

**SECOND AMENDED AND RESTATED
BYLAWS OF SCOTTSDALE BIBLE CHURCH,
an Arizona Non-profit Corporation**

These Second Amended and Restated “Bylaws” are adopted to be legally binding on the Church as of the ___ day of _____, 2018, (the “Effective Date”) to fully amend, supersede, replace, and restate all prior bylaws of the Church in existence as of that date, including but not limited to, the Amended and Restated Bylaws dated June 26, 2005.

ARTICLE 1. NAME

Section 1.1 Name. The name of this non-profit corporation is *SCOTTSDALE BIBLE CHURCH* (the “Church”). Only those congregations which are properly affiliated with and approved in writing by the Elder Board may use the name “*Scottsdale Bible Church.*”

ARTICLE 2. PRINCIPAL OFFICE

Section 2.1 Principal Office. The principal office of the Church is the location designated by the Elder Board from time to time. As of the Effective Date, the “Shea Campus” and principal office is located at 7601 East Shea Boulevard in Scottsdale, Arizona. The Church may also have offices, services, or campuses at other places determined by the Elder Board from time to time.

ARTICLE 3. PURPOSES

Section 3.1 Purpose and Charitable Intent. The purpose of this Church is exclusively religious and charitable as described in the Restated Articles of Incorporation of the Church (“Articles”) or as otherwise allowed by law for a religious organization. The purpose of the ministries which the Church conducts is to glorify God and to develop devoted followers of Jesus Christ.

ARTICLE 4. STATEMENT OF FAITH

Section 4.1 Statements. The details of the Church’s core beliefs, Scriptural interpretations and moral beliefs may be outlined in “Statements” adopted from time to time by the Elders. These “Statements” are the embodiment of our First Amendment Right to freely worship and may be used as a condition precedent to qualify applicants for membership, for employment, for serving as a volunteer, for use of our facilities, etc.

Section 4.2 Scottsdale Bible Church’s Statement of Faith.

- We believe in the Scripture of the Old and New Testament as being verbally and completely inerrant in the original writings and of supreme and final authority in faith and life.
- We believe in one God, eternally existing in three persons: Father, Son, and Holy Spirit.
- We believe that Jesus Christ was begotten by the Holy Spirit and born of the Virgin Mary and is true God and true man. The Holy Spirit was sent by the Father as promised to convict the world of sin, to glorify Jesus and to transform the lives of believers into the likeness of Christ.
- We believe that man was created in the image of God; that he sinned and thereby incurred not only physical death, but also that spiritual death which is separation from God; and that all human beings are born with a sinful nature.

- We believe that the Lord Jesus Christ died for our sins according to the Scriptures as a representative and substitutionary sacrifice, and that all who personally place their faith in Him are redeemed and justified on the basis of His shed blood.
- We believe in the resurrection of the crucified body of our Lord, His ascension into heaven, and His present life for us as our High Priest and Advocate.
- We believe in the ‘Blessed Hope;’ the personal, and imminent return of our Lord and Savior Jesus Christ.
- We believe that all who receive by faith the Lord Jesus Christ are born of the Holy Spirit and thereby become children of God, a relationship in which they are eternally secure.
- We believe in the bodily resurrection of the just and of the unjust; the everlasting blessedness of the saved, and the everlasting conscious punishment of the lost along with Satan and the other fallen angels.
- We believe that the Church is a spiritual organism made up of all believers in Christ; that in its local manifestation it is an autonomous assembly of believers and that its ordinances are baptism and the Lord’s Supper.

ARTICLE 5. MEMBERSHIP

Section 5.1 Eligibility. The Church encourages, but does not require, Membership in accordance with the official “Statements” adopted by the Elders as amended from time to time.

5.1.1 A “Member” is a person whose application has been approved by the Elder Board. A person remains a “Member” until that status is formally changed through the process outlined in the Membership Guidelines.

5.1.2 All decisions regarding Membership, service as a volunteer, employment, use of facilities, etc., are matters of the free exercise of religious liberty under the First Amendment of the U.S. Constitution, Federal and state law. These decisions are to be made prayerfully and in the sole and absolute discretion of the Elders under the guidance of the Holy Spirit. There is no appeal from decisions by the Elders regarding Membership, including but not limited to, decisions regarding granting, modifying, conditioning, terminating, or renewing Membership.

Section 5.2 Procedure. Persons applying for Membership in the Church are required to apply according to procedures established by the Elder Board from time to time. The application should be signed by the applicant and include a clear profession of faith in Christ.

5.2.1 Each person applying for Membership is required in good faith to agree in writing with the Statements, including the Statement of Faith, and to strive, by the power of the Holy Spirit, to live in accordance with these Statements. Acceptance must be in good faith and must constitute an agreement to be governed by the published rules and Membership Guidelines of the Church, including but not limited to, these Bylaws and the Statements.

Section 5.3 Amendments to Statements. Amendments to the Membership policies and procedures, i.e., the Statements, may be communicated to the Church Members by any method reasonably determined by the Elder Board to advise them of the change; this method is the only required “Notice” of the change required to be provided to the Members.

ARTICLE 6. MEMBERSHIP MEETINGS

Section 6.1 Requirement of Annual Meeting is Waived. As permitted by A.R.S. § 10-3701(A), so-called Annual Meetings of the Members are not required. If the Elders decide to hold a Meeting to conduct a vote, then the Elders shall provide “Notice” as defined below.

Section 6.2 Membership Meetings. As required by A.R.S. § 10-3705, “Notice” of a Membership Meeting is sufficiently provided if not less than 10 days prior to the date of the Membership Meeting and no more than 60 days prior thereto: (i) an oral announcement is made from the pulpit at all regularly scheduled worship services, and (ii) a listing is placed in the Church bulletin stating the place, day, and time of the Meeting. In the alternative, notice by U.S. mail to the last recorded address of each Member or by email is also sufficient if postmarked not less than 10 days (and no more than 60 days) prior to the scheduled Meeting. Other forms of notice reasonably calculated to inform the Members of the meeting (e.g., announcement in the bulletin, etc.) may be used in the discretion of the Elder Board as long as the minimum 10-day and the maximum 60-day time requirements of A.R.S. § 10-3705 are met.

Section 6.3 Place of Membership Meetings. The location and manner of all Meetings will be designated by the Elder Board.

Section 6.4 Quorum of Members. A “Quorum” for all meetings of the Members consists of the lesser of 200 Members or 5% of the Members listed on the Membership List of the Church as of 4:00 p.m. on the last business day preceding the Meeting.

Section 6.5 Order of Business. The order of business at the Membership Meetings is determined by the Chairman of the Elder Board (“Chairman”).

6.5.1 In the sole and absolute discretion of the Chairman, parliamentary rules, such as those contained in *The Standard Code of Parliamentary Procedure* (Sturgis) or *Robert’s Rules of Order* may be followed in a business meeting of the Members.

6.5.2 In the event of a dispute regarding procedures, the Chairman or other designee conducting the meeting of the Members may designate and/or interpret these rules, so long as they are not in conflict with these Bylaws.

6.5.3 Neither Member meetings nor Elder Board meetings, however, need to routinely employ this formality in the conduct of meetings.

Section 6.6 Voting. As provided by A.R.S. § 10-3721 and due to the size of our congregation, votes by the congregation as a whole will be taken on subjects, and by methods, only as specifically approved by the Elders using methods permitted by the Arizona Nonprofit Corporate Act. Recognizing the importance of unity in the body and of living at peace with each other in our community, the Church encourages informational and advisory open meetings, forums, votes, and polling to understand the sense of our congregation and to gather wisdom from Members and non-Members alike. However, certain actions of the Church require the approval of its Members before the action can be taken. These actions are listed in Sections 6.7 and 6.8 below.

6.6.1 Only Members listed on the Membership List of the Church as of the date and time determined by the Board are entitled to vote.

6.6.2 Each Member entitled to vote is entitled to one vote on each matter.

6.6.3 Unless otherwise specified in these Bylaws, a "Majority Vote" (i.e., 50% plus one vote) of the Members voting is required to approve the proposed resolution. Voting by the Members on all matters, including but not limited to those described in Sections 6.7, 6.8, and 6.9 below, and other matters or resolutions as determined by the Elder Board, may be by written or electronic ballot or as otherwise determined by the Elders.

Section 6.7 General Topics for Membership Approval by Majority Vote. These "General Topics" require the approval of a Majority Vote of the Members voting (unless otherwise directed in these Bylaws or State Law):

6.7.1 The "Transfer" (i.e., purchase, sale, or long-term lease (in excess of 10 years) of all or substantially all of the real property owned by the Church to an unrelated third party;

6.7.1.1 In determining whether the proposed Transfer is to an "unrelated third party," the Elder Board shall be guided by the laws, rules, and regulations of the Internal Revenue Service. A Transfer to a legal entity which qualifies under Section 501(c)(1) - (17) of the Internal Revenue Code, as amended from time to time, as a "Support Organization" is not deemed a "Transfer" to an unrelated third party (i.e., is not a "Special Topic" requiring Member approval).

6.7.2 Approving the budget of the Church (the "Church Budget");

6.7.3 Approving the members of the Nominating Committee per Section 9.3, below; and,

6.7.4 An action to merge the Church into a third party entity in which the Elder Board loses legal control of the Church in addition to a Two-Thirds Majority Vote of Elders voting. An action to acquire a church or other ministry is not a "General Topic" requiring approval by the Members.

Section 6.8 "Two-Thirds Majority Topics" for Membership Approval. These "Two-Thirds Majority Topics" matters require the approval of a "Two-Thirds Majority" (i.e., 66%) of those Members voting:

6.8.1 Amendment or restatement of the Bylaws per Section 11 below in addition to a Three-Fourths Majority Vote of Elders voting;

6.8.2 An action to dissolve the Church as a corporation per Section 16.1 below in addition to a Two-Thirds Majority Vote of the entire Elder Board; and,

6.8.3 The call of a Senior Pastor(s) in addition to a Three-Fourths Majority Vote of the entire Elder Board.

Section 6.9 Special Topics for Membership Approval by Three-Fourths Majority Vote. These "Special Majority Topics" require the approval of a "Special Majority Vote" (i.e., 75%) of those Members voting:

6.9.1 The amendment of the Statement of Faith. The Amendment of the Statement of Faith also requires recommendation by the Senior Pastor and approval by a Three-Fourth Majority Vote of the entire Elder Board;

6.9.1.1 “Special Notice” of the proposed change must be provided to the Members at least six months prior to the vote. In addition, a second form of formal Notice of the date, time, place, and purpose(s) of either a Membership Meeting or of the Special Majority Vote by the Members shall be given not less than 10 days and no more than 60 days before date of the Membership Meeting or vote to consider the proposed amendment as required by A.R.S. § 10-3705.

6.9.2 Approving actions to incur debt by the Church when the total debt exceeds 50% of the then-approved annual Church operating Budget, in addition to a Three-fourths Majority Vote of the entire Elder Board; and,

6.9.3 Electing Elders as described in Section 7.6 below.

Section 6.10 List of Members. As required by A.R.S. § 10-3720, the Secretary of the Elder Board shall maintain, or cause to be maintained, an official “Membership List” containing the names and last known addresses of the Members of the Church. Per A.R.S. § 10-3720(F), Members, volunteers, the press, and the public may inspect and copy the books and records of the Church only with the prior written approval of the Elders upon a showing of good cause as determined by the Elders in their sole and absolute discretion.

ARTICLE 7. ELDER BOARD

Section 7.1 Board Composition. The government of this Church, under the leadership of the Holy Spirit, is vested in the “Elder Board.” All references to the “Board of Deacons” in the original Articles of Incorporation filed on May 10, 1963 (the “Original Articles”), and as subsequently amended, shall be deemed to mean the Elder Board. Because of the un-amendable language in the Original Articles, for purposes of these Bylaws only, the term “Elder” is intended to be synonymous with the word “Deacon” as used in the Original Articles. (The foregoing sentence shall not be amended without prior consultation with legal counsel.)

Section 7.2 Responsibilities. The Elder Board is responsible for the governance and oversight of the affairs of the Church. Working in conjunction with the Pastors, they are responsible to ensure that the mission and ministries of the Church are consistent with Biblical directives and principles.

7.2.1 The Elder Board should strive to maintain a distinction between governance and management, and should delegate management of the day-to-day affairs of the Church to the Pastors, staff and lay leaders.

7.2.2 Subject to Section 6.7, the Elder Board approves the Church Budget, and shall supervise raising, receiving, and disbursing funds to support the ministries of the Church in accordance with the Church Budget and these Bylaws.

7.2.3 Subject to Section 6.7, the Elder Board has final authority and responsibility for all real and personal property held in the name of the Church. The Church may lease real or personal property for its use from time to time.

Section 7.3 Number. The Elder Board should be composed of at least twelve and no more than twenty voting Members.

Section 7.4 Elders are Directors. In accordance with the Articles, the Elder Board is the Board of Directors of this corporation. Whenever in these Bylaws or elsewhere the term “Elder” appears, it means “director” and whenever the term “director” appears, it means “Elder.”

Section 7.5 Qualifications. Only men who are Members of this Church, who are of high Christian character and integrity, who maintain an exemplary reputation both in the Church and in the world, who demonstrate leadership in the ministry of the Church, and who possess the qualifications in Titus 1:6-9 and I Timothy 3:1-7 may be elected as Elders.

Section 7.6 Election. Candidates for Elders are chosen according to the Nominating Committee system established by the Elder Board. The Nominating Committee should present to the Elder Board a list of candidates meeting the qualifications contained in these Bylaws and in the Holy Scriptures. After review and approval by a Three-Fourths Majority Vote of Elders voting, a final list of nominees shall then be presented to the Members for final election as a Special Majority Topic per Section 6.9 above.

7.6.1 Elders are usually elected for a “Term” not to exceed four years. As required by A.R.S. § 10-3805(E), despite the expiration of an Elder’s term, an Elder continues to hold office until his successor is elected, designated, or appointed and qualifies, or until the Elder’s resignation or removal. The Term of a duly elected Elder begins the first month of the Church fiscal year after his election or other date specified by the Elder Board.

7.6.2 The Terms of approximately 25% of the Elders usually expire each year.

7.6.3 An Elder who has served a four-year term is not eligible for re-election to the Elder Board until one year has elapsed from the end of his most recent term.

Section 7.7 Vacancy. The office of Elder is considered vacant upon the happening of:

7.7.1 Death;

7.7.2 Resignation;

7.7.3 Refusal to serve;

7.7.4 Removal of an Elder, by an affirmative Three-Fourths Majority Vote of Elders voting; and

7.7.5 Absence from three consecutive meetings of the Elders without excuse satisfactory to a majority of the Elder Board.

Section 7.8 Filling Vacancies. A vacancy may be filled by the Elder Board. If the Board chooses to do so, the Board shall follow the process outlined in Section 7.6 of the Bylaws.

Section 7.9 Regular Meetings. Regular meetings are held as determined by the Elder Board. Per A.R.S. § 10-3820, if the time and place of an Elders meeting is fixed by the Bylaws or the Elder Board, then the meeting is a regular meeting. All other meetings are special meetings. Notice of Regular Meetings is not required, but is usually provided as a courtesy reminder.

Section 7.10 Special Meetings. A “Special Meeting” of the Elders may be called at any time by the Senior Pastor, by the Chairman of the Elder Board, or by a Majority of the Elders by providing Notice to all Elders. The Notice need not describe the purpose of the Special Meeting.

Section 7.11 Quorum, Voting Majority, No Proxy Voting. A “Quorum” of the Elders is a majority (50% plus one) of the total number of Elders who are serving at that time.

7.11.1 The actions of the majority of the Elders at a properly noticed meeting at which a quorum of the Elders is present is a legally binding act of the Church, unless otherwise specifically required by law or by these Bylaws.

7.11.2 Voting by proxy is not permitted by Elders or by Members.

Section 7.12 Action Without a Meeting. An action required or permitted to be taken by the Elder Board at a meeting may be taken without a meeting if all Elders consent in writing or by email, text message, or other similar digital method specifically stating the action taken.

Section 7.13 Presumption of Assent. An Elder of the Church who is present at a meeting of the Elder Board at which action on a corporate matter is taken is presumed to consent to the action unless his dissent is entered in the minutes of the meeting. This right to dissent does not apply to an Elder who voted in favor of the action.

Section 7.14 Notice of Elder Meetings. Notice of a Special Meeting of the Elder Board should be given at least three days in advance and is legally sufficient "Notice" when delivered personally, by telephone, or sent by mail, e-mail, or by any other commercially acceptable means of business communication delivered at least three days before the meeting to each Elder at his address as shown on the records of the Church, provided, however, that in the event of emergency or other situation in which the three-day time delay would be detrimental to the best interests of the church, the Elders may meet as soon as practical after sending the Notice.

7.14.1 Notice to Elders is effective three business days after the date of deposit into the U.S. mail if correctly addressed to the Elder's address shown on the Church's current list of Elders or of Members. Notice given by electronic mail is effective on the date it is sent to an electronic mail address or phone number shown on the church's current list of Members or Elders.

7.14.2 As provided by A.R.S. § 10-3823, any Elder may waive Notice of a meeting in writing and signed by the Elder, or by electronic mail and filed with the minutes or corporate records of the church.

7.14.3 Neither the business to be transacted at, nor the purpose of, any Meeting of the Elder Board need be specified in either the Notice of, or in the waiver of Notice, of the meeting.

7.14.4 Elder's attendance at, or participation in, a meeting waives any required notice to the Elder of the meeting, unless the Elder at the beginning of the meeting or promptly on the Elder's arrival at the meeting objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action at the meeting.

Section 7.15 Electronic Meetings. Members of the Elder Board may participate in a regular or Special Meeting through use of conference telephone, internet conference program, or similar electronic communications equipment, so long as all Members participating in the meeting can hear and be heard by each another. Participation in a meeting pursuant to this Section constitutes presence in person at the meeting.

Section 7.16 Compensation. Elders shall not receive salary or remuneration for their services.

ARTICLE 8. CHURCH OFFICERS

Section 8.1 Officers. The Elder Board shall elect from its Membership a Chairman, Vice-Chairman, Secretary, Treasurer, and make other appointments it shall deem desirable or necessary.

Section 8.2 Election and Term of Office.

8.2.1 Officers ordinarily are elected at the Meeting of the Elder Board that occurs immediately after the next year's new Elders are confirmed by the Members (or at a meeting to be held as soon thereafter as is reasonably convenient). New offices may be created and filled at a meeting of the Elder Board. The Term for each officer is one year or until his successor is elected and assumes office.

Section 8.3 Vacancies. A vacancy in any office because of death, resignation, or otherwise may be filled by the Elder Board for the unexpired portion of the term.

Section 8.4 Removal of Officers. A Church officer may be removed from office by a Three-Fourths Majority Vote of Elders voting. Voting shall be at a duly called meeting of the Elders.

Section 8.5 Chairman. The Chairman may also be known as the President. He presides at all meetings of the Elder Board and any meetings of the Members of the Church. He has general charge and oversight of the affairs of this Church and performs those other duties assigned to him by the Elder Board.

Section 8.6 Vice-Chairman. The Vice-Chairman may also be known as the Vice-President. At the request of the Chairman or in the event of his absence or disability, the Vice-Chairman shall perform the duties and possess and exercise the powers of the Chairman. The Vice-Chairman shall have those other powers and duties as may be assigned to him by the Elder Board.

Section 8.7 Secretary. The Secretary or his delegate shall keep the minutes of the meetings of the Elder Board and in general shall perform all duties incident to the office of Secretary, as well as those duties as from time to time may be assigned to him by the Chairman or by the Elder Board.

Section 8.8 Treasurer. The Treasurer shall oversee the custody of all funds and securities of the Church subject to regulations as may be imposed by the Elder Board. The Treasurer and/or other financial officer or Member of the Church as the Elder Board may designate performs these duties:

8.8.1 Deposit funds to the credit of the Church in bank or banks the Elder Board may designate;

8.8.2 Ensure that a financial audit of the Church's accounting records is performed by an independent public auditor at least once a year at the completion of the fiscal year;

8.8.3 Sign notes and other obligations on behalf of the Church Board;

8.8.4 Disburse the funds of the Church in accordance with the direction of the Elder Board;

8.8.5 Perform all duties incident to the office of Treasurer;

8.8.6 Be responsible for supervising regular entry, in the books of the Church to be kept for that purpose, of full and accurate accounts of all monies received and paid on account of the Church;

8.8.7 Render to the Elder Board and the Members of the Church those reports requested by the Elder Board;

8.8.8 Be responsible for supervising the proper recording of all contributions received by the Church by the Members and other contributors, issuing receipts of contributions and showing the designated classification of the contributions; and

8.8.9 Perform other duties assigned to him by the Chairman or by the Elder Board.

ARTICLE 9. COMMITTEES AND COUNCILS

Section 9.1 Administrative Council. The Elder Board Chairman, Vice-Chairman, Treasurer (or designee), Secretary, and an at-large Elder along with the Senior Pastor, and other pastors or elders of the Church as appointed by the Elder Board, serve as the “Administrative Council” (also referred to as the “Executive Committee”) of the Elder Board.

9.1.1 The Administrative Council should see that all Board responsibilities are carried out effectively and in a timely fashion.

9.1.2 The Elder Board may authorize the Administrative Council, or any officer or officers or agent or agents, 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 Church, and that authority may be general or may be limited to specific situations. The Chairman (or in his absence, the Vice-Chairman) presides at meetings of the Administrative Council.

Section 9.2 Special Councils & Committees. The Elders may create additional councils and/or committees to assist the Elders in carrying out their responsibilities. These ordinarily include at least two Elders and ordinarily will be chaired by an Elder. Other members should be Members, regular attendees of the Church, or other persons whose expertise will assist the council in performing its tasks and responsibilities. Special councils and committees will provide research, assistance, and advice to the Elders and Pastors in the council’s assigned area.

9.2.1 Council and/or committee Members usually serve a one-year term, and may be reappointed for subsequent years.

9.2.2 The Chairman of a special council and/or committee should provide regular reports to the Elder Board regarding the activities of their council.

9.2.3 A vacancy in a council or committee may be filled by the Elder Board in its discretion.

Section 9.3 Nominating Committee. The “Nominating Committee” usually is nominated by Majority Vote of the Elders voting and approved by a Majority Vote of the Members voting using the voting method selected by the Elder Board as outlined in Section 6.7 above. The Committee will select candidates for the position of Elder for the following year.

9.3.1 The Nominating Committee is usually composed of not less than seven individuals approved by the Elders as follows: two Elders and up to five Members from the Membership at large. The Chairman and Vice-Chairman of the Nominating Committee shall be Elders appointed by the Elder Board. The Senior Pastor may appoint other Pastors or Ministers as advisory members as approved by the Elder Board.

9.3.2 A Member of the Church may submit a written suggestion of the name of any Member for consideration by the Nominating Committee as an “Elder Nominee,” but only if done at least one month prior to the month designated by the Elder Board to elect new Elder candidates.

9.3.3 After prayerful investigation, the Nominating Committee usually submits a list of Elder nominees to the Elders.

9.3.4 Nominees should be a qualified Church Member willing to serve and meeting the qualifications in these Bylaws and in the Scriptures. The Nominating Committee should prioritize the names for presentation to the Elder Board, which then votes on them.

9.3.5 Notwithstanding other provisions to the contrary, the details of the Elder Nominee Selection process are intended as a general guideline established and updated from time to time by the Elder Board.

ARTICLE 10. PASTORS

Section 10.1 Roles and Responsibilities. Senior Pastor(s), Executive Pastor(s), Pastor(s), and Minister(s) serve as “shepherds of God’s flock” (I Pet. 5:2). They are responsible for conducting the ministries of the Church. They lead, train, and supervise paid and volunteer staff in their areas of ministry to further the mission of the Church.

Section 10.2 Senior Pastor. The “Senior Pastor” is designated by the Elders to watch over the spiritual life of this Church. He preaches and teaches the Word of God. He supervises the administration of the ordinances and the worship services on all campuses. He is a voting Member of the Elder Board and of all Church councils and committees unless otherwise stipulated in the Bylaws or by Board Resolution.

10.2.1 Calling a Senior Pastor. A candidate for Senior Pastor will be considered only after he has subscribed in writing to the Statement of Faith, doctrinal statement, Bylaws, and other “Statements” adopted by the Elders as amended from time to time. A Senior Pastor shall be called (hired) to serve at this Church only upon an affirmative Three-Fourths Majority Vote of the entire Elder Board and an affirmative Two-Thirds Majority Vote of the Members via the voting method selected by the Elder Board as outlined in Section 6.8 above.

10.2.2 Terminating a Senior Pastor’s Services. A Senior Pastor may be dismissed by the affirmative vote of at least a Three-Fourths Majority Vote of the entire Elder Board.

Section 10.3 Executive Pastor. Upon the recommendation of the Senior Pastor and the affirmative vote of a Three-Fourths Majority Vote of the entire Elder Board, the Elders may call (hire) an “Executive Pastor” (or Pastors). The Executive Pastor (or Pastors) usually are invited by the Elder Board to attend Board meetings as an Ex Officio (i.e., a non-voting) Member(s) of the Elder Board and of all Church councils and committees. The Executive Pastor(s) perform the duties described in the job description established by the Elder Board, as amended from time to time.

10.3.1 Terminating an Executive Pastor’s Services. An Executive Pastor may be terminated by an affirmative Three-Fourths Majority Vote of the entire Elder Board in its sole and absolute discretion.

Section 10.4 Other Pastors and Ministers. All Other Pastors and Ministers of this Church should minister to the flock in their area of ministry as directed by the Senior Pastor(s) and Executive Pastor(s) (if any) to fulfill the mission and goals of their ministry and the Church. The senior pastor and executive pastor may call (hire) other pastors and ministers at their discretion, with Elder Board providing input into these decisions as appropriate.

ARTICLE 11. AMENDMENTS

Section 11.1 Bylaws. The Bylaws may be amended, restated, replaced, or altered, in whole or in part, by a Three-Fourths Majority Vote of the Elders voting and by a Two-Thirds Majority Vote of the Members via the voting method selected by the Elder Board as outlined in Section 6.8 above; PROVIDED, however, that notice of the proposed change is provided in writing to all Elders at least 30 days but not more than 60 days before the date of the vote, and to the Members at least 30 days and not more than 60 days before the date of the vote.

ARTICLE 12. LIABILITIES

Section 12.1 Non-Liability. Actions taken by this Church do not bind the personal assets of the Members, Elders, Pastors, Employees, agents, and volunteers of the Church, and they:

12.1.1 Are neither partners nor joint venturers for any purpose;

12.1.2 Are not personally liable for the acts or failure to act of any other such person; and

12.1.3 Are not liable for acts or omissions under these Bylaws, excepting willful malfeasance or fraud.

ARTICLE 13. INDEMNIFICATION

Section 13.1 Statement of Intent. To the fullest extent of Arizona law, the Church intends to protect those Indemnified Parties (defined below) who serve the Church from personal liability for claims for monetary damages for acts or omissions in their representative capacity or as an agent of the Church, including but not limited to the costs of defending against these claims. The Arizona Nonprofit Corporation Act provides for two types of protection: “Mandatory” and “Permissive” Indemnification. The rights and duties created in this Article are in addition to those specified for Directors and Officers under A.R.S. § 10-3850, *et seq.*

Section 13.2 “Indemnified Party.” For purposes of this Article 13, “Indemnified Party(ies)” means: (i) Elders (in their capacity as a “director” of the Church), (ii) Officers of the Church, (iii) all persons who serve on a board, council, or committee of the Church to the extent that the claim pertains to their service thereon or for other service of the Church in an advisory capacity and further provided that they are acting within the course and scope of their position.

Section 13.3 Mandatory Indemnification. The Church shall indemnify, defend, protect, and hold harmless the Indemnified Parties for, from, and against claims or charges against them (including their marital communities) arising from (i) the performance of duties within the scope of their authority to the maximum extent allowed by law or (ii) for negligence (but not for gross negligence) occurring during the performance of those duties to the extent of applicable insurance. (In its sole and absolute discretion, the Elder Board may, but is not required to, extend indemnity and defense costs in excess of applicable liability insurance to claims arising from negligence or gross negligence.)

13.3.1 The Church shall indemnify, defend, protect, and hold harmless an Indemnified Person who is made a party to a proceeding arising from past or present service in that capacity for the Church or service performed at the request of an Elder, Officer, or Pastor in advance of final disposition of the proceeding.

13.3.2 Indemnification and advancement of expenses is mandatory in all circumstances in which indemnification or advancement of expenses, as the case may be, is permitted by law in connection with: (i) a proceeding in which the indemnitee is the defendant; or (ii) a proceeding (or part thereof) initiated by the indemnitee only if such proceeding (or part thereof) was authorized in writing in advance by the Elder Board of the Church.

Section 13.4 Permissive Indemnification. To the extent authorized from time to time by the Elder Board acting in their sole and absolute discretion, the Church may, but need not, provide a defense and/or indemnity and may advance expenses to Members, employees, volunteers, and agents of the Church, as permitted by law, for claims arising out of their service to the Church.

Section 13.5 Repeal or Modification. Repeal or modification of this Article is prospective only and shall not adversely affect any limitation on the personal liability of an Indemnified Party of the Church existing at the time of repeal or modification.

Section 13.6 Directors and Officers Liability Insurance. The Church may, but is not required to, obtain Directors and Officers liability insurance.

ARTICLE 14. FISCAL YEAR, BONDING, CORPORATE SEAL, & NON-PROFIT OPERATION

Section 14.1 Finances. This Church is not intended and shall not operate as a profit-making organization, nor is it founded with the expectation of making a profit. As permitted or required Federal law, the Church may use its funds only for purposes authorized in the Articles or in these Bylaws.

Section 14.2 Fiscal Year. The fiscal year of the Church shall be July 1st to June 30th, or as otherwise established by the Elder Board.

Section 14.3 No Stock. The Church will not have or issue shares of stock. No dividends will be paid. No part of the income or assets of the Church will be distributed to an Interested Person (as defined below) or to a Member without full consideration. The Church may contract in due course with its Elders, officers, and Members without violating this provision, as long as the Church receives fair consideration and the transaction does not violate state or Federal laws. Consultation with the Church auditors or with legal counsel is recommended prior to entering a contract of this type.

Section 14.4 Bonding. Persons entrusted with the handling of Church funds may be required, at the discretion of the Administrative Council, to furnish, at Church expense, a suitable fidelity bond.

Section 14.5 Corporate Seal. The Elder Board may, but need not, provide a corporate seal.

ARTICLE 15. AFFILIATED TRANSACTIONS AND INTERESTED PERSONS

Section 15.1 Affiliated Transactions. No contract or other transaction between the Church and an Interested Person (as defined below), including the sale, lease, or exchange of property to or from an Interested Person, the lending or borrowing of monies to or from an Interested Person by the Church, or the payment of compensation by the Church for services provided by Interested Persons, is void or voidable merely because of the relationship or interest between the Church and the Interested Persons or because an Interested Person is present at the meeting of the Elder Board or a committee thereof which authorizes, approves, or ratifies the transaction or because his, her, or their votes are counted for that purpose if:

15.1.1 The fact of the relationship or interest is disclosed or known to the Elder Board or committee which authorizes, approves, or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of any Interested Person(s); or the contract or transaction is fair and reasonable to the Church at the time the contract or transaction is authorized, approved, or ratified in the light of circumstances known to those entitled to vote at that time.

15.1.2 The term “Interested Person” means Members, Elders, Pastors, employees, agents, and volunteers of the Church, or any corporation, firm, association, or other entity in which one or more of the foregoing is a director, officer, or Member or owns more than 10% of the equity therein or who stands to receive a material financial benefit therefrom.

15.1.3 Any person seeking to establish that a contract or transaction is void or voidable must first prove by a preponderance of the evidence that the provisions of subparagraphs 15.1.1 and 15.1.2 are not applicable.

Section 15.2 Determining Quorum. All Elders may be counted in determining the presence of a Quorum at a meeting of the Elder Board or of a committee thereof which authorizes, approves, or ratifies the contract or transaction. (The fact that an Elder may be an “Interested Person” does not disqualify him for the purpose of counting the Quorum.)

Section 15.3 Loans to Elders and Officers. Notwithstanding anything herein to the contrary, the Church shall neither lend money to, nor use its credit to assist, an Interested Person, employees, or officers. An Elder or officer who assents to, or participates in, making a prohibited loan is personally liable to the Church for the amount of loan plus interest at the statutory rate of interest applicable to judgments pursuant to Arizona law until the loan is repaid in full.

ARTICLE 16. DISSOLUTION

Section 16.1 Vote. The Church may be dissolved only by the vote of:

16.1.1 Two-Thirds Majority Vote of the entire Elder Board; and

16.1.2 Two-Thirds Majority Vote of the Members voting per Section 6.8 above.

Section 16.2 Distribution. In the event of dissolution of this Corporation, its property shall only be distributed for charitable purposes according to the Articles and as the Elder Board may determine in accordance with the law.

ARTICLE 17. GOVERNING LAW

Section 17.1 These Bylaws and the governance of the Church shall conform to the Arizona Nonprofit Corporation Act and the rules and regulations governing non-profit corporations, provided, however, that in no event shall these laws, regulations, or rules be given precedent over the Holy Scriptures. If any of these Bylaws, or any portion of one or more of these Bylaws, is declared to be illegal or otherwise invalid, that fact shall not invalidate any other Bylaw or portion of these Bylaws and the Court shall construe and interpret the remaining Bylaws (or portion thereof, as the case may be) in a manner which upholds the validity of all remaining Bylaws and/or portions of these Bylaws.

**CERTIFICATION OF ADOPTION
OF
SECOND AMENDED AND RESTATED BYLAWS**

The undersigned Secretary of the Church does hereby certify that:

(i) I am the duly elected Secretary of the Elder Board of Scottsdale Bible Church, an Arizona nonprofit corporation;

(ii) As required by Section 11.1 of the prior Amended and Restated Bylaws, these Second Amended and Restated Bylaws of this Corporation were adopted by a Three-Fourths Majority Vote of the Elders present and voting at a meeting of the Elder Board called for this purpose on _____, 2018;

(iii) As required by Section 11.1 of the prior Amended and Restated Bylaws, these Second Amended and Restated Bylaws of this Corporation were adopted by a Two-Thirds Majority Vote of the Members voting at a duly called Special Meeting for this purpose on _____, 2018 (“Members’ Approval Date” and “Effective Date”);

(iv) Notice of the proposed changes to the Bylaws was provided in writing to all Elders at least 30 days but not more than 60 days before the date of the Elder Board meeting;

(v) Notice of the proposed changes to the Bylaws was provided in writing to the Members at least 30 days and not more than 60 days before the date of their Special Meeting; and

(vi) These Second Amended and Restated Bylaws became legally binding on the date of approval by the Members on the Members’ Approval Date specified above.

IN WITNESS WHEREOF, I sign my name to be legally binding as of the Effective Date specified above.

Secretary

ATTEST:

Chairman of the Elder Board