

**BYLAWS OF
St. John's Methodist Church of Aiken
a South Carolina nonprofit corporation**

Effective as of June 18, 2024

PREAMBLE

These Bylaws are adopted by St. John's Methodist Church of Aiken (hereinafter referred to interchangeably as the "Corporation" and/or the "Church") to facilitate the Corporation's intended role as a successor entity to St. John's United Methodist Church of Aiken (the "Prior Corporation"). The Prior Corporation is an existing nonprofit corporation validly existing under the laws of the State of South Carolina, and was originally organized effective as of November 15, 2004. The Prior Corporation is currently an affiliated local church and congregation of the United Methodist Church (the "UMC") and is currently governed by the provisions of the Book of Discipline of the United Methodist Church (the "Discipline"). The Prior Corporation is located in the geographic boundaries of the South Carolina Annual Conference (the "SC Annual Conference"). Furthermore, the Prior Corporation is a tax exempt entity under Internal Revenue Code 501(c)(3) and is listed as an affiliated church under the group exemption letter issued by the Internal Revenue Service on October 16, 1974 to the General Council on Finance and Administration of the United Methodist Church.

In December of 2022, the SC Annual Conference established a voluntary plan of separation from the UMC for member churches of the SC Annual Conference under Section 2549 of the Discipline (the "Plan of Separation"). The Plan of Separation was offered as a means "to resolve all matters" with respect to local churches in the geographic region of the SC Annual Conference which desired to disaffiliate from the UMC, and to avoid any litigation related to local churches, including specifically the Prior Corporation, desiring to disaffiliate from the UMC and the SC Annual Conference over (i) the UMC's failure to adhere to and enforce the Discipline as written, and (ii) the SC Annual Conference's continued denial of Discipline §2553 (which provides a specific plan for the disaffiliation of local churches from the UMC)¹ to SC churches wishing to disaffiliate from the UMC.

The Prior Corporation pursued the Plan of Separation in good faith reliance on the written representations of the SC Annual Conference. The Prior Corporation pursued the Plan of Separation on the formal recommendations of its Discernment Committee **as an appropriate and reasonable way to settle all legal issues related to the Prior Corporation's desire to disaffiliate from the UMC and the SC Annual Conference without the need for litigation.**

The Plan of Separation was properly presented to, voted on and approved by more than 2/3 of the professing members of the Prior Corporation present and voting on January 21, 2024 in a church conference called in compliance with §§ 246.8 and 248 of the Discipline. The January 21, 2024 church conference was formally called by the District Superintendent of the Prior Corporation, and the vote was conducted, supervised and tallied by the District Superintendent's designated representatives in accordance with the requirements of the Discipline.

The Plan of Separation requires the execution of, and the fulfillment of the terms of an "Agreement to Separate" (the "Separation Agreement"). The Separation Agreement specifically requires the creation of a new nonprofit corporation under South Carolina law to become the transferee of all of the assets and

¹ Discipline ¶2553 was enacted by the General Conference of the UMC in 2019 as a means to resolve the growing split within the UMC over the UMC's failure to faithfully adhere to and enforce the express provisions of the Discipline. By its express terms, the §2553 disaffiliation pathway expired on December 31, 2023.

liabilities of the Prior Corporation. The new nonprofit entity will receive the assets and liabilities of the Prior Corporation on the effective date of the Prior Corporation's separation from the UMC and the SC Annual Conference pursuant to the Separation Agreement (the "Separation Date").

Pursuant to Section 3 of the Separation Agreement, the Prior Corporation's Separation Date is to be June 30, 2024; provided however, that the Prior Corporation's separation from the UMC and the SC Annual Conference is expressly conditioned on the terms and conditions of the Separation Agreement being ratified by a simple majority vote of the members of the SC Annual Conference, present and voting, pursuant to §2529.1(b)(3) of the Discipline, and as required by Judicial Council Decision #1379 (the "Ratification Vote"). The Ratification Vote is scheduled to occur at the meeting of the SC Annual Conference scheduled for June 9-12, 2024 in Greenville, South Carolina.

If any requirement of the Separation Agreement is not fulfilled, or if the SC Annual Conference fails to ratify the Separation Agreement in the Ratification Vote, the Separation Agreement becomes null and void, and the Prior Corporation shall continue to exist in its current form as a local church of UMC governed by the Discipline, and located in the geographic region of the SC Annual Conference. In that event, the express purpose of this Corporation becomes moot, and this Corporation may be dissolved. To the extent that the Corporation has acquired any assets or property (real, personal or intellectual), all such property shall be transferred to the Prior Corporation or to another 501(c)(3) tax exempt entity designated by the Prior Corporation.

In light of the above facts and circumstances, **this Corporation has been formed for the specific purpose of becoming the successor entity to the Prior Corporation pursuant to the terms and conditions of the Separation Agreement.** It is intended that this Corporation shall continue to maintain and grow the ministries and missions of the Prior Corporation after the Separation Date as a church no longer affiliated with the UMC and the SC Annual Conference. It is the expressed intent of this Corporation to assume the ministries and missions of the Prior Corporation utilizing the Prior Corporation's current clergy, staff, trustees, employees, committee structures and enrolled membership to the extent feasible while eliminating (i) the governance of the Discipline and (ii) any affiliation with the UMC. The Corporation intends to initially operate as an independent Methodist church unaffiliated with any particular Methodist denomination.

ARTICLE I

PURPOSE, OFFICES AND REGISTERED AGENT

Section 1.01 Purpose. The specific purpose of the Corporation is to become the successor nonprofit entity to the Prior Corporation for purposes of becoming the transferee of all of the ministries, missions, assets and liabilities of St. John's United Methodist Church of Aiken as of the Separation Date pursuant to the terms of the Separation Agreement. The Corporation is a religious entity under S.C. Code §33-31-202(a)(2)(iii). Under the provisions of the Separation Agreement, St. John's United Methodist Church of Aiken will be dissolved under South Carolina law effective as of the Separation Date, and the Church will continue the ministries and missions of St. John's United Methodist Church of Aiken in an uninterrupted manner following the Separation Date as an independent church not affiliated with the UMC.

As set forth in the Corporation's Articles of Incorporation, the purpose of the Corporation is exclusively religious, charitable, scientific, literary and educational within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). No part of the net earnings of the Corporation shall inure to the benefit of, or be distributed to its Members (if any), trustees, Trustees, Officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of

the purposes set forth above. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, and the Corporation shall not otherwise attempt to influence legislation. The Corporation shall not participate in, or intervene in, political campaigns on behalf of any candidate for public office. The Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code, or corresponding section of any future federal tax code.

The intention of the Corporation is to qualify as a "church" eligible for the statutory exception under §508(c)(1)(A) of the Code from the requirements for applying for recognition of tax exempt status, and these Bylaws shall be interpreted in light of this intended purpose. The Corporation may however choose to apply for a written determination of the Corporation's tax exempt status under Section 501(c)(3).

Section 1.02 Principal Office. The Corporation shall maintain its Principal Office as required by the South Carolina Nonprofit Corporation Act of 1994, as amended (the "Act"), at 104 Newberry Street N.W., Aiken, South Carolina 29801 or such other place as designated from time to time by the Board of Trustees for the principal executive offices of the Corporation (the "Principal Office").

Section 1.03 Registered Office. The Corporation shall maintain a Registered Office as required by the Act at a location in the State of South Carolina designated by the Board of Trustees from time to time (the "Registered Office"). In the absence of a contrary designation by the Board of Trustees, the Registered Office of the Corporation shall be located at its Principal Office.

Section 1.04 Registered Agent. The Corporation shall maintain a Registered Agent as required by the Act who shall have a business office at the Corporation's Registered Office. The Registered Agent shall be designated by the Board of Trustees from time to time to serve at its pleasure. The initial Registered Agent shall be the Registered Agent named in the Corporation's Articles of Incorporation filed on February 26, 2024.

Section 1.05 Filings. In the absence of directions from the Board of Trustees to the contrary, the Secretary of the Corporation shall cause the Corporation to maintain currently all filings in respect of the Principal Office, Registered Office and Registered Agent with all governmental officials as required by the Act or otherwise by law.

ARTICLE II INTERPRETATIVE GUIDE

Section 2.1 Religious Purpose. This Corporation is organized exclusively for charitable, religious, and educational purposes including, but not limited to, proclaiming the gospel of the Lord Jesus Christ; establishing and maintaining religious worship; educating and equipping Christian disciples in a manner consistent with Holy Scripture; and maintaining missionary activities in the United States and around the world. This Section 2.1 is intended to add specificity to the purpose statement of Section 1.01.

Section 2.2 Religious Beliefs and Practice. These "Bylaws" are a requirement of the Act to assure compliance with all applicable state corporate law requirements. They are not intended to govern the operation of the Church in the exercise of its freedom to worship as specifically allowed under S.C. Code Ann. §33-31-180 and §33-31-206. **The operation of the Church shall, in all instances, be in accordance with the Holy Scriptures as explained and interpreted by the Book of Discipline of St. John's Methodist Church (the "Discipline") and its doctrines, policies and procedures, all of which are incorporated by reference herein as the governing document for the Church.** All matters of worship, of credentialing its pastors, and the free exercise of its religious expression are expressly reserved to the

06-18-24 Page 3 of 8

ecclesiastical province of this body of believers as defined in the Discipline as amended from time to time.

Section 2.3 Interpreting the Bylaws. If a dispute arises between members of the Church, or a dispute arises between the membership and/or leadership of the Church (an "Internal Dispute") over the interpretation or enforcement of the Articles of Incorporation, these Bylaws, and/or the Discipline, then the interpretation of the Lead Pastor, Charge Conference, Church Council and/or others as directed by the Discipline shall be controlling as a matter of "church law" and the interpretation shall not be subject to review by state courts or by United States federal courts.

Section 2.4 Amendment of the Discipline. The Discipline may be amended from time to time pursuant to the terms and conditions set forth therein, and such amendments are to be automatically incorporated herein as of the effective dates of such future amendments.

ARTICLE III MEMBERSHIP

Section 3.1 Membership. The Church shall accept members under the procedures and requirements set forth in the Discipline. Meetings of the professing members (a "Church Conference" as described in the Discipline) may be called from time to time in accordance with the requirements and provisions of the Discipline.

Section 3.2 Initial Membership. As specifically set forth in the Discipline, the initial membership of the Church shall be the "members" of record of the Prior Corporation as of June 30, 2024 (e.g. the existing members of St. John's United Methodist Church of Aiken) who were transferred to membership in the Church as a result of St. John's United Methodist Church of Aiken separating from the UMC pursuant to the Separation Agreement.

ARTICLE IV BOARD OF DIRECTORS

Pursuant to S.C. Code Ann. §33-31-801, the "Charge Conference" established under the Discipline shall be the board of directors of the Corporation. Pursuant to S.C. Code Ann. §33-31-804(b), the Charge Conference members shall be elected, appointed or designated as provided for in the Discipline.

ARTICLE V OFFICERS

The Corporation shall have such officers as set forth in the Discipline, and the authority of such officers are those provided for in the Discipline.

ARTICLE VI COMMITTEES

Section 6.1 Appointment of Committees. The Church Council may designate and appoint one or more Committees and delegate to such Committees specific and prescribed authority as set forth in the Discipline.

Section 6.2 Required Committees. Certain committees are required to fulfill the ministry of the Church and are set forth in the Discipline. The initial required committees of the Church are:

- a. A Leadership Development Committee
- b. A Staff-Parish Relations Committee

- c. A Committee on Finance
- d. A Board of Trustees

Section 6.3 Electronic Committee Meetings. Unless expressly prohibited under the terms and provisions of the Discipline, the chairperson of a committee may allow participation in a committee meeting through use of conference telephone, video chat or similar electronic communications equipment, so long as all participating committee members can hear one another. Participation in a meeting pursuant to this Section 6.3, and under any related provisions of the Discipline on committee meetings, constitutes presence in person at the meeting.

Section 6.4 Action of Committees by Unanimous Consent. An action required by law to be taken at a committee meeting, or an action which may be taken at a committee meeting, may be taken without a meeting if a consent to the action is signed by all of the committee members or is evidenced by email approval, by facsimile signature, or through similar online meeting portals and software which provide for documented online approvals.

ARTICLE VII RULES OF ORDER

To ensure fairness, the order of parliamentary precedence shall be the Discipline, these By-laws, and *Robert's Rules of Order, newly revised*. "*Robert's Rules of Order*", as revised from time to time, shall be the primary parliamentary authority for all matters of procedure not specifically covered by the Discipline or these Bylaws.

ARTICLE VIII AMENDMENTS

These Bylaws and the Articles of Incorporation may be altered, amended or repealed or restated by a Two-Thirds (2/3rds) majority of the Church's professing members, determined in accordance with the provisions of the Discipline, present and voting at a "church conference" properly called in accordance with the requirements of the Discipline for the stated purpose of considering an amendment to the Bylaws and/or the Articles of Incorporation; including but not limited to the Discipline requirements for the giving of proper and timely notice of the intent to vote on such amendments or repeal. Prior to being presented to the Church membership for a vote at a "church conference", any proposed amendments must have been properly approved by the Charge Conference, the Church Council, the Lead Pastor, and/or any other required committee or individual as specifically required by the terms and conditions of the Discipline as amended from time to time. Notwithstanding anything in this Article VIII to the contrary, if applicable the procedure for amendment of the Articles of Incorporation must meet the requirements of §33-31-1002 of the Act to the extent applicable.

ARTICLE IX NON-LIABILITY

The members of the Corporation are not to be considered as legal "partners" or "joint venturers" for any purpose. No member, conference or council member, officer, committee member, agent, employee or volunteer is liable for the acts or failure to act of such individuals or agents of the Corporation, nor shall such member, conference or council member, officer, committee member, agent, employee or volunteer be liable for acts or failure to act under these Bylaws, excepting only acts or omissions arising out of willful malfeasance to the extent provided by state or federal law.

ARTICLE X INDEMNIFICATION

Section 10.1 Statement of Intent. To the fullest extent of South Carolina law, the Church intends to protect those Indemnified Parties (defined below in Section 10.2) 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 any such claims.

Section 10.2 "Indemnified Party." For purposes of this Article, "Indemnified Party (Parties)" means: Members of the Charge Conference of the Church; members of the Church Council, officers of the Church; all persons who serve on a board, council or committee of the Church to the extent that the claim pertains to their service 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 10.3 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 spouses) 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 Charge Conference 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.)

- a. 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 the Charge Conference, Church Council, officer or pastor in advance of final disposition of the proceeding. 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 the proceeding (or part thereof) was authorized in writing in advance by the Charge Conference of the Church.
- b. **Permissive Indemnification.** To the extent authorized from time to time by the Charge Conference 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 and agents of the Church, as permitted by law for claims arising out of their service to the Church.
- c. **Repeal or Modification.** Repeal or modification of this Article is prospective only and shall not adversely affect limitations on the personal liability of an Indemnified Party of the Church existing at the time of repeal or modification.
- d. **"Directors and Officers" Liability Insurance.** The Charge Conference may obtain "Directors and Officers" or other comparable liability insurance to cover the Charge Conference, the Church Council and other appropriate positions of authority.

ARTICLE XI FINANCES, FISCAL YEAR, AND MISCELLANEOUS

Section 11.1 Contracts. The Charge Conference or the Church Council may authorize a

committee, officer or officers, employee or employees, trustee or trustees, or an agent or agents to sign contracts or to execute and to deliver instruments in the name of, and on behalf of, the Church. The grant of such signing authority may be general or may be limited to specific situations.

Section 11.2 Fiscal Year. The Fiscal year of the Corporation begins on the first day of January and ends on the last day in December in each year, or as otherwise established by the Charge Conference.

Section 11.3 Corporate Seal. The Church may, but is not required to provide a corporate seal.

Section 11.4 Books and Records. The Church shall keep its books and records of account in accordance with generally accepted standards for churches and in accordance with any and all requirements of the IRS applicable to tax exempt churches. The Church shall also keep minutes of the various proceedings of its Charge Conference and Church Council. When consistent with good business practices, any records of the Corporation may be maintained in other than written form if such other form is capable of reasonable preservation and conversion into written form within a reasonable time. The Members shall have only such rights to inspect records of this Corporation to the extent, and according to the procedures and limitations, prescribed by the Act. This Corporation is a religious corporation and therefore the financial reporting provisions of Section 33-31-1620 of the Act shall not apply to this Corporation.

Section 11.5 Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Church, shall be signed by such officers, pastors, employees, agent or agents of the Church and in such manner as shall from time to time be determined by resolution of the Charge Conference and/or Church Council pursuant to the terms and conditions of the Discipline.

Section 11.6 Deposits. All funds of the Church shall be deposited from time to time to the credit of the Church in such banks, trust companies or other depositories as the Charge Conference and/or Church Council may select.

Section 11.7 Designated Contributions. From time to time the Church, in the exercise of its religious, educational, and charitable purposes, may establish various funds to accomplish specific goals. If the Church receives a designated contribution for these funds or for any other designated purpose, the Church will attempt to honor the designation; however, all designated contributions shall be deemed advisory rather than legally mandatory in nature and shall remain subject to the exclusive control and discretion of the Lead Pastor, the Church Council, and the Charge Conference as applicable under the Discipline. No fiduciary obligation shall be created by any designated contribution made to the Church other than to use the contribution for the general furtherance of any of the purposes stated in Article I. At the discretion of the Church Council, the funds for any special fund may be commingled with general funds, however, separation of said funds is preferred where practical or otherwise required.

ARTICLE XII AFFILIATED TRANSACTIONS AND INTERESTED PERSONS

Section 12.1 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 an Interested Person, is void or voidable merely because of the relationship or interest between the Church and the Interested Person or because an Interested Person is present at the meeting of the Board of Directors or a Committee thereof which authorizes, approves or ratifies the transaction or because his, her or their votes are counted for that purpose

if:

- a. The fact of the relationship or interest is disclosed or known to the Charge Conference, the Church Council or a committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for that purpose without counting the votes or consents of an Interested Person(s); or
- b. The contract or transaction is fair and reasonable to the Church at the time the contract or transaction is authorized, approved or ratified in light of circumstances known to those entitled to vote at that time.
- c. The term "Interested Person" means:
 - (1) Members of the Church
 - (2) Members of the Charge Conference or Church Council
 - (3) Pastors
 - (4) Employees
 - (5) Agents
 - (6) Volunteers of the Church, and
 - (7) A "Company" (i.e., a corporation, firm, association or other entity) in which one or more of the foregoing (1)-(6) is a Director, officer or member or owns more than 30% of the equity therein or who stands to receive a material financial benefit from the transaction.
- d. 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 sections 12.1(a) and 12.1(b) do not apply.

Section 12.2 Loans to Directors and Officers. Notwithstanding anything herein to the contrary, the Church shall neither lend money to, nor use its credit to assist, an Interested Person.

CERTIFICATION OF ADOPTION OF BYLAWS

The undersigned hereby certifies that: (i) the undersigned is the duly elected Chairman of the Church Council; (ii) that these are the Bylaws of the Church which were adopted by Sole Incorporator of the Corporation after the affirmative vote of the Church Council; and (iii) the Bylaws became legally binding as of the 18th day of June, 2024 regardless of the actual date of signing.


Church Council Chairperson