

**BYLAWS OF
KATY CHRISTIAN MINISTRIES
A Not for Profit Corporation**

“Transforming lives through God’s grace
and the generosity of the community”

Approved by the Board of Directors on
August 31, 2015
To be effective January 1, 2016





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PROLOGUE

PREAMBLE

Katy Christian Ministries is a corporation composed of Christian churches in Katy and surrounding areas, which have united in their goal to minister to the needs in this community by feeding the hungry, caring for the sick and clothing the naked (Matthew 25:40).

MISSION STATEMENT

“Transforming lives through God’s grace
and the generosity of the community”

ARTICLE 1

OFFICES

- 1.1 Principal Office. The principal office of the Corporation in the State of Texas shall be located in the City of Katy or in the surrounding area. The Corporation may have such other offices, either within or without the State of Texas, as the Board of Directors may determine or as the affairs of the Corporation may require from time to time.
- 1.2 Registered Office and Registered Agent. The Corporation shall have and continuously maintain in the State of Texas, a registered office and a registered agent whose office is identical with such registered office as required by the Texas Business Organization Code. The registered office may be, but need not be, identical with the principal office of the Corporation in the State of Texas. The Board of Directors may change the address of the registered office from time to time as the Board of Directors may determine or as the affairs of the Corporation may require.

ARTICLE 2

MEMBERS/ REPRESENTED ORGANIZATIONS

- 2.1 Covenant and Partner Churches. Churches in the Katy and surrounding areas who define themselves as followers of Christianity may affiliate with Katy Christian Ministries by becoming a Covenant Church or a Partner Church as defined below. The Corporation shall not have members. The Board of Directors shall be drawn from the covenant churches. Churches who wish to become a Covenant or a Partner Church shall submit a duly completed and executed Covenant or Partner Church application to Katy Christian Ministries. The application may be modified from time to time by the Board of

Directors. The application of the church shall be submitted by the Secretary at the next regularly scheduled meeting of the Corporation and must be approved by a two-thirds (2/3) vote of the Board of Directors who are present at the meeting when a quorum is present at the meeting.

2.1.1.1 Covenant/Partner Application. Approval of application(s), shall take place at the first regularly scheduled Board Meeting following receipt of the duly completed application.

2.1.1.2 Renewal. Every Covenant or Partner Church must renew their application by completing a new Covenant or Partnership application every 3 years.

2.1.2 Covenant Church – is a Church in the Katy or surrounding area who defines itself as a follower of Christianity, has completed a Covenant Agreement and has been approved by the Board of Directors as defined above. This Agreement binds Katy Christian Ministries to provide services to the needy in the Katy and surrounding areas in accordance with its mission which may be modified by the Board of Directors, from time to time. The church, as a minimum, will be required to provide a Director as defined below and make an annual financial pledge. In addition, the Covenant church is strongly urged to participate with Katy Christian Ministries by the following:

2.1.2.1.1 Praying for Katy Christian Ministries

2.1.2.1.2 Participating in Katy Christian Ministries activities

2.1.2.1.3 Providing volunteers to assist Katy Christian Ministries staff

2.1.3 Partner Church – is a Church in the Katy or surrounding area who defines itself as a follower of Christianity, has completed a Partner Agreement and has been approved by the Board of Directors as defined above. This Agreement binds Katy Christian Ministries to provide services to the needy in the Katy and surrounding areas in accordance with its mission which may be modified by the Board of Directors, from time to time. The Partner church is strongly urged to participate with Katy Christian Ministries by the following:

2.1.3.1.1 Praying for Katy Christian Ministries

2.1.3.1.2 Providing financial support

2.1.3.1.3 Participating in Katy Christian Ministries activities

2.1.3.1.4 Providing volunteers to assist Katy Christian Ministries staff

Partner churches are encouraged to become Covenant churches. This can be accomplished by submitting a completed Covenant Application.

2.2 Agreement. Within thirty (30) days after Board approval, the Covenant or Partner Church shall complete a Katy Christian Ministries Covenant or Partner Agreement.

Covenant Churches shall designate a Director or Primary and Secondary Directors to serve on the KCM Board of Directors.

- 2.3 Withdrawal. Any Covenant or Partner Church may, upon written notification to the Secretary of the Corporation, withdraw from the Corporation, and such withdrawal shall be effective immediately.
- 2.4 Removal/Reconsideration. Any Covenant or Partner Church that fails to fulfill its Covenant or Partner obligations will be provided written notification and given two (2) months to make any required adjustments (adjustment period). At the first regularly scheduled Board meeting, following the adjustment period, the Board may remove the Church, or ask a Covenant Church to reconsider its status and become a Partner Church, by a two-thirds (2/3) vote of the Board of Directors who are present at the meeting at which there is a quorum present. A church that has been removed may reapply and is encouraged to reapply, at any time that it believes it meets the requirements in this Article.
- 2.5 Notice to Covenant and Partner Churches. Notice to the Director representing a Covenant Church, or if there is no Director representing the Covenant Church, to a member of the clergy for the Covenant or Partner Church, shall for all purposes under these bylaws constitute notice to the Covenant or Partner Church.

ARTICLE 3

BOARD OF DIRECTORS

- 3.1 Board of Directors members will be all Directors appointed by the Covenant Churches plus two (2) at large members selected by the Advisory Committee by a majority vote of members present at the last meeting of the year when an At Large Member or Members terms of office have expired or at the first meeting following a vacancy.
- 3.2 General Powers and Qualification. The Board of Directors shall manage the affairs of the Corporation. Each Director shall be a member of, and be appointed by one of the Covenant Churches and elected by the Board. This election shall take place at the first regularly scheduled Board meeting following appointment by their church. A Director may not be a current employee of Katy Christian Ministries. The number of Directors will not be less than five (5) plus not more than 2 Directors at Large.

Directors cannot have been a client of Katy Christian Ministries in the twelve (12) months prior to election to the Board of Directors. Unless requested in writing by the Executive Committee and approved by a two-thirds (2/3) vote of the Board of Directors who are present at the meeting where a quorum is present, Directors shall not serve as regular volunteers in positions normally staffed by volunteers. Directors are encouraged to volunteer for special events.

3.3 Term. Each Director shall hold office for a three (3) year term, with the anniversary date being the Annual meeting of Directors. A Director may serve two (2) consecutive terms of office. At which time the Covenant church may submit same director or replace the Director with another Director. In either case the Director can again serve two (2) consecutive three (3) year terms before further action by the Covenant church.

3.3.1 Election of Directors. Each Covenant Church shall provide one (1) or two (2) director(s). If the church provides two (2) directors, one must be designated as primary and one as alternate. The alternate will have all duties and responsibilities as the primary, but will not vote except when the primary is not available to vote. Both the primary and the alternate from the same Covenant Church may be appointed or elected to serve on any committee with the exception that they cannot serve on the same committee.

3.3.2 Recall, Removal or Resignation. A Covenant Church may, at any time in its sole discretion, remove or request replacement of the person serving as its Director from the Board of Directors of the Corporation by delivering to the President or Secretary of the Corporation a written statement to that effect. A person may resign as a Director of the Corporation at any time by giving written notice of resignation to the Secretary of the Corporation. The Secretary of the Corporation shall forward a copy of the notice or resignation to the Director's Covenant Church.

A Director may be removed for excessive absences (as defined below) at the recommendation of the Executive Committee and with a two-thirds (2/3) vote of the Board of Directors who are present at the meeting.

3.3.2.1 Excessive Absences

3.3.2.1.1 Unexcused – not more than (three) 3 consecutive absences with notification by the Secretary after (two) 2 absences but not more than four (4) absences in a fiscal year with notification to the Director and the Director's church by the Secretary after three (3).

- 3.3.2.1.2 Excused – not more than four (4) absences in a fiscal year with notification to the Director and the Director’s church by the Secretary after three (3) absences.
- 3.3.2.1.3 Combination excused and unexcused – not more than five (5) absences in a fiscal year with notification to the Director and the Director’s church by the Secretary after four (4) absences.

A Director may be removed on the recommendation of the Executive Committee, if in their judgment the best interests of the Corporation would be served by such removal, and with a two-thirds (2/3) vote of the Board of Directors who are present at the meeting. In such event, the Secretary of the Corporation will notify the Director and the Director's Covenant Church in writing (giving the reason for the removal) of the Director's removal from the Board of Directors.

A Covenant Church may, upon written notification to the Secretary of the Corporation, withdraw its representation and/or appoint a new Director on the Board of Directors. A Director of a Covenant Church shall be immediately removed upon the withdrawal of the Covenant Church or the termination of the Covenant Church by the Corporation as provided herein.

The Covenant Church whose director’s position has become vacant will nominate a replacement Director to fill its vacancy on the Board of Directors.

- 3.4 Compensation. Directors shall not receive any compensation for their service on the Board of Directors, but by resolution of the Board of Directors, Directors may receive reimbursement of expenses for attendance at special meetings. Except as otherwise provided in Section 3.1 hereof, nothing herein contained shall construe to preclude any Director from serving the Corporation in any other capacity and receiving just compensation for services rendered.
- 3.5 Annual Meeting. An annual meeting of the Directors shall be held on the fourth (4th) Monday of January of each year for the purpose of electing officers and for the transaction of such other business as may come before the meeting.
- 3.6 Regular Meetings. Regular meetings of the Board of Directors shall be held at such day, time and place as the Board of Directors shall from time to time determine, for the transaction of such business as may lawfully come before each meeting. It shall be the duty of the Secretary of the Board of Directors to give a 7-Day notice of the date, time and place of each regular meeting to each Director.
- 3.7 Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the Secretary of the Board of Directors upon the direction of the President of the Board

of Directors or at the request of any two (2) Directors of the Board of Directors, provided that the two (2) Directors requesting a special meeting are not representatives of the same Covenant Church. It shall be the duty of the Secretary to give a minimum of a 7-Day notice of the date, time and place of the special meeting to each Director.

- 3.8 Quorum. At all meetings of the Board of Directors, a quorum for the transaction of business shall be the presence of at least one (1) Director from not less than one-third (1/3) of the Covenant Churches, but in any event not less than five (5) such representatives. For the purpose of determining the number of Directors that constitutes a quorum, only one (1) Director from each Covenant Church in good standing may be counted.
- 3.9 Voting. The affirmative vote of a majority of the members of the Board of Directors entitled to vote who are present at a meeting or by proxy at which a quorum is present shall be the act of the Board of Directors, except as provided by these Bylaws or by law. For purposes of this section, a majority shall be determined taking into account not more than one (1) Director from any Covenant Church.
- 3.10 Proxies. If no Director from a Covenant Church will be present at a meeting of the Board of Directors, either Director from that Covenant Church may vote by a proxy executed in writing by the Director and delivered to the Secretary of the Corporation at or prior to any meeting, provided that only one such proxy may be executed by any one Covenant Church. No proxy shall be valid immediately following the vote for which the proxy was executed. Each proxy shall be revocable unless expressly provided therein to be irrevocable or unless otherwise made irrevocable by law. A person authorized to exercise a proxy may not exercise the proxy unless the proxy has been delivered to the officer presiding at the meeting before the business of the meeting begins. The Secretary or other person taking the minutes of the meeting will record in the minutes the name of the Director who executed the proxy and the name of the person authorized to exercise the proxy. If a Director who has duly executed a proxy personally attends a meeting, the proxy will not be effective for that meeting. A proxy filed with the Secretary of the Corporation or other designated officer remains in force until the first of the following occurs: (a) an instrument revoking the proxy is delivered to the Secretary or other designated officer; (b) the proxy authority expires under the proxy terms; (c) the proxy authority expires under the terms of these Bylaws.
- 3.11 Action by Written Consent. Any decision required or permitted to be made at any meeting of the Board of Directors, or any committee of the Corporation, may be made without meeting according to the following procedures.
- A decision without a meeting may be made if a written consent to the decision is signed by Directors representing not less than two-thirds (2/3) of the Board of Directors. The written consent may consist of a single document or multiple individual documents. For purposes

of this section, a written consent shall include any form of paper or electronic transmission that the Board of Directors may from time to time agree to accept for such purposes, provided that an electronic transmission can be determined with reasonable certainty to have been issued from the Director whose name it bears, and provided that any action taken pursuant to this Section 3.1 shall require a written consent in the form required by the Board of Directors immediately prior to such proposed action. The original signed consent, which shall include any form of paper or electronic transmission permitted under this Section 3.10, will be placed in the Corporation minute book and kept with the corporate records.

Each written consent must be signed and bear the date of signature of the person signing it. A telegram, telex, email, cablegram or other electronic transmission, by a Director or committee member or a photographic, facsimile or similar reproduction of a signed writing, will be treated as an original being signed by the Director or committee member.

Consents must be delivered to the Corporation. A consent signed by fewer than the required number of Directors is not effective to take the intended action unless the required number of consents are delivered to the Corporation within thirty (30) days after the date that the earliest-dated consent was delivered to the Corporation. Delivery which is not made in a *permitted* electronic form must be made by hand, or by certified or registered mail, return receipt requested. The delivery may be made to the Corporation's registered office, registered agent, principal place of business or an officer or agent having custody of books in which the relevant proceedings are recorded. If the delivery is made to the Corporation's principal place of business, the consent must be addressed to the President or the Executive Director.

The Corporation will give prompt notice of the action taken to persons who do not sign consents. Such prompt notice shall be provided not later than three (3) business days following the date the action is taken. If the action taken required documents to be filed with the Secretary of State, the filed documents will indicate that these written consent procedures were followed to authorize the action and filing.

- 3.12 Notices. Whenever under the provisions of these Bylaws, notice is required to be given to any Director or committee member, and no provision is made as to how such notice shall be given, notice may be given in writing by electronic mail (using "read confirmation"), facsimile mail or United States mail or other general recognized mail carrier, postage prepaid, addressed to such Director or committee member at such address as appears on the books of the Corporation. Any such notice required or permitted to be given by United States mail shall be deemed to be given at the time when the same be thus deposited, postage prepaid, in the United States mail. Electronic mail, facsimile mail and telephone notice shall be deemed to be given at the time of transmittal confirmation.
- 3.13 Waiver. Whenever any notice is required to be given to any Director or committee member under the provisions of these Bylaws, a waiver thereof in writing signed by the person or

persons entitled to such notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

3.14 Date to Determine Good Standing for Notices and Voting. A Director is entitled to a notice of and to vote at any meeting or action if he/she is in good standing with the Corporation on the following dates:

3.14.1 NOTICE. As of 5:00 p.m. on the business day preceding the date on which notice of any meeting is required or if notice is waived, at 5:00 p.m. on the day preceding the date of meeting.

3.14.2 VOTE. As of 5:00 p.m. on the business day preceding the date the meeting.

The Secretary shall prepare an alphabetical list of Covenant Churches and Directors entitled to receive notice. The list will contain a listing of Directors entitled to vote at the meeting and will be available for inspection at the principal office of the Corporation from two (2) business days after the notice is given until the meeting is held. Any Director entitled to vote at the meeting is entitled to access to the list for the purpose of communicating with other Directors. The Director may make inspection on written demand and copy the list at a reasonable time and at the Director's expense.

3.15 Duties of Directors. Directors will discharge their duties, including any duties as committee members, in good faith, with ordinary care, and in a manner they reasonably believe to be in the Corporation's best interest. In this context, the term "ordinary care" means the care that ordinarily prudent persons in similar positions would exercise under similar circumstances. In discharging any duty or power conferred on Directors, Directors may, in good faith, rely on information, opinions, reports or statements, including financial statements and other financial data, concerning the Corporation or another person that has been prepared or presented by a variety of persons, including officers and employees of the Corporation, professional advisors or experts such as accountants or legal counsel. A Director is not relying in good faith if he or she has knowledge concerning a matter in question that renders reliance unwarranted.

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

3.16 Duty of Care. A Director is not liable if, in voting for or assenting to a distribution, the Director (1) relies in good faith and with ordinary care on information, opinions, reports or statements, including financial statements and other financial data, prepared or presented by one or more officers or employees of the Corporation; legal counsel, public accountants or other persons as to matters the Director reasonably believes are within the person's professional or expert competence; or a committee of the Board of Directors of which the Director is not a member; (2) while acting in good faith and with ordinary care, considers

the Corporation's assets to be at least that of their book value; or (3) in determining whether the Corporation made adequate provision for paying, satisfying, or discharging all of its liabilities and obligations, relied in good faith and with ordinary care on financial statements or other information concerning a person who was or became contractually obligated to satisfy or discharge some or all of these liabilities of obligations. Furthermore, Directors are protected from liability if, in exercising ordinary care, they acted in good faith or in reliance on the written opinion of an attorney for the Corporation.

Directors held liable for an improper distribution are entitled to contribution from persons who accepted or received the improper distributions knowing they were improper. Contribution is in proportion to the amount received by each such person.

- 3.17 Delegating Duties. The Board of Directors may select advisors and delegate duties and responsibilities to them, such as the full power to buy or otherwise acquire stocks, bonds, securities, and other investments on the Corporation's behalf, and to sell, transfer or otherwise dispose of the Corporation's assets and properties at a time and for a consideration that the advisor deems appropriate. The Directors have no liability for actions taken or omitted by the advisor if the Board of Directors acts in good faith and with ordinary care in selecting the advisor. The Board of Directors may remove or replace the advisor at any time and without any cause whatsoever.
- 3.18 Interested Directors. Contracts or transactions between Directors, officers or members who have a financial interest in the matter are not void or voidable solely for that reason. Nor are they void or voidable solely because the Director, officer or member is present at or participates in the meeting that authorizes the contract or transaction, solely because the interested parties' votes are counted for the purpose. However, every Director with any personal interest in the transaction must disclose all material facts concerning the transaction, including all potential personal benefit and potential conflicts of interest, to the other members of the Board of Directors or other group authorizing the transaction. The transaction must be approved by a majority of the uninterested Directors or other group with the authority to authorize the transaction.
- 3.19 Tax Exempt. The Board of Directors shall take all reasonable steps to ensure that the organization remains exempt from federal income tax under Section 501 of the Internal Revenue Code of 1986 as amended ("Code"), as an organization described in Section 501(c)(3) of the Code.

ARTICLE 4

GENERAL OFFICERS

4.1 Election and Term

- 4.1.1 Officer positions. The Corporation's officers shall be a President, a Vice, President, a Treasurer, a Secretary and a Parliamentarian. The Board of Directors may create additional officer positions, define the authority and duties of each such position and elect or appoint persons to fill the position.
- 4.1.2 Election of Officers. The President and Treasurer will be elected in even numbered years. The Vice President, the Secretary and the Parliamentarian will be elected in odd numbered years. At least two (2) months prior to the Regular Annual Board Meeting the Governance Committee shall solicit nominees for officers of the Corporation whose term of office has expired. At least one month prior to the Regular Annual Board Meeting, the Governance Committee shall submit, to the Board of Directors, a list of nominees for each open officer position. Any director may submit a name as a "Write In" candidate before the election. The Board of Directors at the regular annual meeting of the Board of Directors as defined in Section 3.4 shall elect the officers of the Corporation.
- 4.1.3 Term of office. Each officer so elected shall take office February 1, except that, in the case of an election to fill a vacancy, a successor officer shall take office upon the latter of the date the office becomes vacant or the date of his or her election to fill the unexpired portion of the term. Each officer shall hold office for a two (2) year term. Officers, may not be elected to succeed himself or herself in the same office.
- 4.1.4 Removal of officer. Any officer elected or appointed by the Board of Directors may be removed by a two-thirds (2/3) vote of the Board of Directors whenever in its judgment the best interests of the Corporation would be served, but such removal shall be without prejudice to the contractual rights, if any, of the officer so removed.
- 4.1.5 Resignations. Any officer may resign at any time by giving written notice thereof to the President or Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of the resignation shall not be necessary to make it effective.

4.1.6 Vacancies. The Board of Directors may elect a person to fill any office for the unexpired portion of the term of an officer who has resigned or has been removed from the Board of Directors.

4.2 Duties

4.2.1 President. The President shall in general supervise all of the business affairs of the Corporation. The President shall preside at all meetings of the Board of Directors and the Executive Committee.

The President may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, all legal documents and instruments in the name of the Corporation, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or by statute to some other officer or agent of the Corporation; and in general he or she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President shall submit to the Board of Directors plans and suggestions for the activities of the Corporation, shall direct its general correspondence and shall present recommendations in each case to the Board of Directors for decision. The President shall also submit a report at the annual meeting of the Board of Directors and at other times when called upon to do so by the Board of Directors.

4.2.2 Vice President. In the absence of the President or in the event of his or her inability or his or her refusal to act (which later event shall be determined by the judgment of the majority of the Board of Directors), the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties as from time to time may be assigned by the President of the Board of Directors.

4.2.3 Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties, as the Board of Directors shall determine. Except as otherwise ordered by the Board of Directors, the Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation. Financial records of the Corporation shall be maintained under Generally Accepted Accounting Principles (GAAP). Financial statements shall be given to the Executive

Committee on a timely basis. Financial statements will be given to the Board of Directors at a quarterly meeting and/or when requested.

- 4.2.4 Secretary. The Secretary shall have charge of the records and correspondence of the Corporation under the direction of the President, and shall be the custodian of the seal of the Corporation. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books or an agreed to electronic format provided for that purpose; give all notices in accordance with the provisions of these Bylaws or as required by law; keep a register of the post office address of each Director which shall be furnished to the Secretary by each Director, and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.
- 4.2.5 Parliamentarian. The Parliamentarian will have the authority to regulate meetings so that they conform to the legal requirements of a 501 C3 organization, conform to the requirements of these Bylaws and conform, in general to the appropriate portions of “Robert’s Rules of Order”.

ARTICLE 5

EXECUTIVE COMMITTEE

- 5.1 Executive Committee. The Board of Directors shall establish an Executive Committee, which shall consist of the officers of the Corporation as established in Section 4.1.1., the immediate Past President (if they remain as a Director), and the Corporations Executive Director. The terms shall be as set in Section 4.1.3. The immediate Past President and the Executive Director shall not have the right to vote on matters required to be approved by the Executive Committee.
- 5.2 Executive Committee Subcommittees
- 5.2.1 Advisory Committee. The Corporation’s Board of Directors shall establish an Advisory Committee.
- 5.2.1.1 Purpose – To provide advice to the Executive Committee and the Board of Directors when questions arise that relate to the individual(s) area of expertise.
- 5.2.1.2 Members – May or may not be Directors but preferably drawn from the Covenant or Partner churches. If appropriate expertise is not available from

the affiliated churches, Members may be drawn from the community at large. Members would be selected by the Executive Committee and approved by a majority vote of the Directors. The members would encompass any expertise deemed necessary by the Executive Committee but may consist of non-profit business skills, financial, legal, non-profit marketing, fund raising, etc.

- 5.2.1.3 Committee Chair – the Corporation’s Vice President would chair the committee.
- 5.2.1.4 Meetings – would be on an as needed basis but not less frequent than every three (3) months.
- 5.2.2 Pastor Advisory Committee – The Corporation’s Board of Directors shall establish a Pastor Advisory Committee.
 - 5.2.2.1 Purpose – To have a forum where pastors can provide input into any and all phases of the Corporation.
 - 5.2.2.2 Members – Membership would be informal and can be any pastor employed by any Covenant or Partner Church.
 - 5.2.2.3 Committee Chair – the Corporation’s President would chair the committee.
 - 5.2.2.4 Meetings – would be on an as needed basis but not less frequent than every three (3) months. All pastors of Covenant and Partner churches would be sent invitations to all meetings. Attendance would be optional.

The existence of the Advisory Committee and Pastor Advisory Committee shall not restrict the powers of the Board or Executive Committee nor limit the responsibilities of the Board or Executive Committee. A member of an Advisory Committee shall have no responsibility for the management of the Corporation’s affairs.

- 5.3 Meetings. Regular meetings of the Executive Committee shall be held at such day, time and place as the Executive Committee shall from time to time determine, for the transaction of such business as may lawfully come before each meeting. It shall be the duty of the Secretary of the Executive Committee to give a 7-Day notice of the date, time and place of each regular meeting to all Directors. Meetings will be open to all Directors who may contribute to the discussions but shall not have the right to vote. The Executive Committee may adjourn to a closed door session to discuss private personnel matters.
- 5.4 Meeting by Telephone. The Board of Directors and any committee of the Corporation may hold a meeting by telephone conference-call procedures. The notice of the meeting by telephone conference must state the fact that the meeting will be held by telephone as well as all other matters required to be included in the notice. A person’s participating in a conference-call meeting constitutes his or her presence at the meeting. In like manner, meetings may be held by means of video conferencing through computers or otherwise, or in any manner permitted to the Board of Directors under these Bylaws.

- 5.5 Special Meetings. Special meetings of the Executive Committee shall be held whenever called by the Secretary of the Executive Committee upon the direction of the President of the Executive or at the request of any two (2) members of the Executive Committee. It shall be the duty of the Secretary to give a minimum of a 3-Day notice of the date, time and place of the Special Meeting to each member of the Executive Committee.
- 5.6 The President shall serve as the chair of all Executive Committee meetings.
- 5.7 Powers of Executive Committee. Except as otherwise directed by the Board of Directors:
- 5.7.1 Investments. The Executive Committee shall have power to make investments of funds of the Corporation and to change the same, and from time to time to sell part or all of the securities of the Corporation or any rights or privileges that may accrue therein and to cause the same to be transferred by the proper officers of the Corporation.
 - 5.7.2 Operational Authority. Except as limited herein, the Executive Committee shall have the immediate charge, management and control of the activities and operations of the Corporation, and have full power in the intervals between meetings of the Board of Directors to do any and all things in relation to the affairs of the Corporation and to exercise any and all powers of the Board of Directors in the management and direction of the Corporation. The Executive Committee shall not have the authority of the Board of Directors to:
 - 5.7.2.1 Amend the Articles of Incorporation;
 - 5.7.2.2 Adopt a plan of merger or of consolidation with another corporation;
 - 5.7.2.3 Authorize the sale, lease, exchange or mortgage of all or substantially all of the Corporation's physical property and assets;
 - 5.7.2.4 Authorize voluntary dissolution of the Corporation;
 - 5.7.2.5 Revoke proceedings for voluntary dissolution of the Corporation;
 - 5.7.2.6 Adopt a plan for distributing the Corporation's assets;
 - 5.7.2.7 Amend, alter or repeal these Bylaws;
 - 5.7.2.8 Approve any transactions to which the Corporation is a party and that involve potential conflicts of interest as defined in paragraph 8.05;
 - 5.7.2.9 Approve and remove the Executive Director;
- 5.8 Accounting. The Executive Committee shall direct the manner in which the books and accounts of the Corporation shall be kept, and shall cause to be examined from time to time the accounts and vouchers of the Treasurer and monies received and paid out by the Treasurer.

- 5.9 Reports. The Executive Committee shall keep a record of its proceedings, and the President, or the Vice President in the President's absence, shall make a verbal report to the Board of Directors at each succeeding meeting of the Board of Directors of actions taken in Executive Committee meetings.
- 5.10 Quorum. At all meetings of the Executive Committee, a quorum for the transaction of business shall be the presence of a majority of the number of voting members constituting the Executive Committee at that time, provided however that any vacancy shall be disregarded in calculating such majority.
- 5.11 Voting. The affirmative vote of a majority of those voting members present at a meeting shall be the act of the Executive Committee, except as may be otherwise specifically provided by the law or these Bylaws.
- 5.12 Proxies. A member of the Executive Committee may vote by proxy in the same manner and subject to the same limitations set forth in Section 3.9.
- 5.13 Action by Written Consent. Any decision required or permitted to be made at any meeting of the Executive Committee or any committee of the Corporation may be made without meeting, in the same manner as described in Section 3.10, provided that only members of the Executive Committee shall be taken into account in determining the requisite number of members that must provide such consent.
- 5.14 Notices and Waivers. The provisions of Section 3.11 and 3.12 shall apply to the conduct of business by the Executive Committee.

ARTICLE 6

STANDING AND SPECIAL COMMITTEES

- 6.1 Standing Committees. Standing are Committees, Advisory Committee, Pastor Advisory Committee, Finance/Audit Committee and the Governance Committee. The Board of Directors may designate other standing committees as are necessary and that are not in conflict with other provisions of these Bylaws, and the duties of any such standing committees shall be prescribed by the Board of Directors upon the committees' designation. Each such standing committee shall consist of one (1) or more Director(s) and other individuals approved by the Board of Directors. Appointments of persons to

such standing committees shall be for terms prescribed by the Board of Directors upon the members' appointments by the Board of Directors.

- 6.2 Special Committees. The Board of Directors and/or the Executive Committee may designate one or more special committees as are necessary and that are not in conflict with other provisions of these Bylaws, and the duties of any such special committees shall be prescribed by the Board of Directors or the Executive Committee upon formation of the special committees. Each such special committee shall consist of two (2) or more persons who may, but need not, be Directors of the Corporation. A special committee shall limit its activities to the accomplishment of the tasks for which it is designated and shall have no power to act except as specifically conferred by the action of the Board of Directors and/or the Executive Committee. Upon completion of the task for which designated, such special committee shall stand dissolved.
- 6.3 Limitations on Authority. Establishing a committee, or delegating an authority to it, will not relieve the Board of Directors or any individual Director, of any responsibility imposed by these Bylaws or otherwise imposed by law. No committee has the authority of the Board of Directors to perform or cause to perform any item listed in Section 5.6.2. or any items listed below:
- 6.3.1 Elect, appoint or remove a member of a committee or a Director or officer of the Corporation;
 - 6.3.2 Approve and remove a Covenant or Partner Church.
- 6.4 Term. Each committee member will continue to serve on the committee until the earlier of the expiration of the term of the committee or until the next annual meeting of the Corporation, and until a successor is appointed. However, a committee member's term may terminate earlier if the committee is terminated, or if the member dies, ceases to qualify, resigns or is removed as a member, or if a Director serving on the committee ceases to qualify as a Director of the Corporation. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. The successor to a Director of a Covenant Church may fill the vacancy on a committee held by the prior Director for that Covenant Church, subject to the approval of either the Board of Directors or Executive Committee, depending on which group authorized the committee's formation. A person appointed to fill a vacancy on a committee will serve for the unexpired portion of the terminated committee member's term.
- 6.5 Chair and Vice Chair. One (1) member of each committee will be designated as the committee Chair, another member of each committee will be designated as the Vice Chair. The Chair and Vice Chair will be appointed by the President. The Chair will call and preside at all meetings of the committee. When the Chair is absent, cannot act or

refuses to act, the Vice Chair will perform the Chair's duties. When a Vice Chair acts for the Chair, the Vice Chair has all the powers of and is subject to all the restrictions of the Chair.

- 6.6 Notices. Written or printed notice of a committee meeting will be delivered to each member of a committee not less than three (3) days before the date of the meeting. The notice will state the day, place and time of the meeting.
- 6.7 Quorum. A majority of the number of committee members constitutes a quorum for transacting business at any meeting of the committee. The committee members present at a duly called or held meeting at which a quorum is present may continue the meeting even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved unless there is a quorum present. If a quorum is never present at any time during a meeting, the Chair may adjourn the meeting at once without further notice and reconvene at a later date and/or time.
- 6.8 Rules. Each committee may adopt its own rules, consistent with these Bylaws or with other rules that may be adopted by the Board of Directors.

ARTICLE 7

EXECUTIVE DIRECTOR AND OTHER APPOINTIVE OFFICERS AND AGENTS

- 7.1 Executive Director. The Board of Directors may appoint and set the compensation for an Executive Director (ED) to perform such duties and be under such corporate surety bond as the Board of Directors may determine. The ED shall hold his or her office at the pleasure of the Board of Directors and may be removed from office or discharged at any time with or without cause, provided that removal without cause shall not prejudice the ED's contractual rights, if any. The ED shall hire and discharge all employees, agents and representatives who report directly or indirectly to the ED. Prior to the hiring or discharging a director the ED will seek the advice of the Executive Board.
- 7.2 Appointive Officers and Agents. The Board of Directors may appoint and set the compensation (if appropriate) for such officers and agents in addition to those provided for in Section 4.1.1 and Section 7.1 of these Bylaws, as the Board of Directors may

deem necessary. Such persons shall have such authority and perform such duties as shall from time to time be prescribed by the ED, with the approval of the Board of Directors.

All such appointive officers and agents shall hold their respective offices or positions at the pleasure of the Board of Directors, and may be removed from office or discharged at any time with or without cause, provided that removal without cause shall not prejudice the officers' and agents' contractual rights.

ARTICLE 8

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

- 8.1 Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by the Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.
- 8.2 Checks and Drafts. All checks, drafts, or orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or the Assistant Treasurer and countersigned by the President or Vice President of the Corporation.
- 8.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may elect.
- 8.4 Gifts. The Board of Directors, or its agents, as directed by the Board of Directors, may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation or may refuse to accept the same.
- 8.5 Potential Conflicts of Interest. The Corporation may not make any loan to a Director or officer of the Corporation. A Director, officer or committee member of the Corporation may lend money to – and otherwise transact business with – the Corporation, except as otherwise provided by these Bylaws, the Articles of Incorporation and applicable law.

Such a person transacting business with the Corporation has the same rights and obligations relating to those matters as other persons transacting business with the Corporation. The Corporation may not borrow money from – or otherwise transact business with – a Director, officer or committee member of the Corporation unless the transaction is described fully in a written document and is in the Corporation’s best interest. The Corporation may not borrow money from – or otherwise transact business with – a Director, officer or committee member of the Corporation without full disclosure of all relevant facts and without the Board of Directors’ approval, not including the vote of any person having a personal interest in the transaction.

- 8.6 Prohibited Acts. As long as the Corporation exists, and except with the Board of Directors’ prior approval, no Director, officer or committee member of the Corporation may:
- 8.6.1 Do any act that is in violation of these Bylaws or that creates a binding obligation of the Corporation;
 - 8.6.2 Do any act with the intention of harming the Corporation or any of its operations;
 - 8.6.3 Do any act that would make it impossible or unnecessarily difficult to carry on the Corporation’s intended or ordinary business;
 - 8.6.4 Receive an improper personal benefit from the operation of the Corporation;
 - 8.6.5 Use the Corporation’s assets, directly or indirectly, for any purpose other than carrying on the Corporation’s business;
 - 8.6.6 Wrongfully transfer or dispose of Corporation property, including intangible property such as good will;
 - 8.6.7 Use the Corporation’s name (or any substantially similar name) or any trademark or trade name adopted by the Corporation, except on behalf of the Corporation, in the ordinary course of its business;
 - 8.6.8 Disclose any of the Corporation’s business practices, trade secrets or any other information not generally known to the public or to the business community to any person not authorized to receive it.

ARTICLE 9

BOOKS AND RECORDS

- 9.1 Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Directors entitled to vote. Any Director may inspect all books and records of the Corporation for any proper purpose at any reasonable time.

- 9.2 Financial Records. The Corporation shall maintain current true and accurate financial records with full and correct entries made with respect to all financial transactions of the Corporation, including all income and expenditures, in accordance with generally accepted accounting practices.
- 9.3 Financial Activity Report. Based on these records, the Board of Directors shall annually prepare or approve a report of the financial activity of the Corporation for the preceding year. The report must conform to accounting standard as promulgated by the American Institute of Certified Public Accountants and must include a statement of support, revenue and expenses and changes in fund balances, a statement of functional expenses and balance sheets for all funds.
- 9.4 Location of Records. All records, books and annual reports of the financial activity of the Corporation shall be kept at the registered office or principal office of the Corporation in Texas for a period of time as required by Law or other Corporation documents, whichever governs after the closing of each fiscal year and shall be available to the public for inspection and copying there during normal business hours. The corporation may charge for the reasonable expense of preparing copies of records or reports.

ARTICLE 10

FISCAL YEAR

- 10.1 Fiscal Year. The fiscal year of the Corporation shall begin on the first (1st) day of January and end on the last day of December in each year.

ARTICLE 11

SEAL

- 11.1 Seal. The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and the words “Corporate Seal of Katy Christian Ministries.”

ARTICLE 12

WAIVER OF NOTICE

- 12.1 Waiver of Notice. Whenever any notice is required to be given under the provisions of the Texas Organization Code or under the provisions of the Articles of Incorporation or the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE 13

AMENDMENTS TO BYLAWS

- 13.1 Amendments to Bylaws. These Bylaws may be altered, amended, or repealed and new Bylaws may be adopted by a two-thirds (2/3) vote of the Board of Directors.

ARTICLE 14

INDEMNIFICATION

- 14.1 Indemnification. The Board of Directors shall authorize the Corporation to indemnify and to pay or reimburse any present or former Director or officer of the Corporation any costs or expenses actually and necessarily incurred by that officer or Director in any action, suit, or proceeding, to which the officer or Director is made a party by reason of holding that position; provided, however, that the officer or Director shall not receive indemnification or reimbursement of costs or expenses if he or she is finally adjudicated therein to be liable for negligence or misconduct in office. The indemnification and reimbursement herein provided for shall also extend to good faith expenditures incurred in anticipation of, or preparation for, threatened or proposed litigation. The Board of Directors, may, in proper cases, extend the indemnification and reimbursement to cover the good faith settlement of any such action, suit, or proceeding, whether formally instituted or not. Such indemnification and/or reimbursement shall not be deemed exclusive of any other rights to which such Director, officer or former Director,



employee or agent may be entitled, under any Bylaw, agreement, insurance policy or otherwise.

- 14.2 Insurance. The Corporation may purchase and maintain insurance on behalf of any Director, officer or employee or agent of the Corporation, or on behalf of any person serving at the request of the Corporation as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise, against any liability asserted against that person and incurred by that person in any such capacity or arising out of any such status with regard to the Corporation, whether or not the Corporation has the power to indemnify that person against liability for any of those acts.

(END OF DOCUMENT)