

Generation Church

*802 South Russell Street
Portland, TN 37148*

**CONSTITUTION AND
BYLAWS As Adopted
January 7, 2012**

	General Provisions	Page 2
Article 1	Offices	Page 4
Article 2	Church Membership	Page 4
Article 3	Statement of Faith	Page 4
Article 4	Government	Page 6
Article 5	Lead Pastor / President & CEO	Page 6
Article 6	Congregation	Page 10
Article 7	Overseers	Page 10
Article 8	Elders	Page 11
Article 9	Trustees of the Corporation	Page 12
Article 10	Officers	Page 16
Article 11	Business Practices	Page 18
Article 12	Church Ministry	Page 19
Article 13	Church Discipline	Page 20
Article 14	Amendment of Bylaws	Page 21

Generation Church

CONSTITUTION AND BYLAWS As Adopted January 7, 2012

GENERAL PROVISIONS

Section 1. Non Profit Status.

Generation Church shall be organized and operated exclusively for religious purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding provision of any future United States Internal Revenue law in order to:

1. Minister the Word of God.
2. Conduct regular religious worship services through various forms of ministries.
3. Promote and encourage, through ministries of the organization, cooperation with other organizations ministering within the community.
4. Spread the Word of the Gospel by ministering to all through seminars, radio, television, and other forms of mass media.
5. Conduct a local and international church by the direction of the Lord Jesus Christ and under the leadership of the Holy Spirit in accordance with all the provisions as set forth in the Bible.
6. Maintain local church and missionary facilities.
7. Conduct a school for ministers and leaders.
8. License and ordain qualified individuals including graduates of ministerial schools.

Generation Church is not organized, nor shall it operate, for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to its members and is organized solely for non-profit purposes. The property, assets, profits and net income of this church are irrevocably dedicated to charitable, educational, and religious purposes and no part of the profits or net income of this church shall ever inure to the benefit of any individual. On the dissolution of this church, its assets remaining after payment, or provision or payment of all debts and liabilities of this church shall be distributed to a non profit fund, foundation, or corporation that is organized and operated for charitable, educational, ecclesiastical, or religious purposes and that has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code of 1986.

Section 2. Prohibition Against Sharing in Corporate Earnings.

No member, trustee, officer, employee, committee member, or person connected with the church, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the church, provided that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the church in effecting any of its purposes as shall be fixed by the church leadership, and no such person or persons shall be entitled to share in the distribution of any of the church assets upon dissolution of the church. All members of the church shall be deemed to have expressly consented and agreed that upon such dissolution of the affairs of the church, whether voluntary or

involuntary, the assets of the church, after all debts have been satisfied, then remaining in the hands of the leadership shall be distributed, conveyed, delivered and paid over, in such amounts as the leadership may determine or as may be determined by the court of competent jurisdiction for public safety, literary or educational organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may hereafter be amended.

Section 3. Exempt Activities.

Notwithstanding any other provision of these Bylaws, no member, trustee, officer, employee, or representative of *Generation Church* shall take any action or carry on any activity by or on behalf of the church not permitted to be taken or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 and its regulations as they now exist or as they may hereafter be amended, or by an organization, contributions to which are now deductible under Sections 170(c)(2) and 509(a)(1) of such codes and regulations as they now exist or as they may hereafter be amended.

ARTICLE 1

Offices

The principal office of *Generation Church* herein after referred to as the corporation, shall be located at the address set forth in the Articles of Incorporation. The corporation may have such other offices, either within or without the State of Incorporation, as the Board of Trustees, herein after referred to as the trustees, may determine.

ARTICLE 2

Church Membership

Church members shall be all people who contribute financially to the corporation (church.) Membership is granted and recognized with voting powers once a person has attended, completed, and signed the "Generate Ownership" commitment form and has made sufficient contributions. Should one year pass without a record of contribution, membership is automatically terminated.

ARTICLE 3

Statement of Faith

I. GOD

We believe that there is only one true, living, and eternal God and that the Godhead is revealed as Father, Son, and Holy Spirit.

(A) One True and Eternal God: Deut. 6:4; 33:27; Jer. 10:10; Matt. 3:15-16; 28:19; Mk. 12:29; Jn. 14:9-11; 10:30; Rom. 8:9-11; I Cor. 8:4-6; II Cor. 3:17; I Thess. 1:9; I Tim. 1:17; 2:5; 6:17; Heb. 1:1-13; 3:12. **(B) The Godhead:** 1. God as Father: Gen. 1:1; Matt. 6:9; Eph. 4:6. 2. God as Son: Isa. 9:6; Matt. 16:16; Jn. 1:1; 3:14, 16; 14:28; I Cor. 15:28; Heb. 1:8. Virgin Birth of Jesus: Matt. 1:18-25; Lk. 1:26-38. 3. God as Holy Spirit: Jn. 14:16, 26; Acts 1:5, 8; 2:1-4; Rom. 8:16.

II. THE BIBLE

We believe that the Holy Scriptures are the Old and New Testaments, the inspired and infallible Word of God, and therein is found the only reliable guide of Christian faith and conduct.

(A) The Inspired Revelation: Lk. 24:44-46; Rom. 16:25-26; II Tim. 3:15-17; Heb. 1:1-2; II Pet. 1:20-21. **(B) The Infallible Word:** Isa. 40:8; Lk. 21:33; Jn. 17:17; Titus 1:2; I Pet. 1:25. **(C) The Reliable Guide:** Deut. 6:6-9; Ps. 19:7-10; 119:105, 140; Jn. 5:39; Acts 17:11-12; Rom. 10:14-15; 15:4; II Tim. 3:16-17.

III. MAN

We believe that God created man in His own image to bring Him honor through obedience, and that when man disobeyed, he became a fallen and sinful creature, unable to save himself. We believe that infants are in the covenant of God's grace and that all persons become accountable to God when they reach a state of moral responsibility.

(A) Man's Origin: Gen. 1:26-27; 2:7; Ps. 8:5. **(B) Man's Purpose:** Gen. 1:28-31; 2:15-25; Isa. 43:7. **(C) Man's Sin:** Gen. 3:1-24; Ps. 51:5; Jer. 13:23; Rom. 1:18-3:23; 5:12-21; 7:1-25. **(D) Man's Accountability:** Matt. 19:13-15; Rom. 4:15; 5:13; 6:16; Heb. 11:24-26.

IV. SALVATION

We believe that salvation (regeneration, sanctification, justification and redemption) has been provided for all mankind through the redemptive work (life, death, resurrection, ascension, and intercession) of Jesus Christ, and that this salvation can be received only through repentance toward God and faith toward our Lord Jesus Christ.

Salvation: Heb. 5:9; I Thess. 5:9; I Pet. 1:9; Heb. 7:25. **Regeneration:** Jn. 3:3-8; 1:11-13; I Pet. 1:23; Eph. 2:1-10; II Cor. 5:17; II Pet. 1:4; Titus 3:5. **Sanctification:** I Cor. 1:30; Eph. 5:26; Heb. 10:9-10, 29; II Tim. 2:21; Heb. 13:12; Rom. 12:1-2; I Pet. 1:2. **Justification:** Rom. 3:20-24; 5:1-2, 18; 8:30-33; Acts 13:38-39; I Cor. 6:11; II Cor. 5:21. **Redemption:** Matt. 20:28; Isa. 53:6; Col. 1:14; Titus 2:14; I Pet. 1:18-19; Rev. 5:9. **Christ's Redemptive Work:** Jn. 3:16; Rom. 5:8; Heb. 2:9; Rev. 22:17; II Pet. 3:9; Jn. 14:6; Acts 4:12; Rom. 6:23; Eph. 2:8-9. **Life and Death:** Rom. 5:10; Heb. 9:12-15;

Jn. 10:11; I Jn. 3:16. Resurrection: Rom. 4:25; I Pet. 1:3; I Cor. 15:14, 17. **Ascension:** Heb. 4:14-16, 6:19-20; 9:24; 10:11-12. **Intercession:** Rom. 8:34; Heb. 9:15; Isa. 53:12; I Tim. 2:5. **Repentance:** Isa. 55:6-7; Lk. 24:47; Lk. 13:3-5; Acts 2:38; I Thess. 1:9-10. Faith: Jn. 3:16-18; Heb. 11:1, 6; I Pet. 1:5.

V. ASSURANCE AND ENDURANCE

We believe that those who abide in Christ have the assurance of salvation. However, we believe that the Christian retains his freedom of choice; therefore, it is possible for him to turn away from God and be finally lost.

(A) **Assurance:** Matt. 28:20; I Cor. 10:13; Heb. 5:9. (B) **Endurance:** Matt. 10:22; Lk. 9:62; Col. 1:23; Rev. 2:10-11; 3:3-5. (C) **Warnings:** Jn. 15:6; Rom. 11:20-23; Gal. 5:4; Heb. 3:12; 10:26-29; II Pet. 2:20-21. (D) **Finally Lost:** Jn. 15:6; I Cor. 9:27; Heb. 6:4-6.

VI. CHRISTIAN DUTIES

We believe that Christians should live faithfully by serving in and through the local church, praying diligently, witnessing earnestly, practicing tolerance, showing loving kindness, giving as God prospers, and conducting themselves in such a way as to bring glory to God.

(A) **Faithful Service:** I Chron. 16:11; Ps. 101:6; Matt. 28:18-20; Jn. 15:7-14; Rom. 12:14; I Cor. 13; II Cor. 8, 9; Eph. 4, 6; Heb. 12:1. (B) **Prayer:** II Chron. 7:14; Dan. 6:10; Matt. 6:1-13; 26:41; Lk. 18:1; I Thess. 5:17. (C) **Witnessing:** Matt. 28:19-20; Acts 1:8. (D) **Tolerance:** Matt. 18:15-17; Lk. 10:27; Gal. 5:22-23; II Pet. 1:5-9. (E) **Loving Kindness:** Jn. 13:35; I Jn. 3:11; 4:7, 11-12. (F) **Financial Stewardship:** Matt. 23:23; I Cor. 16:2; II Cor. 9:6-7.

VII. THE CHURCH

We believe that the Church Universal is the Body of Christ, the fellowship of all believers, and that its members have been called out from the world to come under the dominion and authority of Christ, its head. We believe that a local church is a fellowship of Christians, a part of the Body of Christ, voluntarily banded together for worship, nurture, and service.

(A) **The Church Universal:** Matt. 16:18; Jn. 10:10; I Cor. 3:16; 12:12-14, 27; Eph. 1:22-23; Col. 1:18, 24; Heb. 12:23. (B) **The Local Church:** Matt. 18:17; Acts 2:38-47; 11:19-30; Rev. 1:4; 3:22. 1. Worship and Service: Rom. 12:1; I Cor. 14:12, 23-25; Heb. 10:25; Ja. 1:26-27. 2. Nurture: Eph. 4; II Pet. 1:2-8; 3:18.

VIII. ORDINANCES

We believe that baptism and the Lord's Supper are ordinances instituted by Christ to be observed by Christians only. We also believe that the Biblical mode of baptism is immersion and that participation in the Lord's Supper should be open to all Christians. (Note: Several associations and local churches recognize footwashing as an ordinance. We believe that this should be left to the individual, and that neither the practice nor the non-practice of it should be any bar to fellowship, either in the church, the local association, the Presbytery, or the General Association. Jn. 13; I Tim. 5:10.)

(A) **Baptism:** 1. Instituted: Matt. 3:13-15; 28:19. 2. Subjects: Acts 2:41; 8:12, 37-38; 10:47-48; 16:30-33; 19:5. 3. Biblical Mode: Rom. 6:3-5; Col. 2:12. 4. Purpose: Matt. 3:14; I Pet. 3:21. (B) **Communion:** 1. Instituted: Matt. 26:26-29; Mk. 14:22-25; Lk. 22:19-20; I Cor. 11:23-25. 2. Subjects: I Cor. 11:27-29. 3. Purpose: I Cor. 11:26.

IX. THE LORD'S DAY

We believe in the Sanctity of the Lord's Day, the first day of the week, and that this day ought to be observed by worshipping God, witnessing for Christ, and ministering to the needs of humanity. We believe that secular work on Sunday should be limited to cases of necessity or mercy.

(A) **Sanctity:** Ex. 20:8; Isa. 58:13-14. (B) **Observance:** Mk. 2:27-28; Lk. 4:1-16; 14:1-6; Acts 20:7; I Cor. 16:2; Rev. 1:10.

X. LAST THINGS

We believe in the personal return of Jesus Christ, and in the bodily resurrection of the dead. We believe that God will judge all mankind by Jesus Christ; that He will reward the righteous with eternal life in heaven, and that He will banish the unrighteous to everlasting punishment in hell.

(A) **Return:** Matt. 24, 25; Lk. 12:40; Jn. 14:3; Acts 1:11; I Jn. 3:2; Rev. 1:7. (B) **Resurrection:** Jn. 5:25, 28-29; 6:40; 11:24-25; Rom. 8:11; I Cor. 15; Phil. 3:21; I Thess. 4:16-17; Rev. 20:4-6. (C) **Judgment and Reward:** Matt. 25:21; Mk. 9:43-48; Jn. 5:27; Acts 17:31; Rom. 2:16; 14:12; II Cor. 5:1, 10; Col. 3:24; II Thess. 1:7-10; Heb. 9:27; II Pet. 3:8-13; Jude 21; Rev. 2:7; 14:13; 20:10-15; 22:12.

ARTICLE 4 Government

Generation Church seeks to be led by the Holy Spirit in all its decisions. The Lead Pastor, the congregation, the overseers, the elders, and the trustees all have a role in leadership. The Lead Pastor's office is responsible for developing and communicating the vision and overseeing the day-to-day ministry of the church. The congregation influences the spiritual tone, strength and direction of the church. The overseers are to protect the church through counsel, prayer, and if required, the discipline of the Lead Pastor, as described in Article 7. The elders are to serve the church as described in Article 8. The trustees are to serve the church by assuring compliance with church corporation management policies and by approving the major financial commitments for the church as described in Article 9.

ARTICLE 5 Lead Pastor of the Church, President and Chief Executive Officer (CEO) of the Corporation

Section 1. The Office of the Lead Pastor.

Paragraph 1. The Dual Role.

Because *Generation Church* has two (2) complimentary branches; the spiritual body of believers and the legal corporation, it is the Lead Pastor that administratively bridges the gap between the two (2) branches. The Lead Pastor is primarily responsible for the spiritual life of the church, therefore, he must be in a position corporately to insure that financial strength is directed toward the ministries of his choice. The Lead Pastor may delegate any responsibilities listed hereinafter he sees fit.

Paragraph 2. Responsibilities of the Lead Pastor.

It is the Lead Pastor's responsibility to:

1. Provide Biblical vision and direction for the congregation.
2. Define and communicate the Church's purpose.
3. Oversee and coordinate the day-to-day ministry of the congregation and administration of the church.
4. Appoint overseers pursuant to Article 8.
5. Recognize and enlist apostolic, prophetic, evangelistic, pastoral and teaching ministries, along with that of elders, deacons, and additional staff members as he deems Biblical and necessary for the healthy and balanced spiritual ministry to the body of believers.
6. Select trustees pursuant to Article 9 who will help oversee the business of the corporation.
7. Staff the church as he deems necessary to help administrate the affairs of the corporation.

Paragraph 3. The Lead Pastor's Spiritual Leadership.

In his role as Lead Pastor, he may work with overseers, elders, deacons, or anyone serving in any five-fold ministry offices as outlined in Ephesians 4:11-13 in any way that he determines is Biblical. In addition, he may budget monies, hire staff, develop projects or ministry, and create small groups or other specialized ministries according to his convictions and Biblical understanding. He shall have the authority to appoint and approve any assistants that are necessary to properly carry on the work of the church.

Paragraph 4. The Lead Pastor's Responsibility for Services.

Times, order of services, and the leadership of services are to be determined by him or by the spiritual church structure that he establishes. No person shall be invited to speak, teach or minister at a service held in Church-owned facilities, or in the name of the church, without the approval of the Lead Pastor or the appropriate member of the established church pastoral ministry team.

Section 2. The Office of The President and Chief Executive Officer (CEO).

Paragraph 1. The Lead Pastor Shall Serve as the President and CEO of the Corporation.

The president and CEO are herein after, in most instances, referred to as the president. The corporation finds its headship under the Lord Jesus Christ and in its president. If possible, he shall preside at all meetings of the trustees and shall see that all orders and resolutions of the trustees are put into effect. He shall execute in the name of the corporation all deeds, bonds, mortgages, contracts, and other documents authorized by the trustees. He shall be an ex-officio member of all standing committees, and shall have the general powers and duties of supervision and management usually vested in the office of the president of a corporation.

Paragraph 2. The President's Role with Trustees.

With the exception of those circumstances discussed in Article 14, hereinafter, the president is the non-voting chairman of the trustees. He calls meetings and determines the agenda in consultation with the trustees. The president shall make selections to the trustees from the church membership at a rate not to exceed one (1) new appointment every four (4) months in accordance with Article 9. The president may also dismiss trustee members, but at a rate that does not exceed one (1) dismissal every four (4) months in accordance with Article 9, Section 4, Paragraph 2.

Paragraph 3. The President's and CEO's Role in Administration.

The president is the lead administrator of the church. He is ultimately responsible for all day-to-day administrative decisions of the church.

Paragraph 4. The President's Role with Staff.

The president hires, directs and dismisses staff. As the Lead Pastor, his call is confirmed to the church through the congregation, and those hired through him are to assist him in fulfilling this calling. The President / Lead Pastor shall select seven (7) members of the pastoral staff to serve on the Confirmation Committee which shall have a role with regard to the confirmation of a new Lead Pastor. In the event that there are not seven (7) members of the pastoral staff, the Confirmation Committee shall consist of as many pastoral members less than seven (7) as are appointed by the President.

Paragraph 5. The President's Role in Establishing Salaries.

The president determines all salaries and writes pay scales for full-time salaried employees. Pay scales shall be explained to new full-time salaried employees and, should they ever be changed, they will be given in writing to the affected employees. If there is a severance pay agreement, that too must be given to the employee in writing. In addition, all part-time salaries and hourly wages are variable and are to be determined between the president and the employee.

Paragraph 6. The President's Salary Exceptions.

6.1 President's Compensation Team. The President's Compensation Team is established by the Board of Trustees, consisting of the Church Treasurer, two (2) members of the non-employee, independent members of the Board of Trustees, and two (2) members of the non-employee, independent members of the Board of Overseers. The number of non-employee, independent members of the Compensation Team must not be decreased to less than five (5).

6.2 President's Compensation Approval. Compensation paid to the President shall be approved on an annual basis by a majority vote of the non-employee, independent President's Compensation Team. In so doing, the non-employee, independent President's Compensation Team shall consider duties, performance evaluations, compensation, comparability data, and other relevant information. Such information will be provided by the Church Treasurer. In no event shall the President's salary be less than it would be according to the pay scale established for the other members of the pastoral team.

Paragraph 7. Optional Benefits.

After the president has served for a minimum of five (5) consecutive years, the trustees may provide additional benefits, which are unique to the president position. They may, for example, choose to provide an additional retirement benefit. They may also choose to reduce the amount of time the president is required to keep a vehicle before it is replaced. These benefits or any others like them must be initiated by the trustees and not the president because these benefits are optional and not required to be provided. They are purely an attempt to reward many years of faithful service.

Paragraph 8. Budget.

After the church is one (1) year old, an annual budget must be prepared. The budget is to be based on 90% of the previous year's undesignated income. The president is to write the budget for 65% of the 90% in order to finance the basic ministry needs of the church (salaries, taxes, bills, missions, benevolence, department financial allocations, etc.). He is free to reflect his values and wisdom in his budget portion. Then, the president is to work with the trustees to add their 35% to the budget.

Paragraph 9. Expenditures.

Budgeted amounts are not to be considered actual monies available. Nothing can be spent by the president except actual funds that are available, and those monies are to be spent according to the budget. The president may not borrow money, sign leases, buy or sell real estate, or make any agreements that could force indebtedness upon the church. Should the church borrow, the trustees may give the president authority to spend those monies on the project for which the funds were borrowed. All undesignated monies that are available to the corporation

above budgeted amounts are deemed discretionary and are available to be spent by the president, but he may only obligate funds currently on hand.

Paragraph 10. Installation of New Lead Pastor When Departing Lead Pastor / President in Good Standing

10.1. If the Lead Pastor is in good standing or dies while in good standing, a new Lead Pastor shall be selected through the following process. The Lead Pastor shall nominate a new Lead Pastor (in a previously signed writing in the event of death) and the Confirmation Committee shall then confirm such nominee by an affirmative vote of two-thirds of the members of the Confirmation Committee. In the event that the Confirmation Committee does not confirm such nominee the process shall repeat until a nominee is confirmed. If the Lead Pastor is unable to nominate a new person, then the overseers shall nominate a person, under the same terms as are described in paragraph 11 below.

10.2. The Lead Pastor is in "Good Standing" if: (1) he is not under discipline by the overseers, (2) he is not under investigation by the overseers, and/or (3) he has not engaged in any conduct that could subject the Lead Pastor to discipline by the overseers.

10.3. The Confirmation Committee shall consist of all seven (7) trustees, seven (7) elders designated for the Confirmation Committee pursuant to Article 8, Paragraph 5, and seven (7) members of the pastoral staff designated for the Confirmation Committee pursuant to Article 5, Section 2, Paragraph 4. If the number of the Confirmation Committee should be less than twenty-one (21), then the Confirmation Committee shall be composed of as many of the above trustees, elders, and/or pastors as are available to serve. Should there be less than three (3) total members of the Confirmation Committee, then the members of the Board of Directors under the Articles of Incorporation, shall serve as the Confirmation Committee.

10.4. In the event of a vacancy in the office of the Lead Pastor due to disability, death, or other absence while the Lead Pastor is in good standing, the acting Lead Pastor shall be a person named by the Lead Pastor in a signed writing to the overseers in advance of such disability or absence. Such acting Lead Pastor shall serve until such time as a new Lead Pastor is nominated and confirmed pursuant to Paragraph 10.1. The acting Lead Pastor shall be eligible for nomination and confirmation as Lead Pastor.

Paragraph 11. Installation of New Lead Pastor When Departing Lead Pastor Not in Good Standing.

11.1. If the Lead Pastor is not in good standing, a new Lead Pastor shall be selected through the following process. The overseers shall nominate a new Lead Pastor by an affirmative vote of one less than the total number of overseers, and the Confirmation Committee shall then confirm such nominee by an affirmative vote of two-thirds of the members of the Confirmation Committee. In the event that the Confirmation Committee does not confirm such nominee the process shall repeat until a nominee is confirmed.

11.2. The Lead Pastor is not in "Good Standing" if: (1) he is under discipline by the overseers, (2) he is under investigation by the overseers, and/or (3) he has engaged in any conduct that could subject the Lead Pastor to discipline by the overseers.

11.3. The Confirmation Committee shall consist of all seven (7) trustees, seven (7) elders designated for the Confirmation Committee pursuant to Article 8, Paragraph 5, and seven (7) members of the pastoral staff designated for the Confirmation Committee pursuant to Article 5, Section 2, Paragraph 4. If the number of the Confirmation Committee should be less than twenty-

one (21), then the Confirmation Committee shall be composed of as many of the above trustees, elders, and/or pastors as are available to serve. Should there be less than three (3) total members of the Confirmation Committee, then the members of the Board of Directors under the Articles of Incorporation, shall serve as the Confirmation Committee.

11.4. In the event of a vacancy in the office of the Lead Pastor due to disability, death, discipline, or absence while the Lead Pastor is not in good standing, the overseers may by a vote of one less than the total number of overseers appoint an acting Lead Pastor until such time as a new Lead Pastor is nominated and confirmed. The acting Lead Pastor shall be eligible for nomination and confirmation as Lead Pastor.

ARTICLE 6

Congregation

The congregation shall consist of all Members of the church as defined in Article 2. Members of the Church may be appointed to serve as Elders and/or Trustees.

ARTICLE 7

Overseers

Paragraph 1. Requirements To Be an Overseer.

The members of the overseers must be ordained pastors of respected congregations who know and love *Generation Church* and its Lead Pastor. They must agree to make themselves available at their own expense to serve *Generation Church* if requested and must be willing to provide spiritual protection to the church through prayer and by living an honorable Christian lifestyle.

Paragraph 2. Biblical Qualifications for Overseers.

"Now the overseer must be above reproach, the husband of but one wife, temperate, self-controlled, respectable, hospitable, able to teach, not given to drunkenness, not violent but gentle, not quarrelsome, not a lover of money. He must manage his own family well and see that his children obey him with proper respect. (If anyone does not know how to manage his own family, how can he take care of God's church?) He must not be a recent convert, or he may become conceited and fall under the same judgment as the devil. He must also have a good reputation with outsiders, so that he will not fall into disgrace and into the devil's trap." (1 Timothy 3: 2-7)

Paragraph 3. Number, Selection, and Function of Overseers.

The overseers shall be composed of at least three (3) members who are nominated by the Lead Pastor and confirmed by the elders. The Lead Pastor will be accountable to the overseers in the event of alleged misconduct in compliance with Article 13.

Paragraph 4. Installing New Overseers.

Each year the Lead Pastor and the elders may replace one (1) of the overseers and enter that change into the minutes of a trustees' meeting. If disciplinary action is being considered, changes in the overseers may not be made until its work is completed.

ARTICLE 8

Elders

Paragraph 1. Spiritual Role.

The elders are to covenant together with the congregation and the Lead Pastor for the development of the spiritual life of the church. These men and their spouses are to be the primary protectors and encouragers of a positive spiritual climate within the church body. They serve in neither a governing nor a corporate capacity, but a spiritual capacity to create and maintain stability in potentially negative situations.

Paragraph 2. Definition.

The elders are men who function within the local church but are not members of the pastoral staff of the church. They are men who meet the Biblical qualifications for elders and function in that calling, but derive their income from sources other than the church. The number of elders shall be determined by the Lead Pastor but shall not be less than twelve (12) after the first year of operation of the Corporation.

Paragraph 3. Functions.

The functions of the elders are:

1. Maintain and teach by living a godly, Christian lifestyle.
2. Provide a prayer shield for the pastoral team and the local church.
3. Defend, protect and support the integrity of the pastoral team and the local church.
4. Pray for the sick.
5. Organize, implement and execute licensing and ordination requirements and procedures.
6. Mediate disputes among the brethren.
7. Counsel.
8. Contact the overseers to initiate investigation and potential discipline of the Lead Pastor.

Paragraph 4. Biblical Qualifications for Elders.

“An Elder must be blameless, the husband of but one wife, a man whose children believe and are not open to the charge of being wild and disobedient. Since an elder is entrusted with God’s work, he must be blameless—not overbearing, not quick tempered, not given to drunkenness, not violent, not pursuing dishonest gain. Rather he must be hospitable, one who loves what is good, who is self- controlled, upright, holy and disciplined. He must hold firmly to the trustworthy message as it has been taught, so that he can encourage others by sound doctrine and refute those who oppose it.” (Titus 1:6-9 NIV)

Paragraph 5. Nomination and Appointment of Elders.

The initial appointment of elders will be made by the Lead Pastor. Subsequent appointments of elders will be preceded by the Lead Pastor teaching on the Biblical requirements for elders at a service. Anonymous nominations for the position of elder will be made in writing immediately after the sermon on elders by those present at the service. These nominations will be tallied by the Lead Pastor and his associates, and the elders will be selected from the men with the largest number of nominations. The Lead Pastor can veto anyone's nomination. This nomination process may occur as often as an elder's term expires or the Lead Pastor feels that it is necessary for new elders to be added. After elders are selected, the Lead Pastor shall appoint seven (7) elders to serve on the Confirmation Committee, which shall have authority with regard to the confirmation of a new Lead Pastor.

Paragraph 6. Four (4) Year Service Terms.

Once selected to serve as an elder, the elder and his spouse are to serve for a maximum of four (4) years. After that time of service, the selection process is to be repeated and anyone re-nominated and appointed may serve as many times as the congregation and Lead Pastor choose. However, should the congregation fail to re-nominate any certain elder, the Lead Pastor may not select him for service.

Paragraph 7. Removal of an Elder.

Should anyone in the congregation, including a staff member or another elder, bring accusation against an elder, charging that they do not qualify for elders, a seven (7) member group from the staff and the elders may hear the accusations and any response from the accused elder. Three (3) are to be chosen by the accused elder, and four (4) are to be chosen by the Lead Pastor. He may not serve on the panel judging the elder, but may oversee the procedures if he chooses. Then, in an anonymous vote, if five (5) or more agree that the elder does not meet the qualifications of elders, that elder may no longer serve as an elder.

Paragraph 8. Replacement of Elders.

During the four (4) years of service, those elders who are no longer able to serve for any reason need not be replaced as long as at least twelve (12) elders remain.

ARTICLE 9

Trustees of the Corporation

Section 1. General Powers.

The major financial affairs of the corporation shall be managed by the trustees whose members shall have a fiduciary obligation to the corporation according to Sections 2 and 3 of this Article.

Section 2. Functions.

Paragraph 1. Provide Facilities.

The trustees vote in accordance with these Bylaws in order to conduct the major business decisions of the corporation. The trustees oversee the provision of the physical facilities needed by the church body. They also coordinate any construction projects that require a loan.

Paragraph 2. Exclusive Authority.

The trustees are the only body within the corporation or church body with the authority to:

1. Buy and sell real estate.
2. Borrow money.
3. Secure real estate leases.

Paragraph 3. Counsel.

The trustees are to provide counsel, at the Lead Pastor's request, regarding the major financial commitments of the church.

Section 3. Financial Guidelines.

Paragraph 1. Monies Available to Trustees.

In order to provide for the physical needs of the church, the trustees have available to them 100% of all unrestricted monies accumulated in any type of savings accounts including stocks, bonds, certificates of deposit, mutual funds, etc. and all assets in land and property. In addition, the trustees may direct any expenditures up to 35% of the unrestricted income of the church from tithes, offerings, interest, and investments. Current undesignated income is to be determined by the undesignated income of the previous year. From the 35% of church income at the trustees' disposal, payment must be made on all debt and real estate leases of the corporation.

Paragraph 2. Debt Restrictions.

Before the trustees can authorize the church to borrow money or incur a lease obligation, the following conditions must first be met:

1. Maximum 35% payment ceiling. The combined totals of all monthly debt service and real estate lease payments, following the incurring of the indebtedness or lease obligation under consideration, will not exceed 35% of the average monthly total income. The percentage shall be based on, but not be limited to, tithes, offerings, investment income and unrestricted gifts of the church.
2. Lease to purchase allowance. If indebtedness is being secured to build a structure that will relieve the church of its need for a leased facility that will be vacated when the new building is completed, then the current lease commitment need not be calculated into the 35% expenditure limitation for eighteen (18) months. Thus, the church is allowed eighteen (18) months for both construction and lease payments that combined, exceed the 35% limit, only if there is compelling assurance that by the end of the eighteen (18) month period it is reasonable to expect relief from the burden of the lease payment.
3. Income Projections. The church may *not* set budgets, meet conditions for borrowing, or make any financial commitments based on upward projections of income.
4. Audit Requirements. If the church wishes to borrow over \$250,000, the trustees must base its financial limitations on information provided by an audit of the previous year.
5. Church Plant Exception. If the church has less than 12 months financial history and wishes to borrow less than \$250,000, that decision may be based on the most current three (3) months of financial history provided by the church Secretary/Treasurer.

Paragraph 3. Annual Audit.

If the income of the church exceeds \$250,000 per year, the trustees shall obtain an annual audit performed by an independent public accounting firm in accordance with Generally Accepted Auditing Standards (GAAS), with financial statements prepared in accordance with Generally Accepted Accounting Principles (GAAP).

Paragraph 4. Audit Review Committee.

The trustees shall appoint the Secretary/Treasurer and two (2) other members of the trustees to serve as an audit review committee. After reviewing the annual audit, they are to report their findings at a trustees' meeting.

Paragraph 5. Conflict of Interest.

In order to avoid any conflict of interest, *all* of the following criteria must be met for any business transaction to be made between a trustee and the corporation:

1. The trustee with whom the transaction is being considered is excluded from any discussions for approving the transaction.
2. The trustees consider competitive bids or comparable valuations.
3. The trustees act upon and demonstrate that the transaction is in the best interest of the corporation.
4. The transaction must be fully disclosed in the end-of-year audited financial statements of the corporation.

Section 4. Appointment, Number, Term, and Qualifications.

Paragraph 1. Number and Selection.

The trustees shall be composed of seven (7) members who are appointed by the Lead Pastor after the first year of operation of the Corporation. Trustees may not be employees or staff members of the corporation, nor can they be related by blood or marriage to employees or staff members. The term of office for each trustee shall continue until such trustee resigns from office or from membership in the church, is deceased, or is removed. All trustees must be selected from the membership of the church.

Paragraph 2. Removal.

The Lead Pastor may dismiss trustees without cause, but at a rate that does not exceed one (1) dismissal every four (4) months. In the event that the office of Lead Pastor is vacant, the secretary/treasurer may appoint or dismiss trustees subject to the same limitations that apply to appointments and dismissals by the Lead Pastor in accordance with this paragraph and Article 6, Section 4, Paragraph 1.

Paragraph 3. Exclusive Role.

Because the trustees are responsible for the major financial decisions of the church, they must resign their position as a trustee if they ever become a staff member or take any other paid position within the church. Volunteer work within the church is encouraged, but paid positions may constitute a conflict of interest.

Section 5. Meetings.

Paragraph 1. Frequency of Meetings.

A meeting of the trustees shall be held at least twice a year. The Lead Pastor, or any trustee may call a meeting at any time, under the condition that a majority (four (4) or more) of the trustees attend the meeting.

Paragraph 2. Leadership of Meetings.

If at all possible, the Lead Pastor is to attend and lead each trustees' meeting. If not possible, the Secretary/Treasurer shall lead the meeting. If neither the Lead Pastor nor the Secretary/Treasurer is able to lead the meeting, the trustees must choose a leader for that meeting and proceed in order, with the appointed leader keeping minutes for the record. Any motions passed and recorded in a meeting without the Lead Pastor or the Secretary/Treasurer may not take effect until the following meeting with either the Lead Pastor or the Secretary/Treasurer present when the minutes of the previous meeting are approved.

Paragraph 3. Location of Meetings.

Any meeting of the trustees may be held at such place or places as shall from time to time be determined by the trustees or fixed by the Lead Pastor and designated in the notice of the meeting.

Paragraph 4. Written Notice of Meetings.

Whenever, under the provisions of a statute or the Articles of Incorporation or these Bylaws, a written notice is required to be given to any trustee:

1. Such notice will require a minimum of four (4) days notice.
2. Such notice may be given in writing, by fax, or by mail at such fax number or address as appears on the books of the corporation and such notice shall be deemed to be given at the time the notice is faxed or mailed.
3. The person entitled to such notice may waive the notice by signing a written waiver either before, at, or after the time of the meeting.
4. The appearance of such person or persons at the meeting shall be equivalent to signing a written waiver of notice.

Paragraph 5. Regular Meetings.

The trustees may establish regular meetings. No notice shall be required for any regular meeting.

Paragraph 6. Trustee Action Without Meeting.

Any action that may be taken at a meeting of the trustees, the same action may be taken without a meeting if a consent in writing setting forth the action taken is signed by all the trustees and such action shall be effective as of the date specified in the written consent.

Paragraph 7. Teleconferencing.

At any meeting of the trustees, any member may participate in the meeting by telephone provided all members of the trustees present at the meeting or by telephone can hear and speak to each other. Participation by telephone shall be equivalent to attending the meeting in person.

Paragraph 8. Quorum.

A majority (four (4) or more) of the trustees shall constitute a quorum for the transaction of business at any meeting. The act of a majority of the trustees shall be the act of the trustees. In the absence of a quorum at any meeting, a meeting of the trustees present may adjourn the meeting without further notice until a quorum shall be established.

Section 6. Compensation.

Trustees, as such, shall not receive any salaries for their services.

ARTICLE 10

Officers

Section 1. Officers.

The officers of the corporation shall be a president and a secretary/treasurer and any other officers that the trustees may authorize from time to time.

Section 2. Appointment, Election and Term of Office.

Paragraph 1. Appointment of the President.

The appointment and responsibilities of the president are listed in Articles 5 and 7 above.

Paragraph 2. Appointment of Secretary/Treasurer.

The secretary/treasurer is to be nominated by the president and approved by the trustees. The term of this office is indefinite. Should the trustees fail to approve of the nomination by the president, other nominations must be made until a suitable candidate is chosen.

Paragraph 3. New Offices.

New offices may be created and filled at any meeting of the trustees. Each officer shall hold office until his successor has been duly elected and qualified.

Section 3. Removal of Officers.

Paragraph 1. Overseers Responsibility for the Lead Pastor.

The overseers of the church may discipline or remove the Lead Pastor according to Article 13.

Paragraph 2. Lead Pastor/President Responsibility of Secretary/Treasurer.

The Lead Pastor/president can remove the Secretary/Treasurer at any time.

Paragraph 3. Trustees' Responsibility for All Other Officers.

Any officer elected or appointed by the trustees may be removed by the trustees when the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed.

Section 4. Powers of Officers.

Paragraph 1. The President.

The powers of the President are listed in Article 7 above.

Paragraph 2. The Secretary/Treasurer.

The Secretary/Treasurer should be a trustee as well as an officer of the corporation. As Secretary, the secretary/treasurer shall act as clerk and record (or have recorded) all votes and the minutes of all proceedings in a book to be kept for that purpose. He shall oversee the keeping of the membership rolls of the corporation, and in general perform the duties usually incident to the office of secretary, and such further duties as shall be prescribed from time to time by the trustees or by the president.

Paragraph 3. The Secretary/Treasurer's Role Over Accounting.

As Treasurer, the Secretary/Treasurer shall oversee the keeping of full and accurate accounts of the receipts and disbursements in the accounting records of the corporation, and shall

oversee the deposit of all monies and other valuable effects in the name and to the credit of the corporation in such banks and depositories as may be designated by the president. He does not determine expenditures, but he shall oversee the disbursement of the funds of the corporation as may be ordered by the trustees or the president. He shall perform the duties usually incident to the office of Treasurer and such other duties as may be prescribed from time to time by the trustees or by the president.

Paragraph 4. Audited Financial Statements.

The Secretary/Treasurer shall serve on the Audit Review Committee and report to the trustees after its review of the annual audit. If the church does not have an annual audit, the Secretary/Treasurer is to provide to the trustees a report on the previous year's income and expenses.

Paragraph 5. Cash Flow Statements.

The Secretary/Treasurer is to work with the president to provide an annual Cash Flow Statement that must accompany all contribution statements to members. A description of the salary scales used in determining the salaries for staff members will be provided upon written request.

Paragraph 6. Public Availability of Annual Financial Statements.

The Secretary/Treasurer shall insure that current audited financial statements are available to anyone upon written request and the previous years cash flow statements are available to all contributors to the church.

Section 5. Trustee's Selection of Additional Officers:

In case of the absence of any officer of the corporation except the president, or for any other reason that may seem necessary, the trustees, by a majority vote, may delegate the duties and powers of that officer for the time being to any other officer, or to any trustee.

ARTICLE 11 Business Practices

Section 1. Fiscal Year.

The fiscal year of the corporation shall be the calendar year.

Section 2. Contracts.

The trustees may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these 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 may be confined to specific instances.

Section 3. Checks, Drafts, or Orders.

All checks, drafts, 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 trustees. In the absence of such determination by the trustees, such instruments may be signed by either the Secretary/Treasurer or the president of the corporation in accordance with their duties outlined in these Bylaws.

Section 4. Deposits.

All funds of the corporation shall be deposited to the credit of the corporation in such banks, trust companies, or other depositories as the trustees may select in accordance with these Bylaws.

Section 5. Gifts.

The president may accept on behalf of the corporation any contribution, gift, bequest or device for any purpose of the corporation.

Section 6. Books and Records.

The corporation shall keep correct and complete books and records and shall also keep minutes of the proceedings of its members, trustees, committees having and exercising any of the authority of the trustees, and any other committee, and shall keep at the principle office a record giving the names and addresses of all trustees members entitled to vote. Books and records of the corporation may be inspected by any church member for any proper purpose at any reasonable time as approved by a majority of the trustees on a case-by-case basis.

ARTICLE 12 **Church Ministry**

Section 1. Minister Ordination and Licensing.

Paragraph 1. Role of the Lead Pastor.

The Lead Pastor and elders may ordain and/or license a person as a minister of the Gospel after first examining the applicant's background, moral and religious character, and previous Bible courses and/or independent studies completed. Final determination shall be within the absolute discretion of this group.

Paragraph 2. Application.

Application for ordination and/or licensing as a minister of the Gospel shall be on the form provided by the group. An application shall be either approved or denied within ninety (90) days of completing the process set forth by the group as define in Paragraph 1. Those applicants who are approved shall receive a certificate evidencing the approval.

Paragraph 3. Ability to Limit Ministry.

The Lead Pastor may, at his own discretion, limit licensed or ordained ministers to a specific area of special emphasis.

Section 2. Ministry Training.

The Lead Pastor and his staff may establish a School of Ministry, setting forth a prescribed curriculum and course of study leading to ordination and licensing of ministers. The School of Ministry shall prepare students in the knowledge of the Word of God and in ministering to people's needs through the Gospel of Jesus Christ.

ARTICLE 13

Church Discipline

Section 1. Disciplining Church Members.

Only members are subject to church discipline.

Section 2. Disciplining the Lead Pastor.

Paragraph 1. Criteria for Discipline.

Should the Lead Pastor demonstrate immoral conduct, financial practices, or theological views that in the opinion of two or more elders may require either personal correction or termination of his position, such elders shall contact the Lead Pastor and then, if necessary, the overseers for investigation and evaluation of any appropriate discipline.

Paragraph 2. Process for Investigation.

Should the overseers be asked to investigate alleged pastoral misconduct, a consensus two-thirds (2/3) majority of the overseers is required to initiate an investigation, and a consensus two-thirds (2/3) majority of the overseers is required take disciplinary action. With such a consensus, the overseers shall assume complete authority over the Lead Pastor; they may decide to remove him from his position or to discipline him in any way they deem necessary. The overseers have no authority in *Generation Church* unless contacted by such elders, and then only insofar as permitted under these Bylaws.

Paragraph 3. Motivation.

It is the intention of the corporation to protect the hearts of all involved in matters of pastoral discipline. With the method outlined above, the "sheep" never have to pass judgment upon their "shepherd."

ARTICLE 14

Amendment of Bylaws

Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted at any regular meeting by (1) a 5/7 or greater affirmative vote of the trustees, and (2) an affirmative vote of the president. At least five (5) days written advance notice of said meeting shall be given to each member of the trustees. In the written notice, proposed changes must be explained. These Bylaws may also be altered, amended, or repealed and new Bylaws may be adopted by consent in writing signed by all of the Trustees.