.

- 3.1.1. Annual Meetings. The Elder Council holds an annual meeting of the Church each year at a date, time, and place determined by the Elder Council, for the purpose of hearing reports from the Elder Council, Deacons, and others as deemed appropriate.
- 3.1.2. Special Meetings. Special meetings of the Church may be called at a date and location to be determined by the Elder Council when it deems it to be in the best interests of the Church.
- 3.1.3. Notice of Meetings. The date, time, and location of all congregational meetings are announced orally, by electronic communication, or in the Church bulletin at least one (1) Sunday prior to the time set for the meeting.
- 3.1.4. Agenda of Meetings. The purpose of a meeting should be announced in advance when the Notice of the Meeting is announced.
- 3.1.5. Rules of Order. Common sense prevails in meetings of all working groups, the Elder Council, the Deacons, and the congregation. The moderator of any meeting may exercise due judgment in adjourning the meeting to preclude any continuation of sinful behavior from anyone.

ARTICLE IV MEMBERS: STEWARDSHIP

Section 4.1 Stewardship. Stewardship concerns the management of what belongs to another. In our financial stewardship, each Member of the Church family has both the responsibility and the privilege of managing God's provision of money. Making offerings of money to our Church is to be done as an act of obedient, joyful worship, so that contributing to the financial needs of the Church is a matter of faithfulness to God. And while each person should give as they have decided in their heart, giving should be regular, planned, proportional, sacrificial, and cheerful (1

Corinthians 16:1-2; 2 Corinthians 8:3; 9:6-8). The operations and ministries of the church will be supported by the financial offerings given by the church family and guests. Every Member of the Church will be provided access to their giving records or a copy of their offerings for the purpose of record keeping and tax requirements.

Section 4.2 Designated Gifts. Any designated gifts, endowments, or legacies other than for the normal activities or ministries of the Church will only be received with the approval of the Elder Council. Normal activities or ministries are defined as retreats, missions, benevolences, etc. in which the Church usually participates or initiates.

ARTICLE V ELDERS AND DEACONS

Section 5.1 Elders. In the Bible, the terms Elder, Pastor (Shepherd), Overseer, and Bishop all refer to the same office (see Acts 20:17, 28; 1 Peter 5:1-5). Due to this equality, the authority and responsibilities are the same for these terms. In practical usage and reference within our Church, these terms are used synonymously, with “Elder” and “Pastor” most often used. In this document, the term “Elder” is used to refer to these roles.

5.1.1. Qualifications of an Elder. All Elders must meet the biblical qualifications of 1 Timothy 3:1-7 and Titus 1:6-9. And in view of the unique qualification and role of being able to teach and hold to sound doctrine (1 Timothy 3:2 and Titus 1:9), the office of Elder is reserved for only men (see also 1 Timothy 2:12). To be eligible for appointment, a man must be a member in good standing in the Church; must have received appropriate training under the direction of, or with the approval, of the Elder Council; and must have served the Church in functions requiring responsible leadership.

5.1.2. Elder’s Role. Elders are to lead the church in the service of Christ. They are to watch diligently over the people committed to their charge to prevent corruption of doctrine or morals. They should visit the people, especially the sick, instruct the ignorant, comfort the mourning, and nourish and guard the body of Christ and the children of the church. They should pray with and for the people.

- a. It is the charge of the Elders to feed (teach), protect, care for, and tend the flock as Christ’s ministers and to lead them in all the service of Christ.
- b. It is their task to conduct the public worship of God; to pray for and with Christ’s flock; to feed the flock by the public reading and preaching of the Word of God, according to which they are to teach, convince, reprove, exhort, comfort, and evangelize, expounding and applying the truth of Scripture with ministerial authority, as diligent workmen approved by God; to administer the ordinances; to shepherd the flock and minister the Word according to the particular needs of groups, families, and individuals in the congregation, teaching plainly the principles of God to those who are yet babes in Christ, visiting in the homes of people, instructing and counseling individuals, and training them to be faithful servants of Christ; to minister to the poor, the sick, the afflicted, and the dying; and to make known the gospel to the lost.

- c. Because the Bible teaches that marriage is God-ordained as the union between one man and one woman (Genesis 2:24; Matthew 19:4-6; Mark 10:6-9; Ephesians 5:31), no Elder of the Church is allowed to officially participate in, nor shall the property be used for, any marriage ceremonies different than this, including “same-sex marriage” ceremonies and other unions forbidden by Scripture (Leviticus 18:1-30; 20:10-21; Matthew 19:3-12; Mark 10:1-12; Acts 15:29; Romans 1:18-32; 1 Corinthians 5:1-11; 6:9-11, 18; 10:8; Galatians 5:16-21; Ephesians 5:3-5; Colossians 3:5-11; 1 Thessalonians 4:1-8; 1 Timothy 1:8-11; Jude 7; Revelation 2:14, 20-22; 9:21; 21:8; 22:15; etc.).

Section 5.2 Deacons.

5.2.1. Qualifications of a Deacon. All Deacons must meet the biblical qualifications of 1 Timothy 3:8-13. To be eligible for appointment, a Deacon must be a member in good standing in the Church; must have received appropriate training under the direction of, or with the approval, of the Elder Council; and must have served the Church in functions requiring responsible leadership.

5.2.2. Deacon’s Role. Deacons show forth the compassion of Christ in a manifold ministry of mercy toward the saints and strangers on behalf of the Church. As delegated and directed by the Elder Council, they minister to the temporal needs of members and friends and see to the care and maintenance of church property. The Deacons oversee the ministry of mercy in the Church. When necessary, they may collect and disperse funds for the relief of the needy in accordance with applicable laws regarding benevolence.

Section 5.3 Nominations for Appointment. Any member may propose to the Elder Council nominations for the offices of Elders and Deacons. The Elder Council shall certify those nominees whom, upon examination, it judges to possess the necessary qualifications for office.

Section 5.4 Terms. All Elders and Deacons are appointed for indefinite terms of service, unless they resign by giving notice to the Chairman of the Elder Council or removed in congruence with the provisions herein.

Section 5.5 Removal of Office. An Elder or Deacon may be divested of his office via church discipline for an offense in doctrine or life that is biblically disqualifying, even if repentant, if he is no longer above reproach (1 Timothy 3:2; 5:19-20). The Elder Council shall hold the final decision on removal.

ARTICLE VI ELDER COUNCIL

Section 6.1. Powers. In accordance with Virginia Code Section 13.1-803, "Board of Directors" means the group of persons vested with the management of the business of the corporation, and "Director" means a member of the Board of Directors. The Board of Directors shall manage the business affairs of the Church. Hereinafter the Board of Directors shall also be known as the Elder Council. The number of directors or Elders shall be not less than two (2), to serve the biblical mandate of a plurality, with the total number of serving Elders at any given time to be determined

by the Elder Council.

- 6.1.1. Qualifications. The Elder Council shall be composed of the Elders of the Church.
- 6.1.2. Term. The members of the Elder Council shall serve for indefinite terms of service, unless they resign by giving notice to the Chairman of the Elder Council or removed in congruence with the provisions herein.
- 6.1.3. Removal, Resignation and Vacancies. A member of the Elder Council may resign at any time by delivering written notice of his intent to the Elder Council, the Chairman, or the Clerk. Such resignation shall be effective when the notice is delivered unless a later effective date is specified in the notice. Any vacancy in the Elder Council may be filled by a majority vote of the Elder Council. The new member of the Elder Council shall serve until the next regular meeting. Removal from the Elder Council shall be handled as set forth in Section 5.5.
- 6.1.4. Regular Meetings. The Elder Council shall meet at least once each year. Regular meetings shall be held at such time as may be fixed by a resolution of the Elder Council. Members of Elder Council may participate in any meeting by any means of communication by which all members of the Elder Council participating may simultaneously hear and communicate with each other during the meeting, and any such member of the Elder Council shall be deemed present at the meeting for all purposes.
- 6.1.5. Special Meetings. Special meetings of the Elder Council may be called at any time by Clerk.
- 6.1.6. Notice of Meetings. Notice of meetings of the Elder Council may be given in any manner authorized by law, including oral notice. The Clerk shall give members of Elder Council at least one day's notice of the Elder Council meeting. Meetings of the Elder Council may be held at any time without notice if all members of the Elder Council are present or if those not present waive notice in writing either before or after the meeting.
- 6.1.7. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Elder Council may be taken without a meeting if a written consent, specifically setting forth the action to be taken, is signed by all the members of the Elder Council entitled to vote with respect to the particular subject matter. The consent shall have the same force and effect as a unanimous vote of the Elder Council.
- 6.1.8. Quorum. Unless a greater proportion is required by law or by the Articles of Incorporation or these Bylaws, the presence of a majority of the members of the Elder Council at any Elder Council meeting shall constitute a quorum for the transaction of business, but less than a quorum shall have power to adjourn the meeting from time to time. Unless a greater proportion is required by law or by the Articles of Incorporation or these Bylaws, the act of a majority of the members of the Elder Council present at any Elder Council meeting at which there is a quorum, shall be the act of the Elder Council.
- 6.1.9. Performance by the Members of Elder Council. Each member of the Elder Council and each member of any working group designated by the Elder Council shall, in the

performance of such duties, be fully protected in relying in good faith upon the records of the Church and upon such information, opinions, reports, or statements presented to the Church by any of the Church's Elders, Deacons, officers, or employee or working groups of the Elder Council, or by any other person as to matters such Elder reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Church.

6.1.10. Preservation of Tax-Free Status. The Elder Council and the members of the Elder Council, individually, shall take no action that would result in the denial of application for or revocation of the status of the Church as a charitable donee under Section 170(a) and 170(b) (1) (A) (vi) of the Code or as an organization exempt from federal taxation under Section 501(a) and 501(c) (3) of the Code.

6.1.11. Transactions with the Church. An Elder or Deacon shall not be disqualified, by reason of his office, from dealing or contracting with the Church, either as a vendor, purchaser, or otherwise, nor shall any transaction or contract of the Church, not otherwise prohibited by law, be void or voidable on the ground that any Elder or Deacon or any firm or organization of which any Elder or Deacon is a member, shareholder or director, is in any way interested in the transaction or contract, provided that the transaction or contract is approved in accordance with this Church's Conflict of Interest Policy. No such Elder or Deacon shall be liable to account to the Church for any profits realized by him from or through any transaction or contract with the Church that is authorized, ratified, or approved by the Elder Council, on the ground that he or any firm of which he is a member or any organization of which he is a member, shareholder, or director was interested in the transaction or contract. Nothing in these Bylaws shall create any liability in the events above described or prevent the authorization, ratification, or approval of the transactions or contracts in any other manner provided by law.

ARTICLE VII OFFICERS: DUTIES

Section 7.1. Duties in General. The officers shall have such powers and duties as usually pertain to their offices, respectively, as well as such powers and duties as may from time to time be conferred by the Elder Council and these Bylaws.

7.1.1. Election and Appointment of Officers. The Elder Council shall choose the officers of the Church. The officers of the Church shall be a President, a Clerk, and a Treasurer. The Elder Council may also elect one or more vice presidents, assistant secretaries, assistant treasurers, and such other officers as the Elder Council deems proper. In addition, the President is authorized to appoint, from time to time, such assistant vice presidents and assistant secretaries as the President deems advisable. The same person may be selected to hold more than one office. All officers shall serve one year, or until their respective successors are chosen and qualified.

7.1.2. Removal of Officers; Vacancies. The Elder Council may remove any officer, with the exception of the President, from office, at any time with or without cause, by an affirmative vote of a majority of the Elders. Whenever there is a vacancy in any office

originally appointed by the Elder Council, the Elder Council shall fill the vacancy, and the officer so elected shall hold office for the remainder of the term for the office that became vacant or until his successor is chosen and qualified.

- 7.1.3. Duties of the President/Moderator/Chairman. The President shall also be referred to as Moderator and Chairman. The Moderator shall be responsible for the general management and direction of the business and operations of the Church and any of its divisions, subject only to the ultimate authority of the Boards. Except as otherwise provided in these Bylaws or in the resolutions establishing such working groups, he shall be an ex officio member of all working groups of the Boards. He may sign and execute in the name of the Church deeds, mortgages, bonds, contracts, or other instruments except in cases where the signing and the execution thereof shall be expressly delegated by the Boards or these Bylaws to some other officer or agent of the Church or shall be required by law to be otherwise signed or executed.
- 7.1.4. Duties of the Vice President/Moderator/Chairman. Each vice President, if any, shall have such powers and duties as may from time to time be assigned to him by the President or the Board. Any vice President may, when authorized by the Board, sign and execute in the name of the Church deeds, mortgages, bonds, contracts, or other instruments, except where the signing and execution of such documents shall be expressly delegated by the Board or the President to some other officer or agent of the Church or shall be required by law to be otherwise signed or executed.
- 7.1.5. Duties of the Treasurer. The treasurer shall have charge of and be responsible for all funds, securities, receipts, and disbursements of the Church, and shall deposit all monies and securities of the Church in such banks and depositories as shall be designated by the Board. In addition, the treasurer, in conjunction with any accountant(s) for the Church shall be responsible for (i) maintaining the books of the Church in accordance with generally accepted accounting principles or by such other means as is appropriate; (ii) the preparation of appropriate operating budgets and financial statements; (iii) the preparation and filing of all tax returns required by law; and (iv) the performance of all duties incident to the office of treasurer and such other duties as may be assigned to him by the Board or the President. The treasurer may sign and execute in the name of the Church deeds, mortgages, bonds, contracts, or other instruments, except in cases where the signing and the execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Church or as otherwise required by law.
- 7.1.6. Duties of the Clerk. The Clerk shall hold and act as scribe of all meetings of the Elder Council and of the working group meetings, when requested. The Clerk shall also: (i) keep and preserve the minutes of all meetings in permanent books; (ii) insure that all notices required to be given by the Church are duly given and served; (iii) retain custody of the seal of the Church, if any, and shall, if available, affix the seal or cause it to be affixed to all documents as duly authorized in accordance with law or the provisions of these Bylaws; (iv) have custody of all deeds, leases, contracts and other important corporate documents; (v) shall have charge of the books, records and papers of the Church relating to its organization and management as a Church; (vi) insure that all reports, statements and other documents required by law (except tax returns) are properly filed,

including the filing of any reports; (vii) have charge of and be responsible for maintaining a record of all donors and the amount of their contributions; (viii) be responsible for the written acknowledgment of all contributions; and (ix) shall in general perform all the duties incident to the office of Clerk and such other duties assigned to him by the President.

ARTICLE VIII WORKING GROUPS

Section 8.1. In General. The Elder Council, by resolution duly adopted, may establish such standing or special working groups, as it may deem advisable; and the members, terms and authority of each working group shall be as set forth in the resolutions establishing the working group. Each working group appointed by the Elder Council shall serve at the pleasure of that Elder Council. Regardless of the foregoing, **a working group shall not:**

- a. approve amendments to these Bylaws, the Articles of Incorporation, or the Conflict of Interest Policy;
- b. approve any action or exercise any authority requiring the approval of more than a majority of a quorum of the Elder Council under the laws of the Act, the Articles of Incorporation, or these Bylaws;
- c. take any action for which final authority is reserved to the Church or which has been prohibited by resolution of the Elder Council; or
- d. take other action which may not be delegated to it by the Elder Council or under the laws of the Act or under the provisions of the Articles of Incorporation or these Bylaws.

8.1.1. Any member of a working group may resign at any time by giving written notice of his resignation to the Chairman or the Clerk of the Church, or may be removed, with or without cause, at any time by such vote of the Elder Council as would suffice for his election. Any vacancy occurring in a working group resulting from any cause whatsoever may be filled solely by the Elder Council responsible for such working group. If a member of any working group ceases to be a member of the Church, he or she shall be deemed to have resigned from any and all working groups to which he or she belongs.

8.1.2. Meetings. Regular and special meetings of any working group established pursuant to this article may be called and held subject to the same requirements with respect to quorum, time, place, notice, and means as are specified in these Bylaws for regular and special meetings of the Elder Council.

ARTICLE IX CONFLICT OF INTEREST POLICY

The Elder Council shall establish and maintain a Conflict of Interest Policy to protect the Church's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Pastor, Officer, Elder, or Deacon of the Church. The current Conflict of Interest Policy is attached to these Bylaws as **Attachment A**.

ARTICLE X BIBLICAL COUNSELING AND CHURCH DISCIPLINE

Section 10.1 Biblical Counseling. All Christians struggle with sin and the effect it has on our lives and our relationships (see Romans 3:23; 7:7-25). Whenever a Christian is unable to overcome sinful attitudes or behaviors through private efforts, God commands that he/she should seek assistance from other members, and especially from the Elders, who have the responsibility of providing pastoral counseling and oversight (see Romans 15:14; Galatians 6:1-2; Colossians 3:16; 2 Timothy 3:16-4:2; Hebrews 10:24-25; 13:17; James 5:16). Therefore, this Church encourages and enjoins its members to make confession to and seek counsel from each other and especially from our Elders and trained counselors.

We believe that the Bible provides thorough guidance and instruction for faith and life. Therefore, our counseling is based upon scriptural principles rather than those of secular psychology or psychiatry. Neither the pastoral counselors nor the members of this Church who counsel are trained or licensed as psychotherapists or mental health professionals, nor should they be expected to follow the methods of such.

Although some members of the Church work in professional fields outside the Church, when serving as pastoral counselors or as members who counsel within the Church, they do not provide the same kind of professional advice and services that they do when they are hired in their professional capacities. Therefore, members who have significant legal, financial, medical, or other technical questions should seek advice from independent professionals. Our pastoral and Church-member counselors are available to cooperate with such advisors and help members to consider their advice in the light of relevant scriptural principles.

Section 10.2 Confidentiality. The Bible teaches that Christians should carefully guard any personal and private information that others reveal to them. Protecting confidences is a sign of Christian love and respect (Matthew 7:12). It also discourages harmful gossip (Proverbs 16:28; 26:20), invites confession (Proverbs 11:13; 28:13; James 5:16), and encourages people to seek needed counseling (Proverbs 20:19; Romans 15:14). Since these goals are essential to the ministry of the gospel and the work of this Church, all members are expected to refrain from gossip and to respect the confidences of others. Our Elders carefully protect all information that they receive through pastoral counseling, subject to the following guidelines.

Although confidentiality is to be respected as much as possible, there are times when it is appropriate to reveal certain information to others. When the Elders of this Church believe it is biblically necessary, they may disclose confidential information to appropriate people in the following circumstances:

- a. When an Elder is uncertain of how to counsel a person about a particular problem and needs to seek advice from other Elders or, if the person attends another church, from the Elders of that church (Proverbs 11:14; 13:10; 15:22; 19:20; 20:18; Matthew 18:15-17);
- b. When the person who disclosed the information or any other person is in imminent danger of serious harm unless others intervene (Proverbs 24:11-12);

- c. When a person refuses to repent of sin and it becomes necessary to institute disciplinary proceedings (Matthew 18:15-20; Bylaw 15) or seek the assistance of individuals or agencies outside this church (e.g., Romans 13:1-5); or
- d. When required by law to report suspected child abuse.

Scripture commands that confidential information be shared with others only when a problem cannot be resolved through the efforts of a small group of people within the Church (Matthew 18:15-17). Therefore, except as provided in section 10.2 above, an Elder may not disclose confidential information to anyone outside this church without the approval of the Elder Council or the consent of the person who originally disclosed the information. The Elder Council may approve such disclosure only when it finds that all internal efforts to resolve a problem have been exhausted (e.g., 1 Corinthians 6:1-8) and the problem cannot be satisfactorily resolved without the assistance of individuals or agencies outside this church (e.g., Romans 13:1-5). This limitation applies to, but is not limited to, the giving of testimony in a court of law and the reporting of abuse.

The Elders may, but need not, provide counselees with written notice of these confidentiality provisions, but these provisions shall be in effect regardless of whether such notice is given.

Section 10.3 Conflict Resolution. Conflicts involving doctrine or church discipline are resolved according to the procedures set forth in Section 10.4, “Church Discipline”.

This Church is committed to resolving in a biblical manner all disputes that may arise within our body. This commitment is based upon God’s command that Christians should strive earnestly to live at peace with one another (Matthew 5:9; John 17:20-23; Romans 12:18; and Ephesians 4:1-3), and that when disputes arise, Christians should resolve them according to the principles set forth in Holy Scripture (Proverbs 19:11; Matthew 5:23-25; 18:15-20; 1 Corinthians 6:1-8; Galatians 6:1). We believe that these commands and principles are obligatory on all Christians and essential for the well-being and work of the church. Therefore, all disputes in this church shall be resolved according to biblical principles, as provided in these Bylaws.

When a member of this church has a conflict with another member, he should attempt to resolve the matter as follows:

- a. The offended person should prayerfully examine himself and take responsibility for his contribution to a problem (Matthew 7:3-5).
- b. The offended person should go, repeatedly if necessary, and talk to the offender to resolve the matter personally and privately, having first confessed his own wrongdoing (Matthew 18:15; 7:5).
- c. If the offender will not listen, the offended or concerned person should return with one or two other people who will attempt to help the parties resolve their differences (Matthew 18:16); these other people may be members or officers of the church, other respected Christians in the community, or trained mediators or arbitrators (conciliators) from a Christian conciliation ministry approved by the Elder Council. At the request of

either party to the dispute, the Church shall make every effort to assist the parties in resolving their differences and being reconciled.

- d. If a dispute arises within the Church or between a member and the Church and cannot be resolved through the internal procedures described above, the Elder Council may submit a dispute to arbitration. The arbitrators must uphold the decisions of the Elder Council on matters of doctrine and church discipline.

This section covers the Church as a corporate entity and its agents, including its Elders, officers, staff, and designees regarding any actions they may take in their official capacities. This section covers all disputes or claims arising from or related to church membership, doctrine, policy, practice, counseling, discipline, decisions, actions, or failures to act, including claims based upon civil statute or for personal injury.

By joining this Church, all members agree that these methods provide the sole remedy for any dispute arising against the Church and its agents, and they waive their right to file any legal action against the Church in a civil court or agency, except to enforce an arbitration decision.

If a dispute or claim involves an alleged injury or damage to which the Church's insurance applies, and if the Church's insurer refuses to submit to mediation or arbitration as described in this section, either the Church or the member alleging the injury or damage may declare that this section is no longer binding regarding that part of the dispute or claim to which the church's insurance applies.

Section 10.4 Church Discipline. Church discipline must be carried out according to Matthew 18:15-20 and other verses concerning discipline within the church. The threefold purpose of church discipline is (1) to glorify God by maintaining purity in the local church (1 Corinthians 5:6), (2) to edify believers by deterring sin (1 Timothy 5:20), and (3) to promote the spiritual welfare of the offending believer by calling him or her to return to a biblical standard of doctrine and conduct (Galatians 6:1).

Those who fellowship with this Church who err in doctrine, or who engage in conduct that violates Scripture as determined by the Elder Council, shall be subject to church discipline, including dismissal, according to Matthew 18:15-18.

Before such dismissal, however:

- a. It shall be the duty of any member of this Church who has knowledge of the erring individual's heresy or misconduct to warn and correct such erring individual in private, seeking his/her repentance and restoration.
- b. If the erring individual does not heed this warning, then the warning member shall again go to the erring individual, seeking his/her repentance, but accompanied by one or two individuals who shall confirm that the sin has occurred or is continuing to occur, and/or that the erring individual has been appropriately confronted and has refused to repent.

- c. If the erring individual still refuses to heed this warning, then it shall be brought to the attention of the Elder Council (or a duly appointed Working Group of the Elder Council, at the sole discretion of the Elder Council). If the Elder Council (or a duly appointed Working Group of the Elder Council, at the sole discretion of the Elder Council) determines after thorough investigation in accord with the procedures prescribed by pertinent Scripture, including Matthew 18:15-18, 1 Timothy 5:19, and Titus 3:10, that there is corroborating evidence that the erring individual has sinned or is continuing to sin, that he/she has been appropriately confronted, and that he/she has refused to repent, then the Elder Council shall inform the church and the congregation thereof at a regularly-scheduled worship service in order that the church may call the erring individual to repentance. If the erring individual demonstrates repentance, then notice to that effect may be given at a regularly scheduled worship service.
- d. If, however, the erring individual does not repent in response to the Church in its collective call to repentance, then he/she shall be publicly dismissed from the fellowship and/or membership of the Church and the congregation thereof at a regularly scheduled worship service. If the erring individual, after such dismissal, heeds the warning, demonstrates repentance, and requests reinstatement before the Elder Council (or a duly appointed Working Group of the Elder Council, at the sole discretion of the Elder Council), then he/she shall be publicly restored to all the rights, duties, privileges, and responsibilities of fellowship and/or membership.

The members of this Church, and all other professing Christians who regularly attend or fellowship with this church, agree that there shall be no appeal to any court because of the dismissal or because of public statements to the congregation at the third or fourth stages of church discipline. Members who are under discipline by the Church, as defined in the previous paragraphs, forfeit and waive the right to resign from this Church. Resignations from membership are possible only by members who are in good standing and who are not under any disciplinary action.

ARTICLE XI INDEMNIFICATION AND ELIMINATION OF LIABILITY

Section 11.1. Indemnification of Pastors, Directors, Officers, Elders, and Deacons. Except as provided, every Pastor, Director, Officer, Elder, or Deacon who was or is a party, or who is threatened to be made a party, to any pending, completed or impending action, suit or proceeding of any kind, whether civil, criminal, administrative, arbitative or investigative (whether or not by or in the right of the Church) by reason of (i) being or having been a Pastor, Director, Officer, Elder, or Deacon of the Church, (ii) being or having been a member, manager, partner, officer, or director of any other entity at the request of the Church, or (iii) serving or having served in a representative capacity for the Church in connection with any partnership, joint venture, working group, trust, employee benefit plan, or other enterprise, shall be indemnified by the Church against all expenses (including attorneys' fees), judgments, fines, penalties, awards, costs, amounts paid in settlement, and liabilities of all kinds, actually incurred by him incidental to or resulting from such action, suit or proceeding to the fullest extent permitted under the Act, without limiting any other indemnification rights to which he otherwise may be entitled. Such indemnification shall be specifically conditioned on a determination, in accordance with Section 11.4, that (i) he conducted

himself in good faith; (ii) he believed, in the case of conduct in his official capacity with the Church, that his conduct was in its best interests and, in all other cases, that his conduct was at least not opposed to its best interests (or in the case of conduct with respect to an employee benefit plan, that his conduct was for a purpose he believed to be in the interests of the participants of and beneficiaries of the plan); (iii) he conducted himself in accordance with the Church's Conflict of Interest Policy; and (iv) he had no reasonable cause to believe, in the case of any criminal proceeding, that his conduct was unlawful.

Section 11.2. Indemnification Not Permitted. The Church shall not indemnify any individual against his willful misconduct or a knowing violation of the criminal law or against any liability incurred by him in any proceeding charging improper personal benefit to him, whether or not by or in the right of the Church or involving action in his official capacity, in which he was adjudged liable by a court of competent jurisdiction on the basis that personal benefit was improperly received by him.

Section 11.3. Effect of Judgment or Conviction. The termination of a proceeding by judgment, order, settlement, or conviction is not, of itself, determinative that an individual did not meet the standard of conduct set forth in Section 11.1 or that the conduct of such individual constituted willful misconduct or a knowing violation of the criminal law.

Section 11.4. Determination and Authorization. Unless ordered by a court of competent jurisdiction, any indemnification under Section 11.1 shall be made by the Church only as authorized in the specific case upon a determination that indemnification of the individual is permissible in the circumstances because: (i) he met the standard of conduct set forth in Section 11.1 and, with respect to a proceeding by or in the right of the Church in which such individual was adjudged liable to the Church, he is fairly and reasonably entitled to indemnification in view of all of the relevant circumstances even though he was adjudged liable; and (ii) the conduct of such individual did not constitute willful misconduct or a knowing violation of the criminal law.

Except as hereafter provided, such determination shall be made: (i) by the Elder Council by a majority vote of a quorum consisting of Elders who are not parties to the proceeding; or (ii) if such a quorum cannot be obtained, by a majority vote of a working group duly designated by the Elder Council, consisting solely of two or more Elders who are not parties to the proceeding (Elders who are parties may participate in the designation of the working group); or (iii) by special legal counsel selected by the Elder Council.

Authorization of indemnification, evaluation as to reasonableness of expenses (including attorney fees) and determination and authorization of advancements for expenses shall be made in the same manner as the determination that indemnification is permissible, except that if the determination is made by special legal counsel, authorization of indemnification and evaluation as to reasonableness of expenses shall be made by those Elders selecting such counsel.

Section 11.5. Advance for Expenses. The Church may pay for or reimburse the reasonable expenses (including attorney fees) incurred by any individual who is a party to a proceeding in advance of final disposition of the proceeding if: (i) he furnished the Church a written statement of his good faith belief that he has met the standard of conduct described in Section 12.1; (ii) he

furnished the Church a written undertaking, executed personally or on his behalf, to repay the advance if it is ultimately determined that indemnification of such individual in the specific case is not permissible; and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under this Article.

Section 11.6. Indemnification of Employees and Agents. The Church may, but shall not be required to, indemnify and advance expenses to employees and agents of the Church to the same extent as provided in this Article with respect to Pastors, Directors, Officers, Elders, or Deacons.

Section 11.7. Liability of Pastors, Directors, Officers, Elders and Deacons. In any proceeding brought by or in the right of the Church, a Pastor, Director, Officer, Elder, or Deacon of the Church shall be liable in any monetary amount for damages arising out of or resulting from transactions, occurrences or courses of conduct in which the Pastor, Director, Officer, Elder, or Deacon engaged in willful misconduct or a knowing violation of the criminal law.

Section 11.8. Insurance. The Elder Council may authorize the purchase and maintenance of insurance on behalf of any Pastor, Officer, Elder, Deacon, employee, or agent of the Church against any liability asserted against or incurred by him which arises out of such person's status in such capacity or who is or was serving at the request of the Church as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or otherwise, or out of acts taken in such capacity, whether or not the Church would have the power to indemnify the person against that liability under law.

Section 11.9. Provisions Not Exclusive. The provisions of this Article are in addition to and not in limitation of the specific powers of a corporation to indemnify directors and officers as authorized by the Act. If any provision of this Article shall be adjudicated invalid or unenforceable by a court of competent jurisdiction, such adjudication shall not be deemed to invalidate or otherwise affect any other provision hereof or any power of indemnity which the Church may have under the Act or other laws of the Commonwealth of Virginia.

ARTICLE XII
CORPORATE RECORDS

Section 12.1. Minutes of Meetings and Records of Actions Taken Without Meetings. The Church shall keep as permanent records minutes of all meetings of its Elder Council, of all actions taken by the Elder Council without a meeting, and all actions taken by a working group of the Elder Council in place of the Elder Council on behalf of the Church.

Section 12.2. List of Elders, Directors, and Members. The Church or its agent shall maintain a record of its Elders and Directors; in a form that permits preparation of a list of the names and addresses of all Elders and Directors in alphabetical order. The member roster shall be maintained by the Clerk of the Church.

Section 12.3. Form of Records. The Church shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

ARTICLE XIII
ACCOUNTS, CONTRACTS, CHECKS, AND FUNDS

Section 13.1. Accounts. The Elder Council shall have authority to designate by resolution the bank(s) which shall be depositories for the funds of the Church, to open and close accounts in those banks, to designate and terminate those persons authorized to sign on behalf of the Church checks, drafts, or other instruments against the accounts, and to take any other action required on behalf of the Church with respect to the accounts.

Section 13.2. Contracts. The Elder Council may, by duly adopted resolution, authorize any officer(s) or agent(s) of the Church, in addition to the officers so authorized by these Bylaws, to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Church. Such authority may be general or confined to specific instances.

Section 13.3. Gifts and Contributions. The Elder Council or a working group of the Elder Council may:

- a. Accept, on behalf of the Church, any contribution, gift, bequest, or devise of any type of asset ("Donation"), for the charitable purposes of the Church, on such terms as the Elder Council or Working Group approves;
- b. Hold such Donation in the name of the Church;
- c. Collect and receive the income from the Donation;
- d. Devote the principal or income from Donations to such charitable purposes as the Elder Council or Working Group may determine is consistent with these Bylaws; and
- e. Enter into an agreement with any donor to continue to devote the principal or income from the Donation to such particular purposes as the donor may designate and after approval of such agreement by a majority of the Elder Council, devote the principal or income from that Donation according to the agreement.

Section 13.4. Checks, Notes and Drafts. Checks, notes, drafts, and other orders for the payment of money shall be signed by such persons as the Elder Council from time to time may authorize. When authorized by the Elder Council, the person's signature may be a facsimile.

ARTICLE XIV
MISCELLANEOUS PROVISIONS

Section 14.1. Amendment of Bylaws. The Church's Articles of Incorporation, Bylaws and Statement of Faith may be amended or altered at any meeting of the Elder Council by a resolution adopted by a unanimous vote of the Elder Council. If there is an inability to come to a unanimous decision, the Chairman's vote shall break the deadlock.

Section 14.2 Dissolution. Upon the dissolution of the Church, its Elder Council shall, after paying or making provision for the payment of all of the liabilities of the Church, dispose of all of the assets of the Church, if any, (1) exclusively for the purposes of the Church in such manner as the Elder Council shall determine, or (2) to such organization or organizations organized and operated exclusively for religious, charitable, scientific, literary or educational purposes as then described in Section 170(b)(1)(A) of the Code, excluding clauses (vii) and (viii), as shall at the time qualify as an exempt organization or organizations under the provisions of Section 501(c)(3) of the Code.

Adopted by the Elder Council of Grace Church Williamsburg on August 31, 2022


Clerk

8/31/2022
Date

ATTACHMENT 1

CONFLICT OF INTEREST POLICY

ARTICLE I PURPOSE

The charitable purpose and tax-exempt status of a nonprofit organization includes a duty to maintain the public trust. Further, it is the goal of Grace Church Williamsburg (the "Church"), a Virginia nonstock corporation, to conduct its affairs with a commitment to honesty and integrity. This Conflict of Interest Policy ("Policy") is to promote the standards of the Church and to protect its interest when it is contemplating entering into a transaction or arrangement that might benefit (or be perceived to benefit) the private interest of an officer or director of the Corporation or certain other persons. Each officer, director, working group member and employee have a full-time responsibility to the Church and shall strive to avoid conflicts of interest. This policy encourages the avoidance of conflicts of interest and is to supplement but not replace any applicable Virginia or federal laws governing conflicts of interest pertinent to nonprofit and charitable organizations.

ARTICLE II DEFINITIONS

(a) "Interested Person" means a Covered Person who may financially benefit from a transaction with the Church or who possesses a Financial Interest, as defined below.

(b) "Covered Person" includes any director, principal officer, member of a working group with governing board delegated powers, employee, and, as defined below, major donors, insiders, and close relatives.

(c) "Close Relatives" includes (a) a spouse, child (natural or adopted), parent and step-parent, in-laws (father, mother, brother and sister in-law), grandchild, grandparent, brother or sister, or (b) any other person who shares living quarters or who is financially dependent upon a director, principal officer, member of a working group with governing board delegated powers, employee, major donors, or insiders.

(d) "Insiders" are persons who (a) are privy to any material information that is identified as confidential and proprietary, pertaining to the business and affairs of the Church, whether related to a specific transaction or to matters pertaining to the Church's interest, activities, and policies, and (b) by virtue of their involvement with the Church, could be placed in a conflict situation or could give the appearance of having the ability to unduly influence the Church. This could potentially include an independent contractor and former directors, officers, employees, and volunteers.

(e) "Major Donor" includes an individual, corporation, or foundation that makes a gift or pledge either in cash, appreciated securities, other assets or in land, easement, or bargain-sale value of Ten Thousand Dollars (\$10,000.00) or more at any one time or cumulatively within a five-year

period prior to the occurrence of the conflict.

(f) "Related Party Transaction" means a transaction involving any corporation, partnership, trust, estate, joint venture, and unincorporated affiliation of any kind as well as public boards and commissions and not-for-profit organization in which a Covered Person, directly or indirectly:

(1) owns or controls 5.00 % or more of any voting security; or

(2) is a director, executive officer, executor, administrator, trustee, beneficiary, controlling partner, or otherwise serves in a fiduciary capacity or holds a substantial beneficial interest; or

(3) has legal or de facto power to control the election of a majority of directors; or

(4) has legal or de facto power to exercise a controlling influence over the management or policies.

(g) "Financial Interest" means the Covered Person possesses, directly or indirectly, through business, investment, family, or otherwise:

(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 Church 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 Church is negotiating a transaction or arrangement.

(h) "Compensation" includes direct and indirect payments as well as material gifts or favors.

A Financial Interest or a Related Party Transaction is not necessarily a conflict of interest. A person who has a Financial Interest or any Related Party Transaction has a conflict of interest only if the appropriate governing board or working group of the Church decides that a conflict of interest exists.

ARTICLE III PROCEDURES

(a) Duty to Disclose. Interested Person must disclose the existence of a Financial Interest or Related Party Transaction and be given the opportunity to disclose all material facts to the Church's Elder Council ("Elder Council").

(b) Procedures for Addressing a Potential Related Party Transaction and a Conflict of Interest.

(1) Determination of a Conflict of Interest. Unless specifically addressed elsewhere in this Policy,

(a) An Interested Person may make a presentation at the Elder Council's meeting, but after the presentation, he shall leave the meeting during the discussion of and the vote on the transaction involving the possible conflict of interest. The Elder Council shall decide if a conflict of interest exists. A vote by a majority of the directors present, after the Interested Person leaves the Elder Council meeting, determining that there is a conflict of interest shall be proof that such conflict of interest exists. For purposes of voting on a potential conflict of interest, if the Interested Person is a director, the director must excuse himself from any meeting while the Elder Council discusses the proposed conflict of interest and must abstain from any vote regarding the proposed conflict of interest.

(b) If there is deemed to be no conflict of interest, the proposed transaction may commence.

(c) If there is deemed to be a conflict of interest:

(i) The Elder Council shall exercise due diligence to investigate alternatives to the proposed transaction. The Elder Council shall consider:

(a) the reasonableness of compensation arrangements and benefits, based on competent survey information and the result of arm's length bargaining; and

(b) whether the transaction conforms with the Church's written policies, reflects reasonable investments or payments for goods and services, furthers charitable purposes and does not result in inurement or impermissible private benefit.

If deemed appropriate by the Elder Council, the president or chairman of the Elder Council shall appoint a disinterested person or working group to perform the due diligence.

(ii) After completing the due diligence, the Elder Council, excluding the Interested Person, shall determine whether the Church can reasonably obtain a more advantageous transaction for the Church from a person or entity that would not cause a conflict of interest.

(iii) If a more advantageous transaction is not reasonably possible under circumstances that would not produce a conflict of interest, the Elder Council, excluding the Interested Person, shall determine by a majority vote of the disinterested directors whether the transaction is in the Church's best interest, for its own benefit, and whether it is fair and reasonable.

(a) If the transaction is in the Church's best interest, for its own benefit, and is fair and reasonable, the transaction may commence.

(b) If the transaction is not in the Church's best interest, for its own benefit, and is fair and reasonable, the transaction shall not commence and to the

extent it has already commenced, the transaction will be deemed void and all costs paid by the Church shall be refunded by the Interested Party.

(c) Violations of the Conflicts of Interest Policy.

(1) If the Elder Council has reasonable cause to believe an Interested Person has failed to disclose a Related Party Transaction or actual or possible conflicts of interest, it shall inform the Interested Person of the basis for such belief and shall provide the Interested Person with an opportunity to explain the alleged failure to disclose.

(2) If, after hearing the Interested Person's response and after making further investigation as warranted by the circumstances, the Elder Council, excluding the Interested Person, determines the Interested Person has failed to disclose a Related Party Transaction or an actual or possible conflict of interest, it shall take disciplinary and corrective action as deemed appropriate in light of the surrounding facts and circumstances.

**ARTICLE IV
RECORDS OF PROCEEDINGS**

The minutes of the Elder Council shall contain:

- (a) the names of the persons who disclosed or were found to have a Financial Interest or Related Party Transaction in connection with an actual or possible conflict of interest,
- (b) the nature of the Related Party Transaction or Financial Interest,
- (c) any action taken to determine whether a conflict of interest was present,
- (d) the Elder Council's determination on whether a conflict of interest in fact existed,
- (e) the names of the persons who were present for discussions and votes relating to the transaction,
- (f) the content of the discussion, including any alternatives to the proposed transaction, and
- (g) a record of any votes taken in connection with the proceedings.

**ARTICLE V
COMPENSATION**

The Church may reasonably compensate Covered Persons for services used to carry out the Church's charitable purposes. In determining compensation for directors or officers, the Elder Council shall adhere to the following guidelines:

- (a) A director or officer who receives compensation, directly or indirectly, from the Church for services is precluded from voting on matters pertaining to that director or officer's compensation.

- (b) A director or officer on any working group whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Church for services is precluded from voting on matters pertaining to that director or officer's compensation.
- (c) No director or officer whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Church, either individually or collectively, is prohibited from providing information to any working group or the Elder Council regarding compensation.

ARTICLE VI ANNUAL STATEMENTS

Each director and officer shall annually sign a statement which affirms that such person:

- (a) Has received a copy of the Conflicts of Interest Policy,
- (b) Has read and understands the policy,
- (c) Has agreed to comply with the policy, and
- (d) Understands that the Church is charitable and in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

ARTICLE VII PERIODIC REVIEWS

To ensure the Church operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, the Elder Council shall conduct periodic reviews of all Related Party Transactions.

ARTICLE VIII USE OF OUTSIDE ADVISORS

When conducting the periodic reviews, the Church may, but need not, use outside advisors. If outside advisors are used, their use shall not relieve the Elder Council of its responsibility for ensuring periodic reviews are conducted.