

BYLAWS
OF THE GRACE BRETHREN CHURCH OF LITITZ
APPROVED FOR USE (DATE), 2011

**Section 1 – Statement of Faith
(Constitution, Article V)**

We of the Fellowship of Grace Brethren Churches, in harmony with our historic position, believing the Bible, the whole Bible, and nothing but the Bible to be our infallible rule of faith and of practice, and feeling our responsibility to make known the divine message of the Bible, present the following articles as a statement of those basic truths taught in the Bible which are common to our Christian faith and practice:

1. THE BIBLE: the Word of God, consisting of the sixty-six Books of the Old and New Testaments, verbally inspired in all parts, and therefore wholly without error as originally given of God (II Timothy 3:16; II Peter 1:21).
2. THE ONE TRUE GOD: existing eternally as three persons—the Father, the Son, and the Holy Spirit (Luke 3:22; Matthew 28:19; II Corinthians 13:14).
3. THE LORD JESUS CHRIST: His preexistence and death (John 1:1-3), incarnation by virgin birth (John 1:14; Matthew 1:18-23), sinless life (Hebrews 4:15), substitutionary death (II Corinthians 5:21), bodily resurrection (Luke 24:36-43), ascension into heaven and present ministry (Hebrews 4:14-16), and coming again (Acts 1:11).
4. THE HOLY SPIRIT: His personality (John 16:7-15); and deity (Acts 5:3-4); and His work in each believer; baptism and indwelling at the moment of regeneration (I Corinthians 12:13; Romans 8:9); and filling (Eph. 5:18) to empower for Christian life and service (Ephesians 3:16; Acts 1:8; Galatians 5:22-23).
5. MAN: his direct creation in the image of God (Genesis 1:26-28), his subsequent fall into sin resulting in spiritual death (Genesis 3:1-24; Romans 5:12), and the necessity of the new birth for his salvation (John 3:3-5).
6. SALVATION: a complete and eternal salvation by God's Grace alone, received as the gift of God through personal faith in the Lord Jesus Christ and His finished work (Ephesians 2:8-9; Titus 3:5-7; I Peter 1:18-19).
7. THE CHURCH: one true Church, the body and bride of Christ (Ephesians 1:22-23; 5:25-32), composed of all true believers of the present age (I Corinthians 12:12-13); and the organization of its members in local churches for worship, for edification of believers, and for world-wide gospel witness, each local church being autonomous but cooperating in fellowship and work (Ephesians 4:11-16).

8. CHRISTIAN LIFE: a life of righteousness, good works, and separation unto God from the evil ways of the world (Romans 12:1-2), manifested by speaking the truth (James 5:12), maintaining the sanctity of the home (Ephesians 5:22-6:4), settling differences between Christians in accordance with the Word of God (I Corinthians 6:1-8), not engaging in carnal strife but showing a Christ-like attitude toward all men (Romans 12:17-21), exhibiting the fruit of the Spirit (Galatians 5:22-23), and maintaining a life of prayer (Ephesians 6:18; Philippians 4:6), including the privilege, when sick, of calling for the elders of the church to pray and to anoint with oil in the name of the Lord (James. 5:13-18).

9. ORDINANCES: the Christian should observe the ordinances of our Lord Jesus Christ, which are (1) baptism of believers by triune immersion (Matthew 28:19) and (2) the threefold communion service, consisting of the washing of the saints' feet (John 13:1-17), the Lord's Supper (I Corinthians 11:20-22, 33-34); Jude 12), and the communion of the bread and the cup (I Corinthians 11:23-26).

10. SATAN: his existence and personality as the great adversary of God and His people (Revelation 12:1-10), his judgment (John 12:31), and final doom (Revelation 20:10).

11. SECOND COMING: the personal, visible, and imminent return of Christ to remove His Church from the earth (I Thessalonians 4:16-17) before the tribulation (I Thessalonians 1:10; Revelation 3:10), and afterward to descend with the Church to establish His millennial kingdom upon the earth (Revelation 19:11-20:6).

12. FUTURE LIFE: the conscious existence of the dead (Philippians 1:21-23; Luke 16:19-31), the resurrection of the body (John 5:28-29), the judgment and reward of believers (Romans 14:10-12); II Corinthians 5:10), the judgment and condemnation of unbelievers (Revelation 20:11-15), the eternal life of the saved (John 3:16), and the eternal punishment of the lost (Matthew 25:46; Revelation 20:15).

Section 2 - Membership Application (Constitution, Article VI, Section 1)

- 2.1 Those desiring Membership will complete an application form and return it to the church office.
- 2.2 The application form will provide personal information, a written testimony of the applicant's salvation, and a signed consent to the Constitution and By-Laws of the church.
- 2.3 Children and young people under 15 years of age will submit a separate application that provides parental consent.

- 2.4 All those entering the Membership of this Church are expected to declare, through triune immersion baptism, their intention to be true disciples of Jesus Christ. This requirement may be waived by the Board of Elders for causes which relate to the health and / or safety of the applicant or to a previous experience of believer's baptism by immersion.
- 2.5 A Member will agree to the Membership Statement of Commitment as documented in the Constitution
- 2.6 A Member will acknowledge that he or she has received, understands, agrees with, and will abide by the Constitution and By-Laws of Grace Church
- 2.7 A Member will successfully complete a Membership application process that has been approved by the Board of Elders that confirms 2.1 through 2.6 above.
- 2.8 An individual will be evaluated by the Board of Elders for Membership status only after completing steps 2.1 through 2.7 above. After examination of the individual's application for Membership, the Board of Elders will vote whether to accept the individual as a Member. Current Members will be notified on a periodic basis of any new Members who have been approved by the Board of Elders.
- 2.9 All those who are Members of Grace Church as of the date of adoption of these By-Laws shall be Members of Grace Church.

Section 3 - Membership Age and Privileges The following requirements apply to all individuals who have been accepted as Members.

- 3.1 Members who are 18 years or older are entitled to vote on the following matters:
 - Approve proposed amendments to the Constitution and By-Laws.
 - Approve individuals to serve as Elders of Grace Church.
 - Approve the Lead Pastor. The approval of the Lead Pastor will require a 75% affirmative vote of the voting Members present at any meeting called for that purpose.
 - Approve the annual budget as presented by the Board of Elders at the annual meeting.
 - Approve unbudgeted recommendations to buy, sell, mortgage, lease, or transfer real estate where the value of the real estate or mortgage amount exceeds 5% of the annual budget or the amount of total real estate payments exceeds 5% of the annual budget. The approval of these items will require a 75% affirmative vote of the voting Members present at any meeting called for that purpose.
 - Approve other matters as required under the Constitution and By-Laws from time to time including any Fundamental Changes as defined in Sec 8.15. The approval of a Fundamental Change will require a 75% affirmative vote of the voting Members present at any meeting called for that purpose.

- Approve any unbudgeted capital expenditure which would cause all unbudgeted capital expenditures for the fiscal year to exceed 5% of the annual budget. The approval of these items will require a 75% affirmative vote of the voting Members present at any meeting called for that purpose.
 - Approve any unbudgeted operating expenditure which would cause all unbudgeted operating expenditures for the fiscal year to exceed 5% of the annual budget. The approval of these items will require a 75% affirmative vote of the voting Members present at any meeting called for that purpose.
- 3.2 Members who are 21 years or older may be considered to hold Corporate offices of Grace Church.
- 3.3 As a rule, Membership should be held in only one congregation at a time. However, there are occasions when compelling reasons may be given for holding dual Membership. Such reasons may include temporary residency, student activity, and missionary service. Under these circumstances, the Board of Elders may approve dual Memberships providing the distant church also approves. Qualifications for Membership will not be diminished in such cases.
- 3.4 Each Member, subject to 3.1, shall be entitled to one vote with regard to any proposed action.

Section 4 - Membership Terms

- 4.1 A Member who continues to abide by all of the requirements of a Member as outlined in Section 2. above shall continue indefinitely and remain in good standing as a Member of Grace Church. If a Member fails to be an active participant of Grace Church for a period in excess of six months, Membership status may be revoked at the sole discretion of the Board of Elders.
- 4.2 In determining whether a member is an active participant the Board of Elders shall take all factors into consideration, including but not limited to the members age, health, military status, educational activities and occupation.

Section 5 – Membership Resignation

- 5.1 A Member may resign at any time by written notice to the Chairman of the Board of Elders, unless the Board waives such notice. The resignation will be effective on the date specified in the notice.

Section 6 – Member Removal

- 6.1 If it has been determined by the Board of Elders that a Member no longer abides by the requirements of a Member, as outlined in Sec 2 above, Membership status may be revoked at the sole discretion of the Board of Elders. Members are to be subject to the authority and direction of the Elders (Hebrews 13:7, 17)

Section 7 – Member Discipline

- 7.1 All discipline and conflict issues will be addressed as outlined in Matthew 18:15-20. It is the primary goal of Grace Church to see all discipline and conflict issues resolved in a spirit of gentleness and humility and without bias or partiality with the goal of restoration.
1. Discipline and conflict issues should first be addressed in private between the offender and the offended.
 2. If repentance or reconciliation is not achieved through 7.1, the offended should return with two or three witnesses, one of those witnesses being a member of the Board of Elders or Pastoral Staff.
 3. If repentance or reconciliation is not achieved through 7.2, the issue will be addressed by the Executive Committee of the Board of Elders.
 4. If repentance or reconciliation is not achieved through 7.3, the issue will be addressed by the Board of Elders. The Board of Elders will make a final binding decision of discipline and conflict issues.
 5. Members who refuse repentance or reconciliation after Board of Elders intervention are subject to the revocation of their Membership status and all its rights and privileges.

Section 8 – Board of Elders

- 8.1 The Board of Elders will establish the overall vision and direction of Grace Church that fulfills the Purpose Statement as outlined in the Constitution. Further, the Board of Elders will;
1. Oversee and ensure care for the Members with a willing desire and as examples to the Church (I Peter 5:2-3)
 2. Ensure that the church adheres to the Doctrinal Statement as stated in the Constitution.
 3. Be responsible for the Pastoral staff and their performance
 4. Oversee the church's property and fiscal affairs.
- 8.2 Qualifications; Elders must be Members of Grace Church and at a minimum meet the Biblical qualifications indicated in 1 Timothy 3:1-7 and Titus 1:5-9. The Board of Elders will be responsible to evaluate each individual and his qualifications prior to placing a name into nomination.

- 8.3 General Powers: The Board of Elders will comprise the legal, ruling body of the church. They will have the power and authority, in submission to God, to act on behalf of the church and its spiritual condition, to guard the purity of the doctrine, and to discipline the church Members in accordance with the Bible and these By-Laws.
- 8.4 Specific Powers: The Board of Elders has the power and authority to, among other things;
- 8.4.1. Create policies that establish the overall vision and direction of the church in fulfilling the Purpose Statement as outlined in the Constitution.
- 8.4.2. Create policies that guide the decisions and behaviors of the Board of Elders, Pastors and staff of the church.
- 8.4.3. Establish an environment that promotes decisions and behaviors of Members and Attendees to live in accordance with Biblical principles.
- 8.4.4. Act as trustees for the church, hold title to the property of the church, and represent the church in all matters of civil law. The Board of Elders is empowered to buy, sell, mortgage, lease, transfer, or otherwise dispose of real estate subject to the prior approval of the Members as specified in Sec 3.1.
- 8.4.5. Delegate to the Pastoral Staff the authority to perform specific responsibilities that may include but will not be limited to matters pertaining to the physical properties and finances of the church.
- 8.4.6. Appoint an independent accountant or accounting firm to perform an Audit of the church's financial records annually.
- 8.4.7. Nominate non-pastor Elders to serve on the Board of Elders. The Board of Elders will accept and give consideration to suggestions of potential nominees for the Board of Elders from the Members. These suggestions must be presented to the Board of Elders no less than two months prior to an election. Nominations will be presented to the Members no less than two weeks prior to a vote to elect Elders.
- 8.4.8. Nominate Pastors, other than the Lead Pastor, to serve on the Board of Elders as non-voting Ex-Officio members. The Board of Elders will, in collaboration with the Lead Pastor, give consideration to Pastors as nominees for the Board of Elders. Nominations will be presented to the Members no less than two weeks prior to a vote to elect new Elders.
- 8.4.9. Nominate the Lead Pastor to serve and lead the church.

8.4.10. Create standing committees or committees with limited duration, or special committees, from time to time.

The Standing Committees shall be

Executive Committee: The Executive Committee shall consist of the Chairman of the Board, who shall serve as Chairman of the Committee, the Vice Chairman, the Secretary and the Lead Pastor. The Committee shall have the power to transact the regular business of the Church during the interim between the meetings of the Board of Elders provided that any action taken shall not conflict with the policies and directions of the Board of Elders on all matters of importance.

Governance and Compensation Committee: The Governance and Compensation Committee shall consist of two members of the Board of Elders appointed by the Chairman of the Board, one of whom shall serve as Chairman of the Committee, and such other Members as recommended by the Chairman of the Board and approved by the Board of Elders. The committee shall assist the Board in fulfilling its oversight responsibilities relating to the proper governance of the Church including the development of policies, the recommending of Members for election to the Board of Elders and the Lead Pastors compensation.

Stewardship Committee; The Stewardship Committee shall consist of two members of the Board of Elders appointed by the Chairman of the Board, one of whom shall serve as Chairman of the Committee, the Treasurer of the Church and such other Members as recommended by the Chairman of the Board and approved by the Board of Elders. The Committee shall assist the Board in fulfilling its oversight responsibility relating to the fiscal operations and financial structure of the Church.

Education Committee; The Education Committee shall consist of two members of the Board of Elders appointed by the Chairman of the Board, one of whom shall serve as Chairman of the Committee, the Senior Administrator of the educational ministries and such other Members as recommended by the Chairman of the Board and approved by the Board of Elders. The committee shall assist the Board in fulfilling its oversight responsibility relating to the educational ministries.

8.4.11. License, Ordain, and Commission individuals for specific ministry service.

8.4.12. Elect and remove Corporate Officers

8.5 Composition: The Board of Elders shall be comprised of up to twelve (12) non-pastor Elders, the Lead Pastor, and those Pastors nominated and approved pursuant to Sec. 8.4.8. The Board of Elders shall seek, pursuant to the procedures provided in these By-Laws, to identify and nominate sufficient qualified men to maintain twelve (12) non-pastor Elders. In accordance with Biblical examples, a plurality of leaders will be maintained at all times (Acts 14:23). The size of the Board of Elders will be established by the Board of Elders subject to the same Quorum and Action requirements for a Fundamental Change as outlined in Sec 8.14 and Sec 8.15, subject to the minimum stated above. At no time may an employee who is not a Pastor of Grace Church serve as an Elder.

- 8.5.1 Transition: As the Board of Elders transitions to the structure provided in Sec. 8.5, the number of non-pastor Elders shall be nine (9) for the year ended June 30 2012; eleven (11) for the year ended June 30, 2013; and twelve (12) for the year ended June 30, 2014 and thereafter. All Pastors serving on the Board of Elders at the time these By-Laws are adopted will become non-voting Ex-Officio members of the Board of Elders
- 8.6. Voting; Each Elder, other than Pastors who are Ex-Officio, will be entitled to one vote with regard to any proposed action of the Board of Elders.
- 8.7 Terms: Each Elder will be elected for a term of five years. The term of office will be July 1 to June 30. Non-pastor Elders will be required to have a period of one year off between elected terms with the exception of Elders who are elected to serve a partial term of less than three years for a vacant position on the Board of Elders.
- 8.8 Resignation: An Elder may resign at any time by written notice to the Chairman of the Board of Elders, unless the Board waives such written notice. The resignation of an Elder will be effective on the date specified in the notice. The Chairman may resign at any time by written notice to the Vice-Chairman.
- 8.9 Removal: The presence of three-fourths of the Elders will constitute a quorum for the consideration of removing an Elder. A three-fourths majority of the Elders may remove an Elder from office only for cause at any time at a duly convened meeting of the Board of Elders. For cause shall be defined as an Elder failing to meet the qualifications as outlined in Board-stated policies.
- 8.10 Vacancies: If an Elder dies, resigns, or the Board of Elders removes an Elder, the Board of Elders may nominate a candidate to fill the vacant position. Such nominations will be presented to the Members for their approval at a duly convened meeting. Each Elder elected as a successor to fill a vacant position will serve as an Elder for the balance of the predecessor's unexpired term.
- 8.11 Annual Organizational Meeting: The Board of Elders will hold an annual organizational meeting each year prior to the start of the new Elder's terms in order to, among other things, elect the Board's Officers in accordance with section Sec 9.
- 8.12 Regular meetings: The Board of Elders may schedule other regular meetings as it considers necessary. The Board will schedule no fewer than six Regular Meetings on an annual basis.
- 8.13 Special Meetings: The Chairman, or the Chairman upon request of an Elder, may schedule special meetings of the Board of Elders for the general purposes specified by the Chairman or the Elder, as the case may be.

- 8.14 Meetings: Notice; The Chairman or Secretary will notify each Elder of each regular or special meeting of the Board of Elders prior to the meeting.
- 8.15 Meetings: Quorum. The presence of three-fourths of the Elders will constitute a quorum for the transaction of church business for purposes of Board of Elders meetings called, among others things, to act upon a proposed Fundamental Change as defined as;
 - 8.15.1 An amendment to the Constitution or By-Laws.
 - 8.15.2 The merger of the church with, or other consolidation of the church into, another church.
 - 8.15.3 The sale of substantially all of the church's assets.
 - 8.15.4 The conversion of the church from non-profit to for-profit status
 - 8.15.5 The dissolution of the church.
 - 8.15.6 A separation from The Fellowship of Grace Brethren Churches.
- 8.16 The presence of a majority of the Elders will constitute a quorum for the transaction of business of Elder Board meetings called for reasons other than to act upon a proposed Fundamental Change.
- 8.17 Elders may attend such meetings in person or by telephone conference by means of which all persons participating in the meeting may hear each other.
- 8.18 Meetings: Action. The affirmative vote of three-fourths of the Elders present at a meeting to consider, among other things, the recommendation of a Fundamental Change to the Members will constitute Elder Action, unless otherwise provided by these By-Laws or applicable law. The affirmative vote of a majority of the Elders present at a meeting to consider actions other than a Fundamental Change will constitute Board of Elders action, unless otherwise provided by these By-Laws or applicable law.
- 8.19 Action: Written Consent. All Elders may consent in writing, without meeting, prior notice or vote, to any action required or permitted to be taken at any meeting of the elder Board with the exception of a Fundamental Change as outlined in Sec 8.15 or the removal of an Elder as outlined in Sec 8.9. Approval through written consent will require a unanimous vote of a quorum to an action, and the Secretary will enter it in the church's records. Each unanimous consent will have the same effect as a vote for all purposes.

- 8.20 Meetings: Members. A Member may request a meeting with a representative of the Elders and will make such request in writing indicating the subject of said meeting to the Chairman of the Board of Elders.
- 8.21 Compensation: An Elder will not be entitled to any compensation for service in that capacity. An Elder who serves the church in another capacity, however, may be entitled to such compensation as the Elder board determines.
- 8.22 Reimbursement: The Chairman or the Lead Pastor from time to time may authorize the reimbursement of ordinary and necessary expenses by an Elder in connection with the church's business.

Section 9 – Board of Elders Officers

- 9.1 Officers. The officers of the Board of Elders shall include a Chairman, one or more Vice Chairman, a Secretary, and such other officers as the Board elects from time to time. All officers, appointed officers and committee chairpersons will be Members of the church. Non-Members may be approved for short-term assignments in various ministries at the discretion of the Board of Elders. Pastors may not serve as Officers.
- 9.2 Chairman. The Chairman will;
 - 9.2.1 Preside at all meetings of the Board of Elders.
 - 9.2.2 Be an ex-officio voting member of all Board of Elders committees.
 - 9.2.3 Exercise all authority granted by the Board of Elders, including, but not limited to, executing all instruments approved by the board.
 - 9.2.4 Perform all duties incident to the Chairman's office as well as all other duties prescribed by the Board of Elders from time to time.
 - 9.2.5 Work with the Lead Pastor to carry out the church's mission, provide leadership to the Board of Elders, prepare agendas for Board meetings, and assist with the implementation of Board actions.
- 9.3. Vice Chairman. The Vice Chairman will perform all duties which the Board of Elders prescribes, including, but not limited to, presiding at all meetings where the Chairman is absent.
- 9.4. Secretary. The Secretary will perform all duties which the Board of Elders prescribes.
- 9.5. Other Officers. Each other officer of the Board of Elders will perform all duties which the Board prescribes.

- 9.6. Terms. The Elders will elect each Board officer at the Board's annual organizational meeting for a term which begins on July 1 and ends on the earlier of (a) one year hence on June 30 or (b) the Board officer's resignation, death, or removal. An Elder may serve as an officer for up to three years consecutively, and then must take at least one year off from holding any officer position.
- 9.7. Resignation. A Board of Elders Officer may resign at any time by written notice to the Chairman, unless the Board waives such notice. The resignation of a Board Officer will be effective on the date specified in the notice. The Chairman may resign at any time by written notice to the Vice Chairman.
- 9.8. Removal. A majority of the Elders may remove an Elder Officer from office at any time at a duly convened meeting of the Board.
- 9.9. Vacancies. If a Board of Elders Officer dies, resigns, or is removed as an Elder pursuant to section Sec 8.8, the Board will elect a successor Board Officer at a duly convened meeting.
- 9.10. Compensation. A Board of Elders Officer will not be entitled to any compensation for service in that capacity. A Board of Elders Officer who serves the church in another capacity, however, may be entitled to such compensation as the Board of Elders determines.
- 9.11. Reimbursement. The chairman or Lead Pastor from time to time may authorize the reimbursement of ordinary and necessary expenses incurred by an Board of Elders Officer in connection with the church's business

Section 10 – Corporate officers

- 10.1. Officers. The officers of the church must be Members of Grace Church and will include a Lead Pastor, a Secretary, and a Treasurer, and such others as the Board of Elders elects from time to time.
- 10.2. Lead pastor. The Lead Pastor will report directly to the Board of Elders.
 - 10.2.1. The Lead Pastor must be examined for licensure in the Fellowship of Grace Brethren Churches.
 - 10.2.2. Subject to the Board of Elders direction and as stated in Board established policies, the Lead Pastor will oversee all of the ministries, business and affairs of the church.

- 10.2.3. The Lead Pastor will exercise all authority granted by the Board, including, but not limited to, executing all instruments approved by the Board, except in those instances that the Board has expressly delegated the signing and execution of specific instruments to another officer or agent of the church.
- 10.2.4. The Lead Pastor will oversee care for the Members, and promote the spiritual welfare of the church and those whom it serves.
- 10.2.5. The Lead Pastor will report to the Board of Elders regularly and upon request with regard to all matters which the church's interest require and/or the Board requires to be brought to the Board's attention.
- 10.2.6. The Lead Pastor, by virtue of his office, will serve as a member of the Board of Elders with voting privileges.
- 10.3. Secretary. The Secretary will keep the minutes of all annual, regular, and special meetings of the Board of Elders. He will also perform such other duties and have such other responsibilities as the Chairman and/or Lead Pastor will direct.
- 10.4. Treasurer. The Treasurer will;
 - 10.4.1. Have care and custody of the books and records of account of the church.
 - 10.4.2. Be subject to the Board of Elders established policies and the Lead pastor supervision, having charge of and responsibility for all of the church's financial assets.
 - 10.4.3. Provide financial statements monthly, as well as, upon request to the Lead Pastor and the Board of Elders and attend Board meetings as requested.
 - 10.4.4. Ensure that a yearly audit of the church records is conducted.
 - 10.4.5. Perform such other duties and have such other powers as the Board of Elders and/or the Lead pastor will direct from time to time.
- 10.5. Other Officers. Each other Corporate Officer will perform all duties which the Board of Elders prescribes.
- 10.6. Terms. Each Corporate Officer will serve until resignation, death or removal.
- 10.7. Resignation. A Corporate officer may resign at any time by written notice to the Chairman, unless the Board of Elders waives such notice. The resignation of a Corporate Officer will be effective on the date specified in the notice.

- 10.8. Removal. The presence of three-fourths of the Elders will constitute a quorum for the consideration of removal of a Corporate Officer. A three-fourths majority of the Elders may remove a Corporate Officer from office at any time at a duly convened meeting of the Board of Elders. Elders may remove a Pastor from employment subject to the same three-fourths majority. The Board of Elders will evaluate situations involving doctrinal heresy or conduct unworthy of the office according to Biblical guidelines or applicable law.
- 10.9. Vacancies. If a Corporate Officer dies, resigns, or is removed as an Elder pursuant to section Sec 8.8, the Board of Elders will elect a successor Corporate Officer at a duly convened meeting, subject to provisions outlined in these by-Laws.
- 10.10. Compensation. The Pastors and each other Corporate Officer who is not an Elder may serve with compensation. The Board of Elders will prescribe the compensation of the Pastors, and the Lead Pastor will prescribe the compensation of each other Corporate Officer who is not an Elder.
- 10.11. Reimbursement. The Chairman or the Lead Pastor may authorize the reimbursement of ordinary and necessary expenses by a Corporate Officer in connection with the church's business.

Section 11– Deacons and Deaconesses

- 11.1 The Board of Elders working with the Lead Pastor will be responsible for oversight of the Deacon/Deaconess ministry. The ministry will be organized and managed pursuant to policies developed by the Board of Elders.

Section 12 – Qualifications for Deacons and Deaconesses

- 12.1 From the title given the office of deacon in the New Testament, it is understood that the office involves serving. In the ordinary use of the word, a deacon is one who responds to the commands of a leader.
- 12.2 Since the qualifications for deacons are listed along with the qualifications for elders in I Timothy 3:1-13, a close association with elders is to be expected. Elders supervise the work of deacons.
- 12.3 The title in the New Testament appears in both masculine and feminine forms. Deacons and deaconesses must meet the Biblical qualifications set forth in I Timothy 3:8-13.
- 12.4 The text in I Timothy 3:8-12 indicates that deacons and deaconesses are to exhibit a pattern of life similar to elders. The obvious difference, however, is

one of leadership in matters of organization and doctrine. Deacons and deaconesses do not lead; they serve human needs under the leadership of Elders.

- 12.5 When selecting deacons and deaconesses, the Board of Elders must not require a level of personal spiritual ability that approaches the requirements for elders. On the other hand, the Board of Elders must select men and women who cannot be "called to account" for conduct unbecoming a Christian. If ever such conduct has existed, whether before conversion or not, there must be such a radical alteration of life, over a period of time, that the deacon or deaconess is capable of being "similar" to the Elder in his or her conduct.
- 12.6 Deacons and deaconesses must be Members of Grace Church.

Section 13 – Membership Meetings

- 13.1 The annual meeting of the Membership will be conducted at a time announced by the Board of Elders. At this meeting, any business deemed necessary by the Board of Elders will be conducted. This meeting will also include a review of the church's activities from the previous year and the plans for the new year, which begins July 1 and ends June 30. The meeting will be inspirational in nature, filled with thanksgiving for the past and dreams for the future.
- 13.2 Special meetings may be conducted at the discretion of the board of elders, or by 25% of Members eligible to vote, by making such request in writing to the Chairman of the Board of Elders, said request detailing the purpose of the meeting.
- 13.3 All annual, regular and special meetings will be announced on at least two consecutive weekends preceding the date of the meeting. Such notice may be written, verbal, electronic, or via other means as deemed appropriate by the Board of Elders. The notice will include the purpose of the meeting.
- 13.4 The Chairman of the Board of Elders, or in his absence, the Vice Chairman, will preside over all Member meetings. The most recent edition of Roberts' Rules of Order shall be used to govern meetings and resolve disagreements except where these might be in conflict with the By-laws.
- 13.5 The presence of 30% of all Members will constitute a quorum for purposes of meetings.
- 13.6 A majority of a quorum of the Members eligible to vote and attending a meeting will be required for any action, except when the Constitution or these By-Laws expressly require otherwise. No proxy or absentee votes will be accepted.

Section 14 – Amendments

14. Amendments. Amendments to these By-Laws will be presented by the Board of Elders to the Members. The proposed amendments must be communicated to Members not less than two weeks before a scheduled meeting date. Amendments must be approved by 75% of all Members present.

Section 15 – Indemnification

15. Subject to the provisions of the immediately following sentence, the Corporation shall, to the fullest extent permitted under the laws of the Commonwealth of Pennsylvania as now or hereafter in effect, indemnify hold harmless, and defend any person (and his or her heirs, executors and administrators) who was or is a party, witness or other participant or is threatened to be made a party, witness or participant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including, without limitation, actions by or in the right of the Corporation) by reason of the fact that he or she is or was a Board Member, Officer, or committee member acting on behalf of the Corporation. Indemnification shall not be provided in any case where the conduct giving rise to the claim for indemnification constituted willful misconduct, recklessness or self-dealing.

Section 16 – Manual of Policies and Procedures

16. A manual of policies and Procedures shall be established by the Board of elders providing oversight and direction to the ministry of the church. This manual shall be considered the official guiding document for any issues not specifically addressed by the Constitution or By-laws. It may be changed or altered by the Board of Elders at any time. The Manual of Policies and procedures shall be available for any Member to inspect in the church office. Recommendations for changing the Policies and procedures originating from a member must be submitted to the Board of elders in written form.

Section 17 – Unity in Grace Church

17. An imperfect system filled with men and women of integrity will function far better than a perfect system filled with men and women who lack integrity. The people we choose are as important as the system we use. We are committed to maintaining a Board of Elders, Pastors and staff who create an environment of unity by

demonstrating integrity and humility through the practice of mutual submission, flexibility and forgiveness.

These By-Laws outline the guidelines Grace Church employs in selecting key leadership, ministering to Members, fulfilling our Purpose and managing ongoing church operations. In conjunction with the Constitution they also provide accountability for church leadership and key information for the church body.