

BYLAWS OF SKILLMAN CHURCH OF CHRIST

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BYLAWS OF SKILLMAN CHURCH OF CHRIST

These Bylaws govern the affairs of SKILLMAN CHURCH OF CHRIST, a nonprofit corporation (hereinafter referred to as "Corporation").

ARTICLE 1 - OFFICES

Principal Office

1.01. The Corporation's principal office in Texas will be located at 3014 Skillman Street, Dallas, Dallas County, Texas 75206. The Corporation may have such other offices, in Texas or elsewhere, as the Elders (Board of Directors) may determine. The Elders (Board of Directors) may change the location of any office of the Corporation. The Board of Directors shall be known as "Elders" and the terms "Board of Directors," "Board," and "Elders" shall mean one and the same thing.

Registered Office and Registered Agent

1.02. The Corporation will maintain a registered office and registered agent in Texas.

ARTICLE 2 - MEMBERS

2.01. The Corporation will have one class of members.

Admitting Members

2.02. Natural persons shall be admitted to membership in the Corporation by the Elders (Board of Directors) upon such person's oral or written confession of faith in Jesus Christ and such person's baptism by immersion.

Membership Fees and Dues

2.03. No initiation fee nor annual fees shall be imposed on any member by the Elders (Board of Directors).

Certificates of Membership

2.04. No certificates evidencing membership in the Corporation shall be issued.

Voting Rights and Denial of Cumulative Voting

2.05. Each member is entitled to one vote on each matter submitted to a vote of the members and cumulative voting is specifically denied.

Resolving Disputes

2.06. In any dispute between members relating to the Corporation's activities, all parties involved will cooperate in good faith to resolve the dispute. If the parties cannot resolve a dispute among themselves, they will submit the same to the Elders (Board of Directors), provided, however, the Elders (Board of Directors) may delegate powers to a regular or ad hoc committee consisting of not less than three members of the Corporation to conduct a hearing, make recommendations to the Board, or take action on the Board's behalf. If the foregoing fails to resolve the dispute, the parties will cooperate to select one or more mediators to help resolve it. If no timely resolution of the dispute occurs through mediation, any party may demand binding arbitration as described in Texas Civil Practice and Remedies Code Section 171.001 or 171.021 only if the parties have met together with a mediator. This paragraph will not apply to a dispute involving the Corporation as a party relating to the sanctioning, suspending, or expelling a member from the Corporation. The Board has discretion to authorize using corporate funds for mediating or arbitrating a dispute described in this paragraph.

Sanctioning, Suspending, or Terminating Members

2.07. The Elders (Board of Directors) may impose reasonable sanctions on a member, or suspend or expel a member from the Corporation, for good cause after reasonable notice and a hearing.

Transferring Membership

2.08. Membership in the Corporation is not transferable or assignable. Membership terminates when the Corporation dissolves or a member dies. Membership is not a property right that may be transferred after a member dies.

Waiving Interest in Corporate Property

2.09. The Corporation owns all real and personal property, including all improvements located on the property, acquired by the Corporation. A member has no interest in specific property of the Corporation. Each member waives the right to require partition of all or part of the Corporation's property.

ARTICLE 3 - MEETINGS OF MEMBERS

Annual Meeting

3.01. Beginning in 2007 the Elders (Board of Directors) will hold an annual members' meeting on a specified Sunday in February of each year or at another time that the Elders (Board of

Directors) designate. At the annual meeting, the members will elect Elders (Directors) in accordance with these Bylaws and transact any other business that may come before the meeting. If, in any year, the election of Directors is not held on the day designated for the annual meeting, or at any adjournment of the annual meeting, the Elders (Board of Directors) will call a special meeting of the members, as soon as possible, to elect Directors.

Special Meetings

3.02. Special meetings of the members may be called by the Chairman, the Elders (Board of Directors), or not less than one-tenth of the members eligible to vote at such meeting.

Place of Meeting

3.03. All annual and special meetings of the members will be held at the Corporation's principal office.

Notice of Meetings

3.04. Notice of any members' meeting will be made by oral announcement at a regularly scheduled worship service held not less than seven days prior to such meeting.

Eligibility to Vote at Members' Meetings

3.05. A member in good standing is entitled to vote at a meeting of the members of the corporation. A member in good standing is one who is not suspended as of the date of the notice of the meeting.

Quorum

3.06. Members holding one-tenth of the votes that may be cast at a meeting who attend the meeting in person will constitute a quorum at a meeting of members. The members present at a duly called or held meeting at which a quorum is present may continue to transact business, even if enough members leave so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of members required for a quorum. If a quorum is not present at any time during a meeting, a majority of the members who are present may adjourn and reconvene the meeting once without further notice.

Actions of Membership

3.07. The membership will try to act by consensus. However, if a consensus is not available on a matter or proposal, the vote of a majority of voting members in good standing, present and entitled to vote at a meeting at which a quorum is present, is enough to constitute the act of the membership unless law or the Bylaws require a greater number. Voting will be by ballot or voice, except that any election of Directors will be by written ballot if demanded by any voting member at the meeting before the voting begins.

Proxies

3.08. A member entitled to vote at a meeting of members of the Corporation may not vote by proxy.

Voting by Mail

3.09. The Board may authorize members to vote by mail on the election of Elders (Directors) or on any other matter on which the members may vote.

ARTICLE 4 – ELDERS (BOARD OF DIRECTORS)

Management of Corporation

4.01 The Elders (Board of Directors) will manage corporate affairs.

Number, Qualifications, and Tenure of Elders (Directors)

4.02. The number of Elders (Board of Directors) will be a number determined by the Board that is not less than three (3) and not greater than fifteen (15). Elders (Directors) must be Texas residents. Elders (Directors) must be members of the Corporation. Each Elder (Director) will serve for an initial term of three years, provided however, each Elder whose term has expired may succeed himself for a unlimited number of terms if he is nominated (pursuant to Bylaw §4.03) and elected (pursuant to Bylaw §4.04) annually to that position. Each Elder (Director) will hold office until such Elder's (Director's) successor is elected and qualified, or the elder resigns, dies or is otherwise disqualified from holding the position.

Nominating Elders (Directors)

4.03. A member in good standing may nominate any member of the Corporation who is in good standing for the position of Elder (Director). Such nominations shall be in writing and signed by the nominating member. In addition to the foregoing nominations, a nominating committee may consider other possible nominees and may make additional nominations for the position of Elder (Director). The nominating committee will be composed of three current elders. Other people who are not current elders are allowed to be included on the committee. The nominating committee will review all nominations, meet with each person submitted as necessary and prepare a slate of candidates to be presented to the congregation. Once the slate of candidates is presented to the congregation, members will have fourteen (14) calendar days to raise

biblical objections to any or all of the nominees. The nominating committee will meet with any member who has raised an objection and with the nominee and make a determination if the nominee will be on the final slate for voting. The secretary will include the names submitted by that committee, and any report of the committee, with the notice of the meeting at which the election occurs.

Electing Elders (Directors)

4.04. A person who exhibits the New Testament qualities of an Elder (Director) and who has been duly nominated may be elected as an Elder (Director). Elders (Directors) will be elected by the vote of the membership. An Elder (Director) may be elected to succeed himself as Elder (Director).

New Elders (Directors) will be elected at the annual meeting of the members or in such other manner as may be prescribed by the Elders (Directors). The vote will be conducted as a voice vote on the entire slate of nominees. If a definitive voice vote for the slate of nominees is not received, a voice vote for each nominee will be conducted. If a definitive voice vote for an individual nominee is not received, a hand count will be conducted.

In electing Elders (Directors), members may not cumulate their votes.

Vacancies

4.05. The Elders (Board of Directors) upon confirmation by the members in accordance with §4.04 above may fill any vacancy, whether by death, resignation or otherwise, in the Elders (Board of Directors) and may fill any Elder (Director) position to be filled due to an increase in the number of Elders (Directors).

Annual Meeting

4.06. The annual meeting of the Elders (Board of Directors) will be held immediately after, and at the same place as, the annual members' meeting. No notice of the Annual Meeting of Elders (Board of Directors) is required.

Regular Meetings

4.07. The Elders (Board of Directors) may provide for regular meetings by resolution stating the time and place in Texas of such meetings. The meetings will be held at the Corporation's principal office if the resolution does not specify the location of the meetings. No notice of regular Elders (Board of Directors) meetings is required other than a Board resolution stating the time and place of the meetings.

Special Meetings

4.08. Special Board meetings may be called by, or at the request of, the Chairman or any three Elders (Directors). A person or persons authorized to call special meetings of the Elders (Board of Directors) may fix any place within Texas as the place for holding a special meeting. The person or persons calling a special meeting will inform the Secretary of the Corporation of the information to be included in the notice of the meeting. The Secretary of the Corporation will give notice to the Elders (Directors) as these Bylaws require.

Notice

4.09. Written or printed notice of any special meeting of the Elders (Board of Directors) will be delivered to each Elder (Director) not less than seven (7), nor more than thirty (30) days before the date of the meeting. The notice will state the place, day, and time of the meeting; who called it; and the purpose or purposes for which it is called. Delivery of such notice shall be accomplished in accordance with §11.01 of these Bylaws.

Quorum

4.10. The greater of:

- (a) a majority of the number of Elders (Directors) then in office or
- (b) three (3) Elders (Directors)

shall constitute a quorum for transacting business at any Elders (Board of Directors) meeting. The Elders (Directors) present at a duly called or held meeting at which a quorum is present may continue to transact business even if enough Elders (Directors) leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of Elders (Directors) required for a quorum. If a quorum is never present at any time during a meeting, a majority of the Elders (Directors) present may adjourn and reconvene the meeting once without further notice.

Duties of Elders (Directors)

4.11. Elders (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 imposed or power conferred on Elders (Directors), Elders (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. An Elder (Director) is not relying in good faith if such Elder (Director) has knowledge concerning a matter in question that reasonably renders reliance unwarranted.

Neither Elders (Directors) nor Trustees are 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.

Duty To Avoid Improper Distributions

4.12. Elders (Directors) who vote for or assent to improper distributions are jointly and severally liable to the Corporation for the value of improperly distributed assets, to the extent that, as a result of the improper distribution or distributions, the Corporation lacks sufficient assets to pay its debts, obligations, and liabilities. Any distribution made when the Corporation is insolvent, other than in payment of corporate debts, or any distribution that would render the Corporation insolvent, is an improper distribution. A distribution made during liquidation without payment and discharge of or provision for payment and discharge of all known debts, obligations, and liabilities is also improper. Elders (Directors) present at a Board meeting at which the improper action is taken are presumed to have assented, unless they dissent in writing. The written dissent must be filed with the Secretary of the Corporation before adjournment of the meeting in question or mailed to the Secretary by registered mail immediately after adjournment.

Recognizing that final determinations of liability are made by a court of proper jurisdiction, Elders (Directors) generally should recognize that an Elder (Director) is not liable if, in voting for or assenting to a distribution, the Elder (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 Elder (Director) reasonably believes are within the person's professional or expert competence; or a committee of the Board of which the Elder (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 or obligations. Furthermore, Elders (Directors) are protected from liability if, in exercising ordinary care, they acted in good faith and 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.

Delegating Duties

4.13. Elders (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 Elders (Directors) have no liability for actions taken or omitted by the advisor if the Elders (Board of Directors) act in good faith and with ordinary care in selecting the advisor. The Elders (Board of Directors) may remove or replace the advisor at any time and without any cause whatsoever.

Interested Elders (Directors)

4.14. 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 Elder (Director), officer, or member is present at or participates in the meeting that authorizes the contract or transaction, or solely because the interested party's votes are counted for the purpose. However, every Elder (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 or other group authorizing the transaction. The transaction must be approved by a majority of the uninterested Elders (Directors) or other group with the authority to authorize the transaction.

Actions of Elders (Board of Directors)

4.15. The vote of a majority of Elders (Directors) present and voting at a meeting at which a quorum is present is enough to constitute the act of the Board, unless the act of a greater number is required by law or by some other provision of these Bylaws. An Elder (Director) who is present at a meeting and abstains from a vote is considered to be present for the purpose of determining a quorum.

Proxies

4.16. An Elder (Director) may vote by proxy by delivering a signed and dated written proxy to any other Elder (Director) who shall then present the same to the secretary of any meeting at which the proxy may be exercised. Delivery of the proxy shall occur, if at all, immediately before the meeting is called to order. Failure to deliver the proxy at the time indicated shall render the proxy null and void. A proxy shall not be counted toward the requirements of a quorum as stated in §4.10.

Compensation

4.17. Elders (Directors) and Trustees may not receive salaries for their services. The Elders (Board of Directors) may adopt a resolution providing for paying Elders (Directors) or Trustees expenses of attendance, if any, for attending each Board meeting. An Elder (Director) or Trustee may serve the Corporation in any other capacity and receive compensation for those services. Any compensation that the Corporation pays to an Elder (Director) or Trustee will be reasonable and commensurate with the services performed.

Removing Elders (Directors)

4.18. The Elders (Board of Directors) or members of the Corporation may vote to remove an Elder (Director) at any time, with cause. A meeting to consider removing an Elder (Director) may be called and noticed following the procedures provided in these Bylaws for a special meeting of the Elders (Board of Directors). The notice of the meeting will state that the issue of possibly removing the Elder (Director) will be on the agenda.

At the meeting, the Elder (Director) may present evidence of why such Elder should not be removed and may be represented by an attorney at and before the meeting. At such meeting, the Elders (Directors) will consider possible arrangements for resolving the problems that are in the mutual interest of the Corporation and the Elder (Director).

An Elder (Director) may be removed either by the affirmative vote of two-thirds (2/3rds) of the Elders (Board) or two-thirds (2/3) of the members.

ARTICLE 5 – OFFICERS, TRUSTEES AND DEACONS

No Designated Officers

5.01. No officer(s) shall be elected or appointed by the Elders (Board of Directors), but such duties and responsibilities as normally vested in the officers shall be vested in the Elders (Board of Directors). The Elders (Board of Directors) may appoint an individual, who may or may not be an Elder (Director), to act as Assistant Secretary of each meeting and to transcribe the minutes thereof. Such individual may use the title of “Assistant Secretary” when so authorized by the Elders (Board of Directors) for the purpose of signing official documents. The Elders (Directors) may appoint one individual from among themselves to act as Chairman of Meetings of the Elders (Directors), to serve as such until another individual is appointed to serve in that capacity.

5.02. Not later than the date on which the annual meeting is held, the Elders (Directors) shall appoint three members from among their number who will act as Trustees for the purpose of

signing certain corporate documents when necessary. Such Trustees shall be confirmed by the membership at its annual meeting or at such other time as may be determined by the Elders (Directors) and shall serve for a period of one year beginning on the date of their confirmation and ending on the earlier of the first anniversary thereof or the appointment of a successor by the Elders (Directors). The Elders (Directors), acting without the joinder of the membership, may remove any Trustee for any reason during such Trustee's term and appoint a successor. Any successor appointed by the Elders (Directors) need not be confirmed by the membership and such successor shall serve for the period of time of the unexpired term of the Trustee who was replaced.

5.03 The church shall have a number of special servants who shall be known as Deacons. These Deacons shall meet the New Testament qualifications for Deacons and shall be selected by the Elders (Directors) or members in accordance with procedures established by the Elders (Directors), and shall have such duties, functions, service and responsibilities as may be prescribed by the Elders (Directors).

ARTICLE 6 - COMMITTEES

Establishing Committees

6.01. The Elders (Board of Directors) may adopt a resolution establishing one or more committees delegating specified authority to a committee, and appointing or removing members of a committee. If the Elders (Board of Directors) delegates any of its management authority to a committee, the majority of the committee will consist of Elders (Directors). The Board may establish qualifications for membership on a committee.

Establishing a committee or delegating authority to it will not relieve the Board, or any individual Elder (Director), of any responsibility imposed by these Bylaws or otherwise imposed by law.

No committee shall have any authority to:

- (a) Amend the articles of incorporation.
- (b) Adopt a plan of merger or of consolidation with another corporation.
- (c) Authorize the sale, lease, exchange, or mortgage of all or substantially all of the Corporation's property and assets.
- (d) Authorize voluntary dissolution of the Corporation.
- (e) Revoke proceedings for voluntary dissolution of the Corporation.
- (f) Adopt a plan for distributing the Corporation's assets.
- (g) Amend, alter, or repeal these Bylaws.

- (h) Elect, appoint, or remove an Elder (Director) or Trustee of the Corporation.
- (i) Approve any transaction to which the Corporation is a party and that involves a potential conflict of interest as defined in paragraph 7.04, below.
- (j) Take any action outside the scope of authority delegated to it by the Board.
- (k) Take final action on a matter requiring membership approval.

Authorization of Specific Committees

6.02. All committees shall be as designated from time to time by the Elders (Board of Directors). The Board will define the activities and scope of authority of each committee by resolution.

Term of Office

6.03. Each committee member will continue to serve on the committee until such member's 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. A vacancy on a committee may be filled by an appointment made in the same manner as an original appointment. A person appointed to fill a vacancy on a committee will serve for the unexpired portion of the terminated committee member's term.

Chair and Vice-Chair

6.04. One member of each committee will be designated as the committee chair, and another member of each committee will be designated as the vice-chair. The chair and vice-chair will be elected by the committee members. 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 on--the chair.

Notice of Meetings

6.05. Written, printed notice, or verbal notice of a committee meeting will be delivered to each member of a committee not less than one (1) nor more than thirty (30) days before the date of the meeting. The notice will state the place, day, and time of the meeting, and the purpose or purposes for which it is called. Delivery of such notice shall be accomplished in accordance with §11.01 of these Bylaws.

Quorum

6.06. One-half 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 to transact business even if enough committee members leave the meeting so that less than a quorum remains. However, no action may be approved without the vote of at least a majority of the number of committee members required for a quorum. If a quorum is never present at any time during a meeting, the chair may adjourn and reconvene the meeting once without further notice.

Actions of Committees

6.07. Committees will try to take action by consensus. However, if a consensus is not available, the vote of a majority of committee members present and voting at a meeting at which a quorum is present is enough to constitute the act of the committee unless the act of a greater number is required by statute or by some other provision of these Bylaws. A committee member who is present at a meeting and abstains from a vote is considered to be present and voting for the purpose of determining the act of the committee.

Proxies

6.08. A committee member may not vote by proxy.

Compensation

6.09. Committee members may not receive salaries for their services. The Elders (Board of Directors) may adopt a resolution providing for paying committee members a fixed sum and expenses of attendance, if any, for attending each meeting of the committee. A committee member may serve the Corporation in any other capacity and receive compensation for those services. Any compensation that the Corporation pays to a committee member will be reasonable and commensurate with the services performed.

Rules

6.10. Each committee may adopt its own rules, consistent with these Bylaws or with other rules that may be adopted by the Elders (Board of Directors).

ARTICLE 7 - TRANSACTIONS OF CORPORATION

Contracts

7.01. The Elders (Board of Directors) may authorize any officer or agent of the Corporation to enter into a contract or execute and deliver any instrument in the name of, and on behalf of, the

Corporation. This authority may be limited to a specific contract or instrument, or it may extend to any number and type of possible contracts and instruments.

Deposits

7.02. All the Corporation's funds will be deposited to the credit of the Corporation in banks, trust companies, or other depositories that the Elders (Board of Directors) select.

Gifts

7.03. The Elders (Board of Directors) may accept, on the Corporation's behalf, any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation. The Elders (Board of Directors) may make gifts and give charitable contributions not prohibited by these Bylaws, the articles of incorporation, state law, and provisions set out in federal tax law that must be complied with to maintain the Corporation's federal and state tax status.

Potential Conflicts of Interest

7.04. The Corporation may not make any loan to an Elder (Director) or officer of the Corporation. A member, Elder (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 member, Elder (Director), officer, or committee member of the Corporation unless the transaction is described fully in a legally binding instrument and is in the Corporation's best interests. The Corporation may not borrow money from or otherwise transact business with a member, Elder (Director), officer, or committee member of the Corporation without full disclosure of all relevant facts and without the Board's approval, not including the vote of any person having a personal interest in the transaction.

Prohibited Acts

7.05. As long as the Corporation exists, and except with the Board's or the members' prior approval, no member, Elder (Director), officer, or committee member of the Corporation may:

- (a) Do any act in violation of these Bylaws or a binding obligation of the Corporation.
- (b) Do any act with the intention of harming the Corporation or any of its operations.
- (c) Do any act that would make it impossible or unnecessarily difficult to carry on the Corporation's intended or ordinary business.
- (d) Receive an improper personal benefit from the operation of the Corporation.

- (e) Use the Corporation's assets, directly or indirectly, for any purpose other than carrying on the Corporation's business.
- (f) Wrongfully transfer or dispose of Corporation property, including intangible property such as good will.
- (g) 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.
- (h) Disclose any of the Corporation's business practices, trade secrets, or any other information not generally known to the business community to any person not authorized to receive it.

ARTICLE 8 - BOOKS AND RECORDS

Required Books and Records

8.01. The Corporation will keep correct and complete books and records of account. The books and records include:

- (a) A file-endorsed copy of all documents filed with the Texas Secretary of State relating to the Corporation, including but not limited to the articles of incorporation, and any articles of amendment, restated articles, articles of merger, articles of consolidation, and statement of change of registered office or registered agent.
- (b) A copy of all bylaws, including these Bylaws, and any amended versions or amendments to them.
- (c) Minutes of the proceedings of the members, Board, and committees having any of the authority of the Board.
- (d) A list of the names and addresses of the members, Elders (Directors), officers, and any committee members of the Corporation.
- (e) A financial statement showing the Corporation's assets, liabilities, and net worth at the end of the three most recent fiscal years.
- (f) A financial statement showing the Corporation's income and expenses for the three most recent fiscal years.
- (g) All rulings, letters, and other documents relating to the Corporation's federal, state, and local tax status.
- (h) The Corporation's federal, state, and local tax information or income-tax returns for each of the Corporation's three most recent tax years.

Inspection and Copying

8.02. Any member, Elder (Director), or committee member of the Corporation may inspect and receive copies of all the corporate books and records required to be kept under these Bylaws. Such a person may, by written request, inspect or receive copies if such person has a proper purpose related to such person's interest in the Corporation. Such a person may do so through such person's attorney or other duly authorized representative. The inspection may take place at a reasonable time, no later than ten (10) working days after the Corporation receives a proper written request. The Board may establish reasonable copying fees, which may cover the cost of materials and labor. The Corporation will provide requested copies of books or records no later than ten (10) working days after receiving a proper written request.

Audits

8.03. Any member may have an audit conducted of the Corporation's books and such member shall bear the expense of the audit. The member requesting the audit may select the accounting firm to conduct it. A member may not exercise these rights so as to subject the Corporation to an audit more than once in any fiscal year.

ARTICLE 9 - FISCAL YEAR

The Corporation's fiscal year of the Corporation will begin on the first day of January and end on the last day in December in each year.

ARTICLE 10 - INDEMNIFICATION

When Indemnification Is Required, Permitted, and Prohibited

10.01. (a) The Corporation will indemnify an Elder (Director), Trustee, officer, member, committee member, employee, or agent of the Corporation who was, is, or may be named defendant or respondent in any proceeding as a result of such individual's actions or omissions within the scope of such individual's official capacity in the Corporation. For the purposes of this article, an agent includes one who is or was serving at the Corporation's request as an Elder (Director), Trustee, officer, partner, venturer, proprietor, trustee, partnership, joint venture, sole proprietorship, trust, employee-benefit plan, or other enterprise.

(b) The Corporation will indemnify a person only if such person acted in good faith and reasonably believed that such conduct was in the Corporation's best interests. In case of a criminal proceeding, the person may be indemnified only if such person had no reasonable cause to believe that the conduct was unlawful. The Corporation will not indemnify a person who is found liable to the Corporation or is found liable to another on the basis of improperly receiving a personal benefit from the Corporation. A person is conclusively considered to have been found liable in relation to any claim, issue, or

matter if the person has been adjudged liable by a court of competent jurisdiction and all appeals have been exhausted. Termination of a proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent does not necessarily preclude indemnification by the Corporation.

- (c) The Corporation will pay or reimburse expenses incurred by an Elder (Director), Trustee, officer, member, committee member, employee, or agent of the Corporation in connection with the person's appearance as a witness or other participation in a proceeding involving or affecting the Corporation when the person is not a named defendant or respondent in the proceeding.
- (d) In addition to the situations otherwise described in this paragraph, the Corporation may indemnify an Elder (Director), Trustee, officer, member, committee member, employee, or agent of the Corporation to the extent permitted by law. However, the Corporation will not indemnify any person in any situation in which indemnification is prohibited by paragraph 10.01(b), above.
- (e) The Corporation may advance expenses incurred or to be incurred in the defense of a proceeding to a person who might be eventually entitled to indemnification, even though there has been no final disposition of the proceeding. Advancement of expenses may occur only when the procedural conditions specified in paragraph 10.03(c), below, have been satisfied. Furthermore, the Corporation will never advance expenses to a person before final disposition of a proceeding if the person is a named defendant or respondent in a proceeding brought by the Corporation or if the person is alleged to have improperly received a personal benefit or committed other willful or intentional misconduct.

Extent and Nature of Indemnity

10.02. The indemnity permitted under these Bylaws includes indemnity against judgments, penalties, (including excise and similar taxes), fines, settlements, and reasonable expenses (including attorney's fees) actually incurred in connection with the proceeding. If the proceeding was brought by or on behalf of the Corporation, the indemnification is limited to reasonable expenses actually incurred by the person in connection with the proceeding.

Procedures Relating to Indemnification Payments

10.03. (a) Before the Corporation may pay any indemnification expenses (including attorney's fees), the Corporation must specifically determine that indemnification is permissible, authorize indemnification, and determine that expenses to be reimbursed are reasonable, except as provided in subparagraph (c) below. The Corporation may make these determinations and decisions by any one of the following procedures:

- (i) Majority vote of a quorum consisting of Elders (Directors) who, at the time of the vote, are not named defendants or respondents in the proceeding.

- (ii) If such a quorum cannot be obtained, by a majority vote of a committee of the Elders (Board of Directors), designated to act in the matter by a majority vote of all Elders (Directors), consisting solely of two or more Elders (Directors) who, at the time of the vote, are not named defendants or respondents in the proceeding.
 - (iii) Determination by special legal counsel selected by the Elders (Board of Directors) by the same vote as provided in subparagraphs (i) or (ii), above, or if such a quorum cannot be obtained and such a committee cannot be established, by a majority vote of all Elders (Directors).
 - (iv) Majority vote of members, excluding Elders (Directors) or other members who are named defendants or respondents in the proceeding.
- (b) The Corporation will authorize indemnification and determine that expenses to be reimbursed are reasonable in the same manner that it determines whether indemnification is permissible. If special legal counsel determines that indemnification is permissible, authorization of indemnification and determination of reasonableness of expenses will be made as specified by subparagraph (a)(iii), above, governing selection of special legal counsel. A provision contained in the articles of incorporation, or a resolution of members or the Elders (Board of Directors) that requires the indemnification permitted by paragraph 10.01, above, constitutes sufficient authorization of indemnification even though the provision may not have been adopted or authorized in the same manner as the determination that indemnification is permissible.
- (c) The Corporation will advance expenses before final disposition of a proceeding only after it determines that the facts then known would not preclude indemnification. The determination that the facts then known to those making the determination would not preclude indemnification and authorization of payment will be made in the same manner as a determination that indemnification is permissible under subparagraph (a), above.

In addition to this determination, the Corporation may advance expenses only after it receives a written affirmation and undertaking from the person to receive the advance. The person's written affirmation will state that such person has met the standard of conduct necessary for indemnification under these Bylaws. The written undertaking will provide for repayment of the amounts advanced by the Corporation if it is ultimately determined that the person has not met the requirements for indemnification. The undertaking will be an unlimited general obligation of the person, but it need not be secured and may be accepted without reference to financial ability to repay.

Any indemnification or advance of expenses will be reported in writing to the Corporation's members. The report will be made with or before the notice or waiver of notice of the next membership meeting, or with or before the next submission to members of consent to action without a meeting. In any case, the report will be sent within the 12-month period immediately following the date of the indemnification or advance.

ARTICLE 11 - NOTICES

Methods Of Giving Notice

11.01 Other than the oral notice to members described in §3.04, whenever any notice may or is required to be given to any member or Elder (Director) under the provisions of any law, the Articles of Incorporation, or these Bylaws, it shall be given in writing, delivered not more than thirty (30) nor less than (7) days in advance of the event described therein, and

- (a) Delivered personally or mailed to such member or Elder (Director) at such street address as appears on the records of the Corporation; such notice shall be deemed to be delivered at the time when the same shall be deposited in the United States mail with sufficient first class postage thereon prepaid, or
- (b) Delivered by electronic transmission to a facsimile number provided by the Elder (Director), or an electronic mail address provided by the Elder (Director), or posted on an electronic network to an address provided by the Elder (Director).

Waiver Of Notice

11.02 Whenever any notice may or is required to be given to any member or Elder (Director) under the provisions of any law, the Articles of Incorporation, or 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 deemed equivalent to the giving of such notice. Waiver of any notice may be accomplished in the same manner as described in §11.01 above for the giving of notice.

Attendance As Waiver

11.03 Attendance of an Elder (Director) at a meeting of the Elders (Board of Directors) shall constitute a waiver of notice of such meeting.

ARTICLE 12 - SPECIAL PROCEDURES CONCERNING MEETINGS

Meeting by Telephone

12.01. The Elders (Board of Directors), and any committee of the Corporation may hold a meeting by telephone conference-call procedures. In all meetings held by telephone, matters must be arranged in such a manner that all persons participating in the meeting can hear each other; the notice of a 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; and a person's participating in a conference-call meeting constitutes such Elder's presence at the meeting.

Decision Without Meeting

12.02. Any decision required or permitted to be made at a meeting of the Elders (Board of Directors), or any committee of the Corporation may be made without a meeting. A decision without a meeting may be made if a written consent to the decision is signed by all the persons entitled to vote on the matter. The original signed consents will be placed in the Corporation minute book and kept with the corporate records.

Furthermore, action may be taken without a meeting when there are signed written consents by the number of members, Elders (Directors), or committee members whose votes would be necessary to take action at a meeting at which all such persons entitled to vote were present and voted. Each written consent must be signed and bear the date of signature of the person signing it. A telegram, telex, cablegram, electronic mail or similar transmission by a member, Elder (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 member, Elder (Director), or committee member.

Consents must be delivered to the Corporation. A consent signed by fewer than all members, Elders (Directors), or committee members is not effective to take the intended action unless the required number of consents are delivered to the Corporation within 60 days after the date that the earliest-dated consent was delivered to the Corporation. Delivery 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, transfer agent, registrar, exchange agent, 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 Chairman or Elders (Board of Directors).

The Corporation will give prompt notice of the action taken to persons who do not sign consents. If the action taken requires 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.

No Proxy Voting at Meeting of Members

12.03. No person is authorized to vote by proxy at any meeting of the membership.

ARTICLE 13 - AMENDING BYLAWS

These Bylaws may be altered, amended, or repealed, and new bylaws may be adopted only by the membership. The notice of any meeting at which these Bylaws are altered, amended, or repealed, or at which new bylaws are adopted will include the text of the proposed bylaw provisions as well as the text of any existing provisions proposed to be altered, amended, or repealed. Alternatively, the notice may include a fair summary of those provisions.

ARTICLE 14 - MISCELLANEOUS PROVISIONS

Legal Authorities Governing Construction of Bylaws

14.01. These Bylaws will be construed under Texas law. All references in these Bylaws to statutes, regulations, or other sources of legal authority will refer to the authorities cited, or their successors, as they may be amended from time to time.

Legal Construction

14.02. To the greatest extent possible, these Bylaws shall be construed to conform to all legal requirements and all requirements for obtaining and maintaining all tax exemptions that may be available to nonprofit corporations. If any bylaw provision is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision, and the Bylaws will be construed as if they had not included the invalid, illegal, or unenforceable provision.

Headings

14.03. The headings used in the Bylaws are for convenience and may not be considered in construing the bylaws.

Number

14.04. Wherever appropriate, the singular shall include the plural, and vice versa.

Seal

14.05. The Elders (Board of Directors) may provide for a corporate seal. Such a seal would consist of two concentric circles containing the words "Skillman Church of Christ", "Texas" in one circle and the word "Incorporated" together with the date of incorporation in the other circle.

Power of Attorney

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

Parties Bound

14.07. The Bylaws will bind and inure to the benefit of the members, Elders (Directors), Trustees, officers, committee members, employees, and agents of the Corporation and their respective heirs, executors, administrators, legal representatives, successors, and assigns except as the Bylaws otherwise provide.

Dissolution

14.08. This Corporation may be dissolved by a two-thirds (2/3) vote of the members in attendance and eligible to vote at a duly called annual or special meeting of the members, upon thirty (30) days prior notice of the meeting. The notice shall be given pursuant to §11.01 of these Bylaws and state that the question of dissolution is to be submitted for a vote. In the event of the dissolution or final liquidation of the Corporation, after all liabilities and obligations of the Corporation have been paid, satisfied, and discharged, or adequate provision made therefore, all remaining property and assets of the Corporation shall be distributed, conveyed, assigned, or transferred to another corporation entitled to exemption from Federal income tax under Internal Revenue Code §501(c)(3).

Definition of “Elder”, etc.

14.09. As used in these Bylaws, the term “Elder” is equivalent to and means the same as “Director”; and the terms “Elders” and “Eldership” are equivalent to and mean the same thing as “Board of Directors”.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting secretary or assistant secretary of the Elders (Board of Directors) of Skillman Church of Christ and that these Bylaws constitute the Corporation's Bylaws. These Bylaws were duly adopted at a meeting of the members held on the ____ day of _____, 2017 and ratified by the Elders (Board of Directors) at a meeting held on the _____ day of _____, 2017.

Dated: _____, 2017

, Trustee or Acting Secretary
Elders (Board of Directors), Skillman Church of Christ

