

CAUSE NO. DC-26-14816

HORIZON TEXAS ANNUAL CONFERENCE OF THE UNITED METHODIST CHURCH

Plaintiff,

V.

**HIGHLAND PARK METHODIST
CHURCH, INC. D/B/A HIGHLAND
PARK UNITED METHODIST
CHURCH**

Defendant.

IN THE DISTRICT COURT

193rd JUDICIAL DISTRICT

DALLAS COUNTY, TEXAS

**PLAINTIFF'S SECOND AMENDED ORIGINAL PETITION
FOR DECLARATORY JUDGMENT**

Plaintiff Horizon Texas Annual Conference of The United Methodist Church (the “Conference” or “Plaintiff”) files this Second Amended Original Petition for Declaratory Judgment against Highland Park Methodist Church, Inc. d/b/a Highland Park United Methodist Church (“HP Corporation” or “Defendant”) and respectfully shows as follows:

I. INTRODUCTION

1. This lawsuit is not one the Conference brings lightly. The United Methodist Church is connectional, and the bonds between a local church and the denomination are not merely historical or symbolic. They are integral to the governance, ministry, and mission of The United Methodist Church. But where a nonprofit corporation, formed for the benefit of the Conference, the denomination,

and Highland Park United Methodist Church (“HP Church”)—which pre-dated the corporation by over 80 years—makes unauthorized amendments to its corporate documents that sever its legal connection to the Conference, erase the Conference’s longstanding rights, and appear designed to sever the relationship between HP Church and the denomination, the Conference is compelled to act.

2. Therefore, this suit is brought not out of hostility, but out of necessity—to honor the intentions and commitments of all parties involved and to restore the relationship between HP Church and the Conference that has lasted for over 100 years.

II. **DISCOVERY LEVEL**

3. Discovery in this case is intended to be conducted under Level 3 of Rule 190.4 of the Texas Rules of Civil Procedure. Plaintiff seeks non-monetary relief.

III. **PARTIES**

4. Plaintiff Horizon Texas Annual Conference of the United Methodist Church is a Texas nonprofit corporation with a principal office located at 399 W. Campbell Road, Richardson, Texas 75080.

5. Defendant Highland Park Methodist Church, Inc. d/b/a Highland Park United Methodist Church (“HP Corporation”) is a Texas nonprofit corporation that has appeared in this lawsuit and may be served through its counsel of record pursuant to Rule 21a of the Texas Rules of Civil Procedure.

IV.
JURISDICTION AND VENUE

6. Venue is proper in Dallas County, Texas pursuant to Section 15.002 of the Texas Civil Practice & Remedies Code because it is the county in which all or a substantial part of the events or omissions giving rise to the claims occurred.

7. This Court has subject matter jurisdiction over this action pursuant to Chapter 37 of the Texas Civil Practice and Remedies Code and because the amount in controversy is within the jurisdictional limits of this Court.

8. This Court has personal jurisdiction over the parties because they are Texas entities operating within the State of Texas.

V.
FACTS

The United Methodist Church

9. The United Methodist Church is a Wesleyan denomination resulting from a series of mergers of regional Methodist organizations. In 1939, The Methodist Episcopal Church, The Methodist Protestant Church, and The Methodist Episcopal Church, South united as “The Methodist Church.” In 1968, The Methodist Church and The Evangelical United Brethren Church united to form The United Methodist Church. Today, it is one of the largest Christian denominations in the United States.

10. The *Book of Discipline of The United Methodist Church, 2020 and 2024 Edition, and as may be amended* (the “*Discipline*”) sets forth the laws and procedures by which United Methodist members and organizations, including local churches, are governed. The *Discipline* is “a Book of Law governing every aspect of the life and work

of the [United Methodist] Church, including regulations relating to its temporal economy and to the ownership, use and disposition of church property. It is the only official and authoritative law book of [The United Methodist] Church.”¹

The Connectional Structure

11. The United Methodist Church is not a corporate entity or association: it is a denomination consisting of interconnected, interdependent entities and agencies including churches, universities, nonprofit organizations, agencies, boards, and ministries across the world.² The United Methodist structure is the opposite of congregationalism, where each local church structures and governs itself. In The United Methodist Church, professing members are all “Methodists,” and local churches are distinct entities but not independent operations.

12. The connectional system is a distinctive attribute of Methodism involving levels of “conferences,” which are organizational bodies as well as periodic meetings at which such bodies conduct their work. The *Discipline* defines the responsibilities of each level of the connectional structure. Local churches are connected to and subject to the oversight of charge conferences, annual conferences, jurisdictional conferences, and the General Conference.

¹ United Methodist Church Judicial Council Decision 96 (1953), *available at* <https://www.resourceumc.org/en/churchwide/judicial-council/judicial-council-decision-home/judicial-decisions/is-the-discipline-of-the-methodist-church-a-book-of-law>. Certain references to the *Discipline* contained in HP Corporation’s governing documents refer to previous versions of the *Discipline*, which are amended from time to time by General Conference adoption. Sections referenced herein may have changed numerically, but not substantively; citations to the *Discipline* within this First Amended Original Petition are to the current version of the *Discipline*.

² *The Book of Discipline of the United Methodist Church 2020/2024* ¶ 201-204 (United Methodist Publ’g House 2024).

13. The General Conference is The United Methodist Church's principal governing body, and it is made up of clergy, lay delegates from local churches, and regional bodies. The General Conference enacts and periodically amends the *Discipline*. A different but associated body is the General Council on Finance and Administration ("GCFA"), which is an Illinois nonprofit corporation and acts as the financial, administrative, and legal steward for the denomination.³

14. An annual conference is "the basic body in the Church," which establishes local churches, approves charters for local churches, and takes action to close local churches.⁴ In addition, an annual conference ordains clergy, appoints clergy, approves budgets, oversees ministries, provides administrative services to local churches, sends delegates to a quadrennial meeting called a jurisdictional conference, and generally represents The United Methodist Church on a regional level.⁵ The Horizon Texas Annual Conference of The United Methodist Church is the annual conference governing Highland Park United Methodist Church.⁶

15. Within an annual conference, local churches are grouped into districts, each of which is supervised by a district superintendent. A district superintendent

³ *About Us*, General Council on Finance and Administration (last visited Oct.14, 2026), <https://www.gcfa.org/about>

⁴ Rev. Taylor W. Burton Edwards, *What is the Annual Conference? What does it do?*, THE UNITED METHODIST CHURCH (last visited Oct. 13, 2026), <https://www.umc.org/en/content/ask-the-umc-what-is-annual-conference-what-does-it-do>

⁵ Constitution of The United Methodist Church, paragraph 34, article II.

⁶ The conference previously known as the North Texas Conference of The United Methodist Church merged with two other conferences to form The Horizon Texas Annual Conference.

serves as a representative of the annual conference and its bishop and oversees local churches and their clergy.⁷

The Local Church

16. A local church within the United Methodist denomination is “a connectional society of persons who have been baptized, have professed their faith in Christ, and have assumed the vows of membership in The United Methodist Church.”⁸ All members of a local United Methodist church are “members of the worldwide United Methodist connection and members of the church universal.”⁹

17. The *Discipline* requires each local church to have a church council as well as several committees, including a “trustee” committee whose task is oversee local church property management and compliance with the *Discipline*.¹⁰ Local churches are also required to be part of a charge conference, the membership of which may include the church councils of the local churches within the “charge,” certain members of the local churches, retired ministers who hold their membership in the charge, and the district superintendent of the district where the local churches are located.¹¹ The charge conference serves as the “connecting link” between the local

⁷ *Glossary: district superintendent*, THE UNITED METHODIST CHURCH (last visited Oct. 13, 2026), <https://www.umc.org/en/content/glossary-district-superintendent>

⁸ *Discipline* ¶ 203.

⁹ *Discipline* ¶ 215.4

¹⁰ *Discipline* ¶¶ 244, 2525 *et seq.* Generally, the “board of trustees” as described by the *Discipline*, is a subset of the church council that deals solely with the property of the local UMC church in order to allow the local UMC church to buy, lease, manage, or encumber property. Many local churches, as was the case with HP Church, may call their church council the “board of directors” or “board of trustees” to comply with secular governance requirements, and at HP Church, a property committee of the church council acts in regards to the properties of HP Church, assuming the duties of the “trustees” as set forth in the *Discipline*. The *Discipline* allows for changes to organizational requirements *if approved by the charge conference*. See *Discipline* ¶ 247.2

¹¹ *Discipline* ¶ 246.

church and The United Methodist Church, oversees annual appointment of the local church council, and has “general oversight of the church council[].”¹² The charge conference meets annually, and the district superintendent must preside at each meeting or delegate a clergy member to do so.¹³ While church council members may be part of the charge conference, a church council is a separate body that is controlled by the charge conference.¹⁴

18. Under the *Discipline*, the charge conference has the option—but not the obligation—to direct the board of trustees of a local church to incorporate, expressly subject to the *Discipline*.¹⁵ The *Discipline* sets forth the bases for such an incorporation, the process for incorporation, and the requirements for a corporation’s organizing documents. In pertinent part, the *Discipline* explicitly requires that the adoption or modification of a local church’s organizing documents be approved by the district superintendent in writing.¹⁶ It states:

¶ 2529 *Charge Conference Authority*

...The charge conference may:

1. a) If it so elects, **direct the board of trustees to incorporate the local church, expressly subject, however, to the *Discipline* of The United Methodist Church** (see ¶ 2506) and in accordance with the pertinent local laws and in such a manner *as will fully protect and exempt from any and all legal liability the individual officers and members*, jointly and severally, of the local church and the charge, annual, jurisdictional, and general conferences of The United Methodist Church, and each of them,

¹² *Discipline* ¶ 247.1.

¹³ *Discipline* ¶¶ 246.1, 246.5.

¹⁴ *Discipline* ¶¶ 245.1; 247.1; 246-249; 252.1.

¹⁵ *Discipline* ¶ 2529.

¹⁶ *Discipline* ¶ 2529.

for and on account of the debts and other obligations of every kind and description of the local church.

b) Regardless of whether the charge conference elects to incorporate the local church, the local church:

- (1) must be organized and operated in compliance with the *Discipline*;
- (2) cannot act in a manner contrary to the purpose of The United Methodist Church, the annual conference, or the *Discipline*; and
- (3) cannot sever its connectional relationship to The United Methodist Church without the consent of the annual conference.

(c) The organizing documents (articles of incorporation, charter, bylaws, or equivalents) of a local church shall reflect its connectional relationship to The United Methodist Church. The adoption or modification of a local church's organizing documents must be approved, in writing, by its pastor and district superintendent. Specifically, local church organizing documents shall, at a minimum:

- (1) require the local church to be organized and operated in compliance with the *Discipline*;
- (2) prohibit the local church from acting in a manner contrary to the purpose of The United Methodist Church, the annual conference, or the *Discipline*;
- (3) prohibit the local church from severing its connectional relationship with The United Methodist Church without the annual conference's consent;
- (4) require the pastor and the district superintendent to approve, in writing, the adoption of, and changes to, the local church's organizing documents; and
- (5) include language consistent with the Internal Revenue Code to protect the local church's tax-exempt status.

(d) The failure of a local church's organizing documents to meet the requirements of ¶ 2529.1c(1)-(4) does not relieve the local church of its connectional responsibilities to The United Methodist Church, nor does it absolve its pastor and membership of the responsibility to operate the local church as a United Methodist church, in accordance with the *Discipline*. The organizing documents are deemed modified to the extent necessary to comply with ¶ 2529.1c(1)-(4) if any of the circumstances described in ¶ 2503.6a-c apply.¹⁷

HP Church

19. Highland Park United Methodist Church (“HP Church”) “has a rich history dating back to the founding of Southern Methodist University”¹⁸—a university which was owned, controlled, and managed by The United Methodist Church. On or about May 10, 1922, the Educational Commission of The United Methodist Church conveyed 133 acres of property to the trustees of SMU to be “forever used, held, maintained and disposed of for educational purposes according to the Discipline and usages of the Methodist Episcopal Church South¹⁹ as from time to time shall be authorized and determined by the General Conference of said Church.”²⁰ A true and correct copy of the May 1922 deed is attached hereto as **Exhibit A**. Construction of the University began later that year.

20. On or about June 28, 1922, as authorized by its trustees and approved the Board of Education of The United Methodist Church, SMU deeded part of its

¹⁷ *Discipline* ¶ 2529.1a-d (emphasis supplied).

¹⁸ *Our Mission: To help people become deeply devoted followers of Jesus Christ*, HPUMC (last visited Oct. 14, 2026), <https://www.hpumc.org/about/our-history>

¹⁹ At the time SMU and HP Church were formed, The United Methodist Church in Texas was called The Methodist Episcopal Church, South.

²⁰ *Exhibit A*.

property to the trustees of HP Church (the “HP Church Property”). A true and correct copy of the June 1922 deed conveying the HP Church Property to the HP Church trustees is attached hereto as **Exhibit B**. The deed states as follows:

...SOUTHERN METHODIST UNIVERSITY, a corporation, of the County of Dallas, State of Texas, acting by its President and Secretary, **duly authorized to so act by the Trustees of said University, and resolution of the Board of Education acting for the General Conference of the Methodist Episcopal Church South**, for an in consideration of the sum of One dollar, receipt of which is hereby acknowledged, paid by [trustees of HP Church] have Granted, Sold and Conveyed and by these presents do Grant, Sell and Convey, unto the said [trustees of HP Church] the following described property, to-wit:

...[legal description]

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in any wise belonging unto the said [trustees of HP Church and their successors] **forever in trust that said premises shall be used, kept, maintained and disposed of as a place of divine worship for the use of the ministry and membership of the Methodist Episcopal Church South**; subject to the discipline, usage and ministerial appointments of said church as from time to time authorized and declared by the General Conference of said church, and said grantor does hereby bind itself, its successors and assigns to warrant and forever defend, all and singular the said premises unto the said [trustees of HP Church and their successors]...**But it is expressly stipulated that the above described property shall never be used for other than religious or educational purposes connected with the Methodist Episcopal Church South and its successor or successors and if it shall cease to be used said property will immediately revert to said grantor...**²¹

21. Four years later, on or about November 30, 1926, certain named trustees of SMU released and quitclaimed any right, title, and interest they might have in the HP Church Property to certain named trustees of HP Church. A true and correct copy

²¹ *Exhibit B* at p. 2. 7

of the 1926 Quitclaim Deed is attached hereto as **Exhibit C**. The 1926 Quitclaim expressly confirms that the HP Church Property was “**conveyed by the South Methodist University to the trustees of Highland Methodist Episcopal Church South by deed of date June 28, 1922.**”²²

22. The United Methodist Church, HP Church, and SMU all intended that HP Church would forever remain a local church within The United Methodist Church. For over a century, it has done so pursuant to the *Discipline*.

23. HP Corporation is a Texas nonprofit corporation formed on December 7, 1998, when certain trustees of HP Church filed Articles of Incorporation (the “1998 Articles”), a true and correct copy of which is attached hereto as **Exhibit D**. In keeping with the *Discipline*, the 1998 Articles describe the purposes of HP Corporation:

ARTICLE IV

The Corporation is organized exclusively for religious, charitable, and benevolent purposes, including (without limitation) the following:
...

2. To exist and operate as a local church **of the North Texas Conference of The United Methodist Church**;

...

4. To succeed to all properties (real and personal, tangible and intangible), rights, privileges, powers, immunities, and operations of, to assume all debts and obligations of, and **to** maintain and carry on the operations, ministries, and missions of Highland Park United Methodist Church, a local church of the North Texas Conference of The United Methodist Church heretofore existing and operating as a non-profit unincorporated religious association...²³

²² *Exhibit C* (emphasis added).

²³ *Exhibit D* at pp. 1-2, art. IV (emphasis supplied).

24. Also pursuant to the *Discipline*, the 1998 Articles describe the following provisions “for regulation of the internal affairs of the Corporation”:

ARTICLE VI

Pursuant to the Act and in furtherance of the Corporation’s purposes specified herein, the following additional provisions hereby are adopted for regulation of the internal affairs of the Corporation:

1. The Corporation shall support the doctrine of The United Methodist Church, and all its property shall be subject to the laws, usages, and ministerial appointments of The United Methodist Church as may be established, made, and declared from time to time by its lawful authority as set forth in its Constitution and in *The Book of Discipline*, except to the extent the organizational power and plans set forth therein have been modified by these Articles and the Bylaws of the Corporation in accordance with ¶ 249.2 of *The Book of Discipline*.

2. The Corporation **is expressly subject to, and shall own its property and conduct its affairs in accordance with, the Constitution and *The Book of Discipline***, except to the extent the organizational power and plans set forth therein have been modified by these Articles and the Bylaws of the Corporation in accordance with ¶ 249.2 of *The Book of Discipline*.

3. The Board of Directors of the Corporation shall be known as the “Church Council.” **The members of the Church Council shall be members of the Charge Conference, in accordance with 248 and 249 of *The Book of Discipline***. Members of the Church Council shall be nominated by the Committee on Nominations and Personnel (or otherwise as provided in the Bylaws) and **elected by the Charge Conference**, and shall serve, in accordance with the Bylaws of the Corporation.

4. Except to the extent modified by these Articles or by the Bylaws of the Corporation, **the powers and duties of the Church Council, any committees of the Church Council, any Administrative Committees formed in accordance with *The Book of Discipline*, and any Work Areas formed in accordance with *The Book of Discipline* shall be as enumerated and implied by the Constitution and *The Book of Discipline*...**²⁴

²⁴ *Exhibit D* at pp. 2-3, art. VI (emphasis supplied).

25. The 1998 Articles also state that, if HP Corporation ceases to exist or HP Church is discontinued, then title to all of HP Corporation's property vests in the Conference:

ARTICLE XIV

If for any reason the Corporation hereafter shall cease to exist as a legal entity or association (incorporated or otherwise) or if the local church comprised by the Corporation is discontinued, **then the title to all of the Corporation's property owned as of the time of such cessation or discontinuation shall be vested in the North Texas Conference of The United Methodist Church**, in its corporate capacity if at such time it is incorporated, or otherwise in the Board of Trustees thereof on its behalf, in the same manner as it holds title to any other such property; and in either event all such property shall be held in trust for the benefit of the local church formerly comprised by the Corporation, subject however, to such further disposition thereof as may be authorized and directed in accordance with *The Book of Discipline*.²⁵

26. Effective January 1, 1999, HP Corporation adopted Bylaws of Highland Park United Methodist Church (the "1999 Bylaws"). A copy of the 1999 Bylaws is attached hereto as **Exhibit E**. The 1999 Bylaws, which incorporate the *Discipline* by reference no less than 26 times,²⁶ subject HP Corporation and HP Church to the authority of the North Texas Annual Conference of the United Methodist Church, the Conference's predecessor.²⁷ The Bylaws explicitly give the Conference rights, interests, and protections, including but not limited to the following:

²⁵ *Exhibit D* at p. 6, art. XIV (emphasis supplied).

²⁶ See *In re Prudential Ins. Co. of Am.*, 148 S.W.3d 124, 135 (Tex. 2004)("[a] unsigned paper may be incorporated by reference in the paper signed by the person sought to be charged. The language used is not important provided the document signed...plainly refers to another writing.").

²⁷ *Exhibit E*, at p. 2, art. 3.1; p. 5, arts. 3.12-3.13. On January 1, 2025, the North Texas Annual Conference merged with two other annual conferences into Horizon Texas Annual Conference of The United Methodist Church, and assigned and transferred all rights, title, and interest of the North Texas Annual Conference to the Horizon Texas Annual Conference.

- a. The membership requirements of the Church Council, the Advisory Council, and the Leadership Council shall be those fixed by the *Discipline* and the Conference;²⁸
- b. The Conference has authority to appoint a senior pastor if the senior pastor position is vacant for any reason;²⁹
- c. The Conference has authority to remove officers of HP Church who are appointed clergy by reappointment;³⁰
- d. The Conference, through the District Superintendent, has authority to preside over Charge Conference annual meetings at which the Church Council is elected and approved;³¹ and
- e. The Conference, through the District Superintendent, has the authority and discretion to call a Church Conference—a meeting with the professing members of the congregation—upon request.³²

By incorporating the *Discipline*, the 1998 Articles and the 1999 Bylaws give the Conference additional rights, interests, and protections, including but not limited to the right, through the District Superintendent, to approve or reject the adoption or modification of HP Corporation’s organizing documents.³³

27. From 1998 to 2022, HP Corporation acted as HP Church’s agent as contemplated by the *Discipline*, the 1998 Articles, and the 1999 Bylaws. On November 16, 2022, without seeking or obtaining written consent from the Conference via the District Superintendent as required or providing notice to the Conference, HP Corporation filed its Restated Certificate of Formation (the “Restated Certificate”), a true and correct copy of which is attached as **Exhibit F**. In pertinent

²⁸ *Exhibit E* at p. 2, § 3.1; p. 6, §§ 4.1, 5.1.

²⁹ *Exhibit E* at p. 3, § 3.5.

³⁰ *Exhibit E* at p. 8, § 7.5.

³¹ *Exhibit E* at pp. 2-3, § 3.3

³² *Exhibit E* at p. 5, § 3.13.

³³ *Discipline* ¶ 2529.

part, the Restated Certificate changed the corporation's name to Highland Park Methodist Church; removed all references to The United Methodist Church, the Conference, the *Discipline*, and the Charge Conference; and deleted the Conference's right to retain HP Corporation's property should HP Corporation cease to exist or HP Church is discontinued.³⁴

28. HP Corporation also adopted amended bylaws in November 2022 which, among other amendments, i) removed all rights, interests, and protections given to the Conference under the 1998 Articles and 1999 Bylaws as described above; ii) removed all references to The United Methodist Church, the Conference, the *Discipline*, the District Superintendent, and the Charge Conference; iii) removed the rights of HP Church's professing members to participate in any matter "affecting or involving the Church"; iv) reserved for the Church Council the right to determine the denomination of HP Church; and v) provided that the Church Council is chosen only by itself and answerable only to itself.³⁵ On or about February 20, 2024, HP Corporation made minor amendments to the 2022 Bylaws and adopted new 2024 Amended Bylaws, which, upon information and belief, purport to govern HP Corporation today. A copy of the 2024 Amended Bylaws (the "Amended Bylaws") is attached hereto as **Exhibit G**.

29. On December 5, 2022, HP Corporation filed an Assumed Name Certificate listing Highland Park United Methodist Church as its assumed name.

³⁴ *Exhibit F*.

³⁵ *Exhibit G*, at p.1, art. 1.3; p. 1-2, art. 2; p. 2, art. 4.1.

The Backdrop

30. While HP Corporation was quietly amending its 1998 Articles and 1999 Bylaws to erase the Conference, The United Methodist Church, and the *Discipline* from its formal corporate structure, the denomination was experiencing inter-denominational discord regarding LGBTQ+ rights. Between 2019 and 2024, the General Conference of The United Methodist Church enacted Paragraph 2553 of the *Discipline*, entitled, “Disaffiliation over Human Sexuality,” which provided a limited right for local congregations to exit the denomination for “reasons of conscience related to the practice of homosexuality or the ordination or marriage of self-avowed practicing homosexuals.”³⁶ Disaffiliation under ¶2553 was subject to conditions, including final approval of the annual conference and a super-majority vote of the membership of the local church.³⁷ That provision expired December 31, 2023. Although HP Church did not disaffiliate from The United Methodist Church under ¶2553, and although it publicly denied a desire to do so, it discreetly amended its governing documents in the same manner as many disaffiliating churches amended theirs.

31. Since 2022, HP Church has continued to hold itself out as a United Methodist congregation, with signs that say, “Highland Park United Methodist Church,” and a website that calls the church a United Methodist Church. On its page

³⁶ *Book of Discipline* ¶ 2553. *Disaffiliation Over Human Sexuality (EXPIRED)*, THE UNITED METHODIST CHURCH (last visited Oct. 13, 2026), <https://www.umc.org/en/content/book-of-discipline-2553-disaffiliation-over-human-sexuality>

³⁷ See United Methodist Church Judicial Council Decision 1512 (2024), *available at* <https://www.resourceumc.org/en/churchwide/judicial-council/judicial-council-decision-home/judicial-decisions/decision-1512>.

describing “What We Believe,” the website describes the *Discipline* as “our foundational statement of beliefs.” Upon information and belief, many of HP Corporation’s congregants did not even know HP Corporation changed its name or removed all references to The United Methodist Church, the *Discipline*, and the Conference from its corporate documents. Additionally, even after stripping its formation documents of all references to The United Methodist Church, the *Discipline*, the Conference, the District Superintendent, and the Charge Conference, HP Corporation continued to participate in annual charge conferences in which the District Superintendent presided. It also continued to pay apportionments to The United Methodist Church through the Conference and to receive benefits through the Conference, such as enrollment in employee benefit plans and inclusion in The United Methodist Church Group Tax Exemption Ruling from the Internal Revenue Service (the “Group Ruling”).

32. When the Conference became aware of the amendments to HP Corporation’s governing documents, it sought an amicable re-connection. Over a period of several months, the Conference made repeated good-faith efforts to resolve the dispute amicably, including through efforts undertaken in October 2025, December 2025, and March 2026. Despite these efforts, HP Corporation and its Church Council failed to restore its governing documents and its connection with the Conference and The United Methodist Church, forcing the Conference to seek judicial relief.

VI.
COUNT ONE
REQUEST FOR DECLARATORY JUDGMENT

33. The foregoing paragraphs are incorporated by reference.

34. The United Methodist Church expressly advocates “respect [of] persons of all religious faiths” and “defend[s] religious freedom for all persons.”³⁸ The Conference further acknowledges individuals have the right to worship in the manner they choose and are free to withdraw from the United Methodist denomination.³⁹ This dispute is whether HP Corporation—an entity organized decades after HP Church was formed as a United Methodist Church—may, through its Church Council⁴⁰ and without approval by the Conference or its District Superintendent, strip the Conference of the authority granted to it under its 1998 Articles, 1999 Bylaws, and the *Discipline*.

35. “The First Amendment of the United States Constitution “prohibit[s] civil courts from inquiring into matters concerning ‘theological controversy, church discipline, ecclesiastical government, or the conformity of the members of a church to the standard of morals required of them.’”⁴¹ Questions of an ecclesiastical or inherently religious nature are left to the appropriate ecclesiastical decision-

³⁸ *Discipline* ¶ 121.

³⁹ *Discipline* ¶ 241.

⁴⁰ The 1998 Articles state the board of directors shall be referred to as the Church Council, so that language is used herein.

⁴¹ *S. Methodist Univ. v. S. Cent. Jurisdictional Conf. of the United Methodist Church*, 716 S.W.3d 475, 482 (Tex. 2025) (quoting *Masterson v. Diocese of Nw. Tex.*, 422 S.W.3d 594, 601 (Tex. 2013) (quoting *Serbian E. Orthodox Diocese v. Milivojevich*, 426 U.S. 696 (1976))).

makers.⁴² Courts may not “impede the church’s authority to manage its own affairs,” such as “who ought to be members of the church.”⁴³

36. Under the neutral principles methodology, Texas courts decide non-ecclesiastical issues “based on the same neutral principles of law applicable to other entities...while deferring to religious entities’ decisions on ecclesiastical and church polity questions.”⁴⁴ Thus, “courts are to apply neutral principles of law to issues such as land titles, trusts, and corporate formation, governance, and dissolution, even when religious entities are involved.”⁴⁵ When determining whether the ecclesiastical abstention doctrine applies, courts analyze whether a particular dispute is an ecclesiastical dispute or a civil-law controversy in which the church happens to be involved.⁴⁶

37. While courts are prohibited from resolving disputes on the basis of religious doctrine, the neutral principles doctrine does not require courts to ignore black letter law by disregarding language in a church’s bylaws or articles of formation that refer to religious documents.⁴⁷ Indeed, the Supreme Court of Texas acknowledged that “many disputes ...will require courts to analyze church documents

⁴² *Masterson*, 422 S.W.3d at 605-606.

⁴³ *In re Diocese of Lubbock*, 624 S.W.3d 506, 514 (Tex. 2021) (orig. proceeding); *Westbrook v. Penley*, 231 S.W.3d 389, 397-400 (Tex. 2007).

⁴⁴ *Masterson*, 422 S.W.3d at 596 (citing *Jones v. Wolf*, 443 U.S. 595, 603-604 (1979)); *Milivojevich*, 426 U.S. at 708).

⁴⁵ *Masterson*, 422 S.W.3d at 606.

⁴⁶ *Diocese of Lubbock*, 624 S.W.3d 506 at 514.

⁴⁷ See *Jones v. Wolf*, 443 U.S. at 603; *Apache Deepwater, LLC v. McDaniel Partners, Ltd.*, 485 S.W.3d 900, 906 (Tex. 2016) (courts “examine and consider the entire writing in an effort to harmonize and give effect to all the provisions of the contract so that none will be rendered meaningless.”); *Masterson*, 422 S.W.3d at 606.

and organizational structures to some degree.”⁴⁸ When examining church documents, courts are instructed to do so in purely secular terms without relying on religious precepts.⁴⁹

38. Similarly, the neutral principles doctrine does not require or permit a court to ignore authority granted to a religious conference in a nonprofit corporation’s governing documents.⁵⁰ As the Supreme Court of Texas discussed in *Southern Methodist University v. South Central Jurisdictional Conference of the United Methodist Church*, Section 22.207 of the Texas Business Organizations Code expressly authorizes a religious conference to assert and maintain control over another nonprofit corporation under certain circumstances.⁵¹ Such authority is contemplated by Article 1, Section 6 of the Texas Constitution, which imposes an affirmative “duty of the Legislature to pass such laws as may be necessary to protect equally every religious denomination in the peaceable enjoyment of its own mode of public worship.”⁵²

39. The Restated Certificate and Amended Bylaws purport to divest the Conference of its rights guaranteed by the 1998 Articles and 1999 Bylaws, and HP Corporation’s Church Council had no authority to amend such articles and bylaws without the prior written approval of the Conference via the District Superintendent. Because the Conference never approved the Restated Certificate and Amended

⁴⁸ *Masterson*, 422 S.W.3d at 606.

⁴⁹ *Id.* at 604;

⁵⁰ *S. Methodist Univ. v. S. Cent. Jurisdictional Conf. of the United Methodist Church*, 716 S.W.3d 475 (Tex. 2025).

⁵¹ *Id.* at 485-86.

⁵² *Id.* at 486 (quoting Tex. Const. art. I, § 6).

Bylaws, they are void. Thus, pursuant to Chapter 37 of the Texas Civil Practice and Remedies Code (The Uniform Declaratory Judgments Act), Plaintiff seeks a declaratory judgment concerning the rights, status, and other legal relations between the Conference, HP Church, HP Corporation, and HP Corporation's Church Council. Specifically, Plaintiff seeks a declaratory judgment as follows:

- a. That, pursuant to Section 22.207(a) of the Texas Business Organizations Code, the 1998 Articles, and the 1999 Bylaws, the governing body (Church Council) of HP Corporation is "affiliated with, elected, and controlled by" the Conference and the Charge Conference, which includes the Conference via the District Superintendent;
- b. That the 1998 Articles and 1999 Bylaws incorporate the *Discipline* by reference;
- c. That the 1998 Articles and 1999 Bylaws subject HP Corporation and its Church Council to the *Discipline*;
- d. That, pursuant to the 1998 Articles and 1999 Bylaws, an amendment to HP Corporation's 1998 Articles must be approved, in writing, by the District Superintendent;
- e. That, pursuant to the 1998 Articles and 1999 Bylaws, an amendment to HP Corporation's 1999 Bylaws must be approved, in writing, by the District Superintendent;
- f. That the Restated Certificate is void because the legal requirements for approval were not met;
- g. That the Amended Bylaws are void is void because the legal requirements for approval were not met;
- h. That any actions taken by any representative(s) of HP Corporation in reliance upon the Restated Certificate are void;
- i. That any actions taken by any representative(s) of HP Corporation in reliance upon the Amended Bylaws are void;

j. That the 1998 Articles are the operative Articles of Incorporation of HP Corporation, and any actions taken by any representative(s) of HP Corporation in violation of such articles are void;

k. That the 1999 Bylaws are the operative Bylaws of HP Corporation, and any actions taken by any representative(s) of HP Corporation in violation of such Bylaws are void;

l. Whether HP Church is a local church within The United Methodist Church cannot be determined by applying neutral principles of law; and

m. Whether HP Church's congregants are members of The United Methodist Church cannot be determined by applying neutral principles of law.

40. The matters above involve initial determination of neutral questions of law regarding the rights and status of the entities involved or threshold determinations of the applicable standard of review. There is an actual, justiciable controversy between the parties with respect to the adjudication of the disputes referenced above that can be determined by this Court without delving into ecclesiastical matters.

VI.
COUNT TWO
BREACH OF CONTRACT

41. Paragraphs 1-39 are incorporated herein by reference.

42. Additionally, or in the alternative, the Conference is a third-party beneficiary of HP Corporation's 1998 Articles, which constitute a contract between HP Corporation and the State of Texas.⁵³

⁵³ *S. Methodist Univ.*, 716 S.W.3d at 482; and see TEX. BUS. ORGS CODE §22.207(a) ([t]he board of directors of a religious, charitable, educational, or eleemosynary corporation may be affiliated with, elected, and controlled by an incorporated or unincorporated convention, conference, or association...").

43. The contract at issue was entered into by and between Defendant HP Corporation and the State of Texas for the benefit of the Conference and The United Methodist Church. Based on the authority granted to the Conference under the 1998 Articles and 1999 Bylaws, HP Corporation clearly intended to secure a benefit to the Conference and entered into the contract not merely for its own benefit.

44. The 1998 Articles are a valid and enforceable contract. The Conference performed all conditions precedent to Defendant HP Corporation's obligations under the contract, or such conditions have occurred, been satisfied or been excused.

45. HP Corporation breached the 1998 Articles by amending the 1998 Articles and the 1999 Bylaws to remove all rights and/or benefits the 1998 Articles granted to the Conference, The United Methodist Church, and the *Discipline*.

46. As a direct and proximate result of HP Corporation's breach, the Conference has suffered, and continues to suffer, irreparable loss that cannot be fully compensated by an award of actual damages. Specifically, HP Corporation is operating under an unlawful Amended Certificate and Amended Bylaws, which purport to eradicate the rights of the Conference and The United Methodist Church under the 1998 Articles and 1999 Bylaws, while continuing to represent itself as a United Methodist entity.

47. Accordingly, the Conference requests that HP Corporation be permanently enjoined from: a) breaching the 1998 Articles or 1999 Bylaws further; and b) amending or attempting to amend the 1998 Articles or 1999 Bylaws without approval by the District Superintendent.

48. Additionally, or in the alternative, equities favor compelling specific performance rather than limiting the Conference to an award of damages, and the Conference's irreparable loss cannot be fully compensated by an award of actual damages. Accordingly, the Conference requests that HP Corporation be ordered to file an amended certificate attaching the 1998 Articles as the current, valid governing document of HP Corporation.

49. Additionally, or in the alternative, the Conference has suffered damages in an amount within the jurisdictional limits of this Court. The Conference therefore seeks recovery of all damages available under Texas law, together with pre- and post-judgment interest, costs of court, and all other relief to which it may be entitled.

VII.

ATTORNEY'S FEES

50. Plaintiff seeks recovery of its reasonable and necessary attorney's fees against Defendant in accordance with Section 37.009 of the Texas Civil Practice and Remedies Code.

VIII.

PRAYER

Plaintiff Horizon Texas Annual Conference respectfully prays as follows:

- a. That Defendant be cited to appear and answer;
- b. The Court grant declaratory relief, injunctive relief, specific performance, and/or money damages as requested herein;
- c. That Plaintiff be awarded reasonable and necessary attorney's fees and expenses in accordance with Section 37.009 of the Texas Civil Practice and Remedies Code; and
- d. That Plaintiff be granted all further relief to which it may be entitled in law or in equity.

Respectfully submitted,

COWLES & THOMPSON, P.C.

/s/ Claire E. James

Claire E. James

State Bar No. 24083240

cjames@cowlesthompson.com

4965 Preston Park Boulevard, Suite 320

Plano, Texas 75093

Tel: (214) 672-2116

Fax: (214) 672-2316

-and-

Scott Hazen

State Bar No. 09311500

shazen@cowlesthompson.com

901 Main Street, Suite 3900

Dallas, Texas 75202

Tel: (214) 672-2104

Fax: (214) 672-2304

Attorneys for Plaintiff

CERTIFICATE OF SERVICE

I certify that a true copy of the above was served on October 15, 2026, in accordance with the Texas Rules of Civil Procedure on the following:

DLA PIPER LLP

Daniel L. Tobey
Ryan D. Lantry
1900 N. Pearl Street, Suite 2200
Dallas, Texas 75201

Ashley Allen Carr
303 Colorado Street, Suite 3000
Austin, Texas 78701

Karley Buckley
845 Texas Avenue, Suite 3800
Houston, Texas 77002
Attorneys for Defendant

Method of delivery:

- ☐ hand delivery, or
- ☐ electronic mail (e-mail), or
- ☐ facsimile, or
- ☐ First Class U.S. Mail, or
- ☐ certified mail, return receipt requested, or
- ☒ electronic filing service

/s/ Claire E. James

EXHIBIT “A”

~~applied to the directions of said Deed of trust) have granted, sold and conveyed and~~
by these presents do grant, sell and convey unto the said C V Compton of the County of
Dallas State of Texas, the property hereinbefore described;

TO HAVE AND TO HOLD the said property, together with all and
singular the rights and appurtenances thereto in anywise belonging unto the said C V
Compton and to his and their assigns forever. And for and on behalf of the said Tom W
Cole and Walter W James, Grantors in said deed of trust and their heirs, executors and
administrators I do hereby bind the said Tom W Cole and Walter W James and their heirs,
executors and administrators to warrant and forever defend, all and singular, said
premises in so far as is authorized by said Deed of Trust unto the said C V Compton
and his heirs and assigns against every person whosoever lawfully claiming or to claim
the same or any part thereof

Witness my hand this 3rd day of November A D 1926

R B Stichter Sr.

Trustee.

THE STATE OF TEXAS :

COUNTY OF DALLAS : BEFORE ME, the undersigned authority a Notary Public of the
County of Dallas in the State of Texas, on this day personally
appeared R B Stichter, Sr. known to me to be the person whose name is subscribed to the
foregoing instrument, and acknowledged to me that he executed the same as Trustee for the
purposes and consideration therein expressed, and in the capacity therein set forth

Given under my hand and seal of office this 3rd day of November A D
1926

E V Ashton

L S

Notary Public, Dallas County, Texas.

Filed for Record Nov. 12, 1926, 4:00 P M .. D C WHITELEY, COUNTY CLERK

BY A E GRUGETT, DEPUTY

RECORDED NOV. 17, 1926, D C WHITELEY, COUNTY CLERK, DALLAS COUNTY, TEXAS.

BY _____

DEPUTY

-0-

134378

W A CANDLER, ET AL

: THE STATE OF TEXAS :

TO DEED

W D BRADFIELD, ET AL TRUSTEES OF SOUTHERN METHODIST UNIVERSITY : DALLAS COUNTY ::

KNOW ALL MEN BY THESE PRESENTS: That we, W A Candler, W B Murrah,
J C Kilgo, W D Bradfield, F J Prettyman, A J Lamar, Plate T Durham, W G M Thomas, Joseph
E Cookrell, G T Fitzhugh, Asa G Candler, Sr. W D Thomson, J P Scott, former members of the
Educational Commission of the Methodist Episcopal Church South in conformity with the
resolutions and directions of the General Conference of said Church, assembled at Hot
Springs in the State of Arkansas in the month of May 1922, a copy of which resolutions are
herete attached, have granted, bargained and conveyed and by these presents do grant,
bargain and convey to the following named Trustees of Southern Methodist University, a
corporation to-wit: W D Bradfield, R H Shuttles, H D Knickerbocker, James Kilgore,
C C Walsh, Thomas Gregory, J E Hickman, C H Booth, E G Perry, S B Perkins, J T Griswold,
J B Slaton, S E Allison, J A Elkins, J L Cannon, Sidney Babcock, R E L Morgan,

J T Pritchett, Ivan Lee Holt, J D Randolph, G G Davidson, W W Drake, W W Fondren and J E Cockrell and their successors all those two certain tracts of land situated in the County of Dallas, Texas, and described as follows, to-wit:

FIRST: The land known as the Daniels 33 acre tract;
Beginning at the Southwest corner of the Jeff Tilley Survey;
Thence East along the South line of said Survey 475 vrs to a stake in the South line thereof;
Thence North 425 vrs to stake for a corner
Thence West 475 vrs more or less to the WEST line of said Jeff Tilley Survey;
Thence South along the West line of said Survey to the place of beginning.

SECOND: One hundred acres of land conveyed to Southern Methodist University by Mrs Aliee T Armstrong, by deed dated May 25th, 1911, recorded in Vol 518 Page 615 of the Deed Records of Dallas County, and being out of the Joel Sykes 320 acre survey and reference is had to the record of said deed for a more particular description of said 100 acres which comprises a part of the Campus of said University

TO HAVE AND TO HOLD unto the said W W Fondren, W D Bradfield, R H Shuttles, H D Knickerbocker, James Kilgore, Thomas Gregory, J E Hickman, C H Booth E G Perry, S B Perkins, J T Griswold, C C Walsh, J B Slaton, S E Allison, J A Elkins, J L Cannon, Sidney Babcock, R E L Morgan, J T Pritchett, Ivan Lee Holt, J D Randolph, G G Davidson, W W Drake and J E Cockrell, Trustees, and their successors for the use of said Southern Methodist University and its successors forever to be used, held, maintained and disposed of for educational purposes according to the Discipline and usages of the Methodist Episcopal Church South as from time to time shall be authorized and determined by the General Conference of said Church.

In Testimony Whereof These Presents are executed by the under signed in their representative capacity as Trustees and without warranty of title, this 10th day of May 1922

Warren A Candler

William B Murrah

Plato T Durham

F J Prettyman

Jno. C Kilgo

A J Lamar

Asa G Candler

Joseph E Cockrell

W D Thomson

W G M Thomas

THE STATE OF Arkansas ;
COUNTY OF GARLAND :

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State on this day personally appeared W A Candler Plato T Durham, A J Lamar, W B Murrah, J E Cockrell, F J Prettyman and J C Kilgo, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated

In Testimony Whereof Witness my hand and seal of office this 13th day of May 1922

Robert Neill

L S

Notary Public, Garland County, Arkansas

My Commission Expires June 16, 1923

THE STATE OF GEORGIA :

COUNTY OF FULTON :

BEFORE ME, the undersigned authority a Notary Public

in and for said County and State on this day personally appeared

Asa G Candler Sr. and W D Thomson, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated

In Testimony Whereof witness my hand and seal of office this 30th

day of May 1922

Grace Ann Hembree

L S

Notary Public, Fulton County, Georgia

THE STATE OF TENNESSEE :

COUNTY OF HAMILTON :

BEFORE ME, the undersigned authority a Notary Public in and for said

County and State on this day personally appeared W G M Thomas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration and in the capacity therein stated

In Testimony Whereof Witness my hand and seal of office this 1st

day of June 1922

L M Thomas

L S

Notary Public, Hamilton County, Tennessee

THE STATE OF TENNESSEE :

COUNTY OF SHELBY :

BEFORE ME, the undersigned authority a Notary Public in and for said

County and State, on this day personally appeared G T Fitzhugh known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration and in the capacity therein stated.

In Testimony Whereof witness my hand and seal of office this 25 day

of May 1922

M H Thornton

L S

Notary Public, Shelby County, Tennessee.

RESOLUTION AS TO TITLE OF REAL ESTATE OF SOUTHERN

METHODIST UNIVERSITY

WHEREAS, under authority of the General Conference of the year A D 1914, the Educational Commission of the Methodist Episcopal Church South, composed of Bishop W A Candler and fifteen other members, in order to provide for the ownership and control of Southern Methodist University by the Church through its General Conference received conveyances of the land known as the Daniels 33 acre tract and the Armstrong 100 acre tract hereinafter particularly described, which two tract constitute the Campus of said University whereon its buildings and other improvements are situated, which conveyances to the members of said Educational Commission were in trust and to be held till the General Conference of said M E Church South should elect their successors, and whereas,

whereas, under the Charter of Southern Methodist University as amended by the consent of this General Conference the following named persons have been elected or confirmed as Trustees in accordance with the provisions of such Charter to-wit

W D Bradfield, R H Shuttles, James Kilgore, Thomas Gregory
J E Hickman C H Booth, H D Knickerbocker, E G Perry, S B Perkins, J T Griswold, J B Slaton, C C Walsh, S E Allison, J A Elkins, J L Cannon, Sidney Babcock, R E L Morgan, J T Pritchett, Ivan Lee Holt, J D Randolph, W W Drake, G G Davidson, W W Fondren, and Joseph E Cockrell

and whereas, it is proper and desirable that the legal title to said property should be vested in said Trustees to be used, kept, maintained and disposed of for educational purposes, subject to the discipline and usages of the Methodist Episcopal Church South as from time to time authorized and determined by the General Conference of said Church

THEREFORE, BE IT RESOLVED, That the members of said Educational Commission be and are hereby authorized and directed to convey to the above named Trustees of Southern Methodist University and their successors said two tracts of land situated in the County of Dallas, Texas, and described as follows

First: The land known as the Daniels 33 acre tract;

Beginning at the Southwest corner of the Jeff Tilley Survey

Thence Eastalong the South line of said Survey 475 vrs to a stake in the South line thereof;

Thence North 425 vrs a stake for a corner;

Thence West 475 vrs more or less to the West line of said Jeff Tilley Survey;

Thence South along the West line of said Survey to the place of beginning.

SECOND: One Hundred acres of land conveyed to Southern Methodist University by Mrs Alice T Armstrong, by deed dated May 25th, 1911, recorded in Vol 518 Page 615 of the Deed Records of Dallas County, and being out of the Joel Sykes 320 acre survey and reference is had to the record of said deed for a more particular description of said 100 acres which comprises a part of the Campus of said University

BE IT FURTHER RESOLVED That the form of deed now presented for execution by the members of the Educational Commission above referred to a copy of which is hereto attached, is approved and when executed by the members of said Educational Commission or a majority of them, the legal title to said land shall be vested in said Trustees of Southern Methodist University, subject to the authority of the General Conference, which authority may be delegated to the General Board of Education

I certify that the foregoing is a true copy of a Resolution passed by the General Conference of the Methodist Episcopal Church South in Session at Hot Springs in the State of Arkansas during the Month of May 1922.

Witness my hand this 9th May 1922

A F Watkins

Secretary of the General Conference

Filed for Record Nov. 12, 1926, 4:00 P M .. D C WHITELEY, COUNTY CLERK

BY A E GRUGITT, DEPUTY

RECORDED NOV. 17, 1926, D C WHITELEY, COUNTY CLERK, DALLAS COUNTY, TEXAS.

BY

-0-

DEPUTY

STATE OF TEXAS :

COUNTY OF DALLAS :

KNOW ALL MEN BY THESE PRESENTS: That we, W. A. Candler, W. B. Murrah, J. C. Kilgore, W. D. Bradfield, F. J. Prettyman, A. J. Lamar, Plato T. Durham, W. G. M. Thomas, Joseph E. Cockrell, G. T. Fitzhugh, Asa G. Candler, Jr., W. D. Thomson, J. P. Scott, former members of the Educational Commission of the Methodist Episcopal Church, South, in conformity with the resolutions and directions of the General Conference of said Church, assembled at Hot Springs in the state of Arkansas, in the month of May, 1922, a copy of which resolutions are hereto attached, have granted, bargained and conveyed and by these presents do grant, bargain and convey to the following named Trustees of Southern Methodist University, a corporation, to-wit: W. D. Bradfield, R. H. Shuttles, H. D. Knickerbocker, James Kilgore, C. C. Walsh, Thomas Gregory, J. E. Hickman, C. H. Booth, E. G. Perry, S. B. Perkins, J. T. Griswold, J. B. Slaton, S. E. Allison, J. A. Elkins, J. L. Cannon, Sidney Babcock, R. E. L. Morgan, J. T. Pritchett, Ivan Lee Holt, J. D. Randolph, G. C. Davidson, W. W. Drake, W. W. Fondren and J. E. Cockrell and their successors, all those two certain tracts of land situated in the County of Dallas, Texas, and described as follows, to-wit:

FIRST: The land known as the Daniels 33 acre tract: Beginning at at the S. W. corner of the Jeff Tilley Survey, thence E. along the S. line of said survey 475 acres to a stake in the S. line thereof; thence North 425 vrs. a stake for a corner; thence West 475 vrs. more or less to the West line of said Jeff Tilley, thence S. along the W. line of said survey to the place of beginning.

SECOND: 100 acres of land conveyed to Southern Methodist University by Mrs. Alice T. Armstrong, by deed dated May 25th, 1911, recorded in vol. 518, page 615 of the deed records of Dallas County, and being out of the Joel Sykes 320 survey, and reference is had to the record of said deed for a more particular description of said 100 acres which comprises a part of the campus of said University.

To have and to hold unto the said W. W. Fondren, W. D. Bradfield, R. H. Shuttles, H. D. Knickerbocker, James Kilgore, Thomas Gregory, J. E. Hickman, C. H. Booth, E. G. Perry, S. B. Perkins, J. T. Griswold, C. C. Walsh, J. B. Slaton, S. E. Allison, J. A. Elkins, J. L. Cannon, Sidney Babcock, R. E. L. Morgan, J. T. Pritchett, Ivan Lee Holt, J. D. Randolph, G. C. Davidson, W. W. Drake and J. E. Cockrell, Trustees and their successors, for the use of said Southern Methodist University and its successors forever to be used, held, maintained and disposed of for educational purposes according to the discipline and usages of the Methodist Episcopal Church, South, as from time to time shall be authorized and determined by the General Conference of said Church.

In testimony whereof these presents are executed by the undersigned in their representative capacity as Trustees and without warranty of title, this 10th day of May, 1922.

W. A. Candler	A. J. Lamar
Wm. B. Murrah	Asa G. Candler
Plato T. Durham	Joseph E. Cockrell
F. J. Prettyman	W. D. Thomson
John C. Kilgo	W. G. M. Thomas

STATE OF ARKANSAS :

COUNTY OF GARLAND :

Before me, the undersigned authority, a notary public in and for said county and state, on this day personally appeared W. A. Candler, Plato T. Durham, A. J. Lamar, W. B. Murrah, J. E. Cockrell, F. J. Prettyman, and J. C. Kilgo, known to me to be the persons are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 13th day of May, 1922.

(SEAL)

(Signed) Robert Neill
Notary Public, Garland County, Arkansas.

My commission expires June 16, 1923.

STATE OF GEORGIA :

COUNTY OF FULTON :

Before me, the undersigned authority, a Notary Public, in and for said County and State on this day personally appeared Asa C. Candler, Sr. and W. D. Thomson known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me severally that they each of them executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 30th day of May, 1922.

(SEAL)

(Signed) Grace Ann Hembree
Notary Public, Fulton County, Georgia.

STATE OF TENNESSEE :

COUNTY OF HAMILTON :

Before me, the undersigned authority a Notary Public in and for said County and State, on this day personally appeared W. G. M. Thomas, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 1st day of June, 1922.

(SEAL)

(Signed) L. M. Thomas
Notary Public, Hamilton County, Tennessee.

STATE OF TENNESSEE :

COUNTY OF SHELBY :

Before me, the undersigned authority, a Notary Public in and for said County and State on this day personally appeared G. T. Fitzhugh, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration and in the capacity therein stated.

In testimony whereof witness my hand and seal of office this 25th day of May, 1922.

(SEAL)

(Signed) M. K. Thornton
Notary Public, Shelby County, Tennessee.

Recorded in Vol. 1365, Page 131,
Deed Records of Dallas County, Texas.

EXHIBIT “B”

STATE OF TEXAS :

COUNTY OF DALLAS : Before me, the undersigned authority, a notary public, in and for Dallas County, Texas, on this day personally appeared Russell A. Richardson, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this the 12th day of September, A.D. 1922

Grace C. Irvine, Notary Public,

Dallas Co., Texas.

L.S.

Filed for record October 6, 1922, 12.40 o'clock P.M., W. S. Skiles, County Clerk,

By C.C. Smith, Deputy.

Recorded October 7, 1922. W.S. Skiles, County Clerk, By *Sted Keckner* Deputy.



o o o o o o o

71144....

SOUTHERN METHODIST UNIVERSITY :

TO: DEED :

THE STATE OF TEXAS:

TRUSTEES OF HIGHLAND PARK METHODIST EPISCOPAL CHURCH SOUTH:

COUNTY OF DALLAS:

KNOW ALL MEN BY THESE PRESENTS:

That SOUTHERN METHODIST UNIVERSITY, a corporation, of the County of Dallas, State of Texas, acting by its President and Secretary, duly authorized to so act by the Trustees of said University, and resolution of the Board of Education acting for the General Conference of the Methodist Episcopal Church South, for and in consideration of the sum of One Dollar, receipt of which is hereby acknowledged, paid by J.J. Russell, E. C. Tinnon, Frank Reedy, R. S. Hyer, J. S. Bradfield, Frank McNeny and Rev. J.H. McLean, Trustees of Highland Park Methodist Episcopal Church South, have Granted, Sold and Conveyed, and by these presents do Grant, Sell and Convey, unto the said J. J. Russell, E. C. Tinnon, Frank Reedy, R. S. Hyer, J.S. Bradfield, Frank McNeny and Rev. J.H. McLean, Trustees of Highland Park Methodist Episcopal Church South, of the County of Dallas, State of Texas, the following described property, to-wit:

In the S.W. corner of a one hundred acre tract, known as the Armstrong Tract, which constitutes a part of the campus of said University, more particularly described by metes and bounds as follows:

BEGINNING at a point on the North line of Mocking Bird Lane, where same intersects the West line of Bishop Boulevard; THENCE North along the West line of Bishop Boulevard 300 feet to a stake for a corner in the West line of said Bishop Boulevard; THENCE West parallel with the North line of Mocking Bird Lane 300 feet distant therefrom to a point in the East line of the right-of-way of the street railway; THENCE South along the East line of the right-of-way of the street railway parallel to the west line of Bishop Boulevard to a point in the North line of Mocking Bird Lane where the East line of the Street Railway Company's right-of-way intersects with the North line of said Mocking Bird Lane; THENCE East along the North line of Mocking Bird Lane to the point of beginning.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in any wise belonging unto the said J.J. Russell E. C. Timmon, Frank Reedy, R. S. Hyer, J. S. Bradfield, Frank McNeny, Rev. J.H. McLean, Trustees of Highland Park Methodist Episcopal Church South, the survivor or survivors of them, their successors and assigns forever in trust that said premises shall be used, kept, maintained and disposed of as a place of divine worship for the use of the ministry and

membership of the Methodist Episcopal Church South; subject to the discipline, usage and ministerial appointments of said church as from time to time authorized and declared by the General Conference of said church, and said grantor does hereby bind itself, its successors and assigns to warrant and forever defend, all and singular the said premises unto the said J. J. Russell, E. C. Tinnon, Frank Reedy, R. S. Hyer, J. S. Bradfield, Frank McNeny and Rev. J.H. McLean, Trustees of Highland Park Methodist Episcopal Church South, the survivor or survivors of them, their successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof. But it is expressly stipulated that the above described property shall never be used for other than religious or educational purposes connected with the Methodist Episcopal Church South and its successor or successors and if it shall cease immediately revert to said grantor, its successors and assigns, but nothing herein shall be construed to limit the right of the grantees and their successors to mortgage or encumber said property in their discretion for the purpose of building on and improving said property for such religious or educational purposes and in the event of reversion of the title to grantor under the provisions hereof the property will be subject to all such encumbrances, mortgages and liens.

This sale and transfer of said realty is subject to the ratification and approval of the surviving heirs of Alice T. Armstrong, deceased and shall have no effect till so ratified and approved in writing.

IN TESTIMONY WHEREOF These Presents are executed under the seal of the corporation and attested by the Secretary this 28 day of June, 1922.

SOUTHERN METHODIST UNIVERSITY

By H. A. Boaz

President

ATTEST:

A. D. Schnessler

Secretary

C.S.

THE STATE OF TEXAS:

COUNTY OF DALLAS : Before me, Mrs. M.E. Anderson, a Notary Public, in and for Dallas County, Texas, on this day personally appeared H. A. Boaz, President, and A. D. Schnessler Secretary of Southern Methodist University, known to me to be the persons whose names are subscribed to the foregoing instrument and acknowledged to me that they each executed the same for the purposes and consideration therein expressed, as the act and deed of Southern Methodist University, in the capacities therein stated.

Given under my hand and seal of office this 30 day of June, 1922.

Mrs. M. E. Anderson

Notary Public, Dallas County, Texas

L. S.

Filed for record Oct. 9th A D 1922 at 12.30 o'clock P M

W S SKILES, COUNTY CLERK BY E. L. Longmire, Deputy

Recorded Oct. 12th A D 1922 W S SKILES, COUNTY CLERK, DALLAS COUNTY, TEXAS

BY

Edith H. Anderson

DEPUTY



STATE OF TEXAS }
COUNTY OF DALLAS }

I, JOHN F. WARREN,

County Clerk in and for said County

and State, do hereby certify that the above and foregoing is a
true and correct copy of the instrument filed for record on the

9 day of Oct. 1922 and duly recorded on the

12 day of Oct. 1922 in Volume 959

Page 63 of the Records of Dallas County, Texas

WITNESS my hand and seal of office at Dallas, Texas

this 27 day of June, 20 22.

JOHN F. WARREN, COUNTY CLERK
DALLAS COUNTY, TEXAS

By _____ Deputy



EXHIBIT “C”

14961

JOHN M. MOORE, TR, ET AL :
 TO: QUITCLAIM DEED : THE STATE OF TEXAS. :
 E. W. ROSE ET AL TR. : COUNTY OF DALLAS. : THAT WE, John M. Moore, W. D. Bradfield, Joseph E. Cockrell, E. Gordon Perry, W. W. Pondren, Lynn P. Talley, C. H. Booth, J. E. Hickman, H. D. Knickerbocker, R. H. Shuttles, J. T. Griswold, E. H. Pigg, James Kilgore, Ed Stedman, Thomas Gregory, Henry Ernest Jackson, C. L. Brooks, R. E. L. Morgan, J. L. Cannon, George G. Davidson, William W. Drake, J. D. Randolph, Ivan Lee Holt, William H. Hargrove and Samuel E. Allison Trustees of Southern Methodist University for and in consideration of One Dollar to us in hand paid by E. W. Rose, J. S. Bradfield, R. S. Hyer, J. J. Russell and Frank Reedy, Trustees of Highland Park Methodist Episcopal Church South the receipt of which is hereby acknowledged, do by these presents Bargain, Sell, Release and forever Quitclaim unto the said E. W. Rose, J. S. Bradfield, R. S. Hyer, J. J. Russell and Frank Reedy Trustees of Highland Park Methodist Episcopal Church South, their successors and assigns, all our right, title and interest in and to that certain tract or parcel of land lying in the County of Dallas and State of Texas, described as follows, to-wit;

Beginning at an iron pipe for a corner, said pipe being at the intersection of the north line of Mockingbird Lane and the West line of Bishop Boulevard in the city of Highland Park, Dallas County, Texas;

THENCE North with the west line of Bishop Boulevard 300 feet to an iron pipe for a corner;

THENCE South 88 deg. 33' parallel to the North line of Mockingbird Lane 529 feet to an iron pipe on the east right of way line of the Dallas Consolidated Electric Street Railway Company, said iron pipe being 30 feet from the West line of Joel Stokes survey;

THENCE South 1 deg. 02' East with the east right of way line of the Dallas Consolidated Electric Street Railway Company and parallel to the West line of Joel Stokes survey 299.9 feet to an iron pipe in the north line of Mockingbird Lane;

THENCE north 88 deg. 33' east with the north line of Mockingbird Lane 523.5 feet to the point of beginning and being the same tract of land as was conveyed by the Southern Methodist University to the trustees of Highland Park Methodist Episcopal Church South by deed of date June 28, 1922, recorded in Vol. 959 page 63 Deed Records of Dallas County, Texas.

TO HAVE AND TO HOLD the said premises, together with all and singular the rights, privileges, and appurtenances thereto in any manner belonging unto the said E. W. Rose, J. S. Bradfield, R. S. Hyer, J. J. Russell and Frank Reedy, Trustees of Highland Park Methodist Episcopal Church South, their successors and assigns, forever, so that neither we, the said John M. Moore, W. D. Bradfield, Joseph E. Cockrell, E. Gordon Perry, W. W. Pondren, Lynn P. Talley, C. H. Booth, J. E. Hickman, H. D. Knickerbocker, R. H. Shuttles, J. T. Griswold, E. H. Pigg, James Kilgore, Ed Stedman, Thomas Gregory, Henry Ernest Jackson, C. L. Brooks, R. E. L. Morgan, J. L. Cannon, George G. Davidson, William W. Drake, J. D. Randolph, Ivan Lee Holt, William H. Hargrove, Samuel E. Allison Trustees of Southern Methodist University, nor our successors, nor any person or persons claiming under us shall at any time hereafter have claim or demand any right, or title to the aforesaid premises or appurtenances or any part thereof.

WITNESS our hands at Dallas, Texas, this the 30th day of November 1926.

1928

JOHN M. MOORE
 W. D. BRADFIELD
 E. GORDON PERRY
 LYNN P. TALLEY
 ED STEDMAN
 W. W. FONDREN
 JOSEPH E. COCKRELL
 R. H. SHUTTLES
 JAMES KILGORE
 J. E. HICKMAN
 CULLOM H. BOOTH
 H. D. KNICKERBOCKER
 THOMAS GREGORY
 HENRY ERNEST JACKSON
 SAM E. ALLISON
 J. T. GRISWOLD
 E. H. PIGG
 R. E. L. MORGAN
 C. L. BROOKS
 IVAN LEE HOLT
 JOS. D. RANDOLPH
 WILLIAM H. HARGROVE
 WILLIAM W. DRAKE
 J. L. CANNON
 GEORGE G. DAVIDSON.
 Trustees of Southern Methodist
 University.

STATE OF TEXAS. :
 COUNTY OF DALLAS.: BEFORE ME, the undersigned authority, on this day personally
 appeared John M. Moore W. D. Bradfield, E. Gordon Perry, Joseph E. Cockrell, R. H.
 Shuttles, and James Kilgore, known to me to be the persons whose names are subscribed
 to the foregoing instrument as Trustees of Southern Methodist University and
 acknowledged to me that they each executed the same for the purposes and consideration
 therein expressed, as Trustee of said Southern Methodist University and as the act and
 deed of said Southern Methodist University,

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 30th day of
 November 1926.

W. A. WALDROP, NOTARY PUBLIC
 DALLAS COUNTY, TEXAS.

L. S.

STATE OF TEXAS. :
 COUNTY OF DALLAS.: BEFORE ME, the undersigned authority, on this day personally
 appeared Lynn P. Talley known to me to be the person whose name is subscribed to the
 foregoing instrument as Trustee of Southern Methodist University and acknowledged to me
 that he executed the same for the purposes and consideration therein expressed, as
 Trustee of said Southern Methodist University and as the act and deed of said
 Southern Methodist University.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the 2nd day of
 December 1926.

W. A. WALDROP, NOTARY PUBLIC
 DALLAS COUNTY, TEXAS.

L. S.

EXHIBIT “D”

ARTICLES OF INCORPORATION
of
HIGHLAND PARK UNITED METHODIST CHURCH

FILED
In the Office of the
Secretary of State of Texas

DEC 07 1998

Corporations Section

The undersigned natural person, of the age of eighteen or more, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, does hereby adopt the following Articles of Incorporation ("Articles") for such corporation:

ARTICLE I

The name of the Corporation is "Highland Park United Methodist Church."

ARTICLE II

The Corporation is a Texas non-profit corporation.

ARTICLE III

The period of duration of the Corporation is perpetual.

ARTICLE IV

The Corporation is organized exclusively for religious, charitable, and benevolent purposes, including (without limitation) the following:

1. To proclaim and carry out the teachings and ministries of Jesus Christ in the local community and throughout the world;
2. To exist and operate as a local church of the North Texas Conference of The United Methodist Church;
3. To carry out such other purposes, operations, and activities as are ancillary or appropriate to the foregoing purposes, including, without limitation, the regular conduct of services of worship, teachings, ministries, and missions;
4. To succeed to all properties (real and personal, tangible and intangible), rights, privileges, powers, immunities, and operations of, to assume all debts and obligations of, and to maintain and carry on the operations, ministries, and missions of Highland Park United Methodist Church, a local church of the North Texas Conference of The United Methodist Church heretofore existing and operating as a non-profit unincorporated religious association;

SECRETARY OF STATE

5. To enter into contracts and to borrow money, and to acquire and hold title to property, both real and personal, in any capacity or manner recognized by applicable law and to improve, encumber, and dispose of same, in each case subject to and in conformity with *The Book of Discipline 1996 of the United Methodist Church, as the same may be amended from time to time* ("*The Book of Discipline*"), these Articles, and the Bylaws of the Corporation; and

6. To do all other acts and things which are permitted to a Non-Profit Corporation in the State of Texas and are in furtherance of or appropriate to the foregoing powers.

ARTICLE V

The Corporation shall have no Members.

ARTICLE VI

Pursuant to the Act and in furtherance of the Corporation's purposes specified herein, the following additional provisions hereby are adopted for regulation of the internal affairs of the Corporation:

1. The Corporation shall support the doctrine of The United Methodist Church, and all its property shall be subject to the laws, usages, and ministerial appointments of The United Methodist Church as may be established, made, and declared from time to time by its lawful authority as set forth in its Constitution and in *The Book of Discipline*, except to the extent the organizational power and plans set forth therein have been modified by these Articles and the Bylaws of the Corporation in accordance with ¶ 249.2 of *The Book of Discipline*.

2. The Corporation is expressly subject to, and shall own its property and conduct its affairs in accordance with, the Constitution and *The Book of Discipline*, except to the extent the organizational power and plans set forth therein have been modified by these Articles and the Bylaws of the Corporation in accordance with ¶ 249.2 of *The Book of Discipline*.

3. The Board of Directors of the Corporation shall be known as the "Church Council." The members of the Church Council shall be members of the Charge Conference, in accordance with ¶¶ 248 and 249 of *The Book of Discipline*. Members of the Church Council shall be nominated by the Committee on Nominations and Personnel (or otherwise as provided in the Bylaws) and elected by the Charge Conference, and shall serve, in accordance with the Bylaws of the Corporation.

4. Except to the extent modified by these Articles or by the Bylaws of the Corporation, the powers and duties of the Church Council, any committees of the Church Council, any Administrative Committees formed in accordance with *The Book of Discipline*, and any Work Areas formed in accordance with *The Book of Discipline* shall be as enumerated and implied by the Constitution and *The Book of Discipline*. Other councils and committees not expressly provided for in these Articles may be formed as provided in the Bylaws or in *The Book of Discipline*.

5. The Bylaws of the Corporation shall be adopted, and may be amended, or repealed and new bylaws adopted, from time to time by the Church Council.

ARTICLE VII

The Corporation is successor in interest to Highland Park United Methodist Church, a local church of the North Texas Conference of The United Methodist Church heretofore existing and operating as an unincorporated non-profit religious association and, as such successor, the Corporation hereby assumes all debts and obligations of such predecessor association.

ARTICLE VIII

The number of persons constituting the initial Church Council of the Corporation is twenty-one (21). The name and address of each initial member of the Church Council is as follows:

<u>Name:</u>	<u>Address:</u>
Katie Arnold	3300 Mockingbird Lane Dallas, Texas 75205
Honey Bracken	3300 Mockingbird Lane Dallas, Texas 75205
Bob Clinger	3300 Mockingbird Lane Dallas, Texas 75205
Rita Clinton	3300 Mockingbird Lane Dallas, Texas 75205
Mark Craig	3300 Mockingbird Lane Dallas, Texas 75205
John Croft	3300 Mockingbird Lane Dallas, Texas 75205
Bob Dill	3300 Mockingbird Lane Dallas, Texas 75205
Bruce French	3300 Mockingbird Lane Dallas, Texas 75205
Joe B. Fortson	3300 Mockingbird Lane Dallas, Texas 75205

Terry Kelley	3300 Mockingbird Lane Dallas, Texas 75205
Jack Kinnebrew	3300 Mockingbird Lane Dallas, Texas 75205
Gail King	3300 Mockingbird Lane Dallas, Texas 75205
Bill McRae	3300 Mockingbird Lane Dallas, Texas 75205
Kathleen Neely	3300 Mockingbird Lane Dallas, Texas 75205
John Patison	3300 Mockingbird Lane Dallas, Texas 75205
Rena Pederson	3300 Mockingbird Lane Dallas, Texas 75205
Tim Pugliese	3300 Mockingbird Lane Dallas, Texas 75205
Lisa Stewart	3300 Mockingbird Lane Dallas, Texas 75205
Alice Stultz	3300 Mockingbird Lane Dallas, Texas 75205
Otto Willbanks	3300 Mockingbird Lane Dallas, Texas 75205
Kimberly Yamanouchi	3300 Mockingbird Lane Dallas, Texas 75205

At no time shall the number of membership positions on the Church Council be reduced below twenty-one (21), although fewer than that number may be serving at any particular time.

ARTICLE IX

No member of the Church Council, any committee thereof, any Administrative Committee, any Work Area, or any other council or committee created by or in accordance with the Bylaws of the Corporation or *The Book of Discipline*, no officer, no member of its ordained or diaconal clergy, no employee or member of the administrative staff or of any division thereof, no member of the congregation, nor any individual official or member of any Charge, Church, Annual, Jurisdictional, or General Conference of The United Methodist Church shall be liable to the Corporation or to any person for or on account of the debts or obligations of the Corporation, of any kind or character, whether in contract, tort, or otherwise.

ARTICLE X

To the fullest extent permitted by Texas statutory or decisional law, as the same exists or may hereafter be amended or interpreted, no member of the Church Council shall be liable to the Corporation or any other person for any act or omission in such member's capacity as a member of the Church Council. Any repeal or amendment of this Article, or adoption of any other provision of these Articles which is inconsistent with this Article, by the Corporation shall be prospective only and shall not adversely affect any limitation on the liability to the Corporation or any other person of a member of the Church Council existing at the time of such repeal, amendment, or adoption of an inconsistent provision.

ARTICLE XI

The Corporation shall adopt and maintain in force Bylaws providing for indemnification of members of the Church Council and any committee thereof; members of any Administrative Committee, Work Area, or other council or committee created in accordance with the Bylaws or *The Book of Discipline*; officers of the Corporation; members of its ordained or diaconal clergy; and employees of the Corporation. Such indemnification shall be mandatory or in the discretion of the Church Council, and shall otherwise be on terms and conditions as shall be provided in the Bylaws and consistent with the provisions of applicable law.

ARTICLE XII

The street address of the initial registered office of the Corporation is: 3300 Mockingbird Lane, Dallas, Texas 75205. The name of the Corporation's initial registered agent at such address is Mark Craig.

ARTICLE XIII

The name and street address of the incorporator are:

Name:

Phillip C. Bankhead

Address:

3300 Mockingbird Lane
Dallas, Texas 75205

ARTICLE XIV

If for any reason the Corporation hereafter shall cease to exist as a legal entity or association (incorporated or otherwise) or if the local church comprised by the Corporation is discontinued, then the title to all of the Corporation's property owned as of the time of such cessation or discontinuance shall be vested in the North Texas Conference of The United Methodist Church, in its corporate capacity if at such time it is incorporated, or otherwise in the Board of Trustees thereof on its behalf, in the same manner as it holds title to any other such property; and in either event all such property shall be held in trust for the benefit of the local church formerly comprised by the Corporation, subject however, to such further disposition thereof as may be authorized and directed in accordance with *The Book of Discipline*.

ARTICLE XV

These Articles may be amended, or repealed and new Articles adopted, at any meeting of the Church Council by the affirmative vote of not less than two-thirds (2/3) of all the members of the Church Council then in office. However, said action may be taken only if the notice of the Church Council meeting specifically designates the provision(s) of these Articles proposed for amendment or repeal and sets forth any new provisions proposed to be adopted.

EXECUTED by the undersigned as incorporator under the Act this 3rd day of December, 1998.



Phillip C. Bankhead

EXHIBIT “E”

BYLAWS
OF
HIGHLAND PARK UNITED METHODIST CHURCH
a Texas Non-Profit Corporation

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**BYLAWS
OF
HIGHLAND PARK UNITED METHODIST CHURCH
a Texas Non-Profit Corporation**

ARTICLE 1

THE CHURCH

Section 1.1 Corporation: Name. Highland Park United Methodist Church is a Texas non-profit corporation formed pursuant to its Articles of Incorporation (the "Articles"), and is referred to in these Bylaws as the "Church." The Church shall conduct all its activities using the name "Highland Park United Methodist Church."

Section 1.2 Powers. Without limiting the generality of any other provision of these Bylaws, the Church, acting by and through its Church Council, is authorized to do all acts permitted by the Texas Non-Profit Corporation Act (the "Act") as the same shall be amended from time to time; provided, however, the Church, except to an insubstantial degree, shall not engage in any activities or exercise any powers that are not in furtherance of the purposes of the Church or are inconsistent with the Articles.

ARTICLE 2

OFFICES

Section 2.1 Registered Agent and Office. The initial registered office and agent of the Church shall be as designated in the Articles. Thereafter, the registered agent and/or the registered office of the Church shall be such other person or place as the Church Council may from time to time designate.

Section 2.2 Offices. The principal office of the Church shall be 3300 Mockingbird Lane, Highland Park, Texas (with a mailing address of 3300 Mockingbird Lane, Dallas, Texas 75205). The Church may have other offices at such places, within or without the State of Texas, as the Church Council from time to time may determine.

ARTICLE 3

CHURCH COUNCIL

Section 3.1 Church Council. The powers of the Church shall be exercised by or under the authority of, and the business and affairs of the Church shall be managed under the direction of, its Church Council, which may do or cause to be done all such lawful acts and things as are not by the Act, the Articles, or these Bylaws prohibited. The members of the Church Council and any other persons required by ¶ 248.2 of *The Book of Discipline 1996 of The United Methodist Church*, as the

same may be amended from time to time ("*The Book of Discipline*") shall serve as the members of the Charge Conference of the Church when convened as such in accordance with *The Book of Discipline*. All members of the Church Council must be full members in good standing of Highland Park United Methodist Church, in accordance with the membership requirements of *The Book of Discipline* and the North Texas Conference of the United Methodist Church. All members of the Church Council are "directors," and the Church Council is the "board of directors," as such terms are used in the Act.

Section 3.2 Number and Designation of Church Council Members and Terms of Office. The Church Council shall consist of the ten (10) persons serving by virtue of holding other elected positions of the Church in accordance with *The Book of Discipline* and these Bylaws (the "Designated Members" of the Church Council) and eleven (11) persons elected at-large (the "At-Large Members" of the Church Council). The Designated Members of the Church Council shall be the persons serving in the following positions: Chairperson of the Church Council; Chairperson-Elect of the Church Council; Chairperson of the Committee of Trustees; Chairperson of the Program Council; Chairperson of the Committee on Finance; Chairperson of the Committee on Nominations and Personnel (who is the Senior Pastor); Chairperson of the Lay Delegates to the Annual Conference; Chairperson of the Permanent Endowment Committee; Chairperson of the Committee on Pastor-Parish Relations; and the President of the local unit of United Methodist Women at the Church. The number of members of the Church Council may not be increased or decreased except by amendment to the Articles in accordance with the requirements set forth therein. No decrease in the number of members of the Church shall shorten the term of any incumbent member of the Church Council.

Except as expressly provided otherwise herein, each Designated Member of the Church Council shall serve on the Church Council for so long as such person holds the elected position that qualifies such person as a Designated Member. The eleven At-Large Members of the Church Council shall have staggered three-year terms; provided, however, that three of the initial At-Large Members named in the Articles shall serve a term of one year; four of the initial At-Large Members shall serve a two-year term; and four of the initial At-Large Members shall serve a three-year term. Any At-Large Member elected to succeed an initial At-Large Member shall serve a three-year term. No At-Large Member may be re-elected to another At-Large term until the expiration of two (2) years after the expiration of his or her last term as an At-Large Member of the Church Council. In any year, not more than one person who is serving in a Designated Position on the Church Council may, upon expiration of such person's term as a Designated Member, be elected as an At-Large Member of the Church Council. No person may hold two positions on the Church Council simultaneously.

Section 3.3 Election and Approval of Church Council and Other Persons. The members of the Church Council (other than the Chairperson of the Committee on Nominations and Personnel, the Chairperson of the Committee of Trustees, and the President of United Methodist Women) shall be nominated by the Committee on Nominations and Personnel in accordance with *The Book of Discipline* and then elected and approved by the Charge Conference, which shall meet annually in

accordance with *The Book of Discipline* for the purpose of holding such election. Members of the Administrative Committees (other than members of the Committee on Nominations and Personnel and the Chairperson of the Committee of Trustees), persons to chair Work Areas, and other persons holding positions required by *The Book of Discipline* shall also be nominated by such committee and elected by the Charge Conference at such annual meeting. Immediately following the annual Charge Conference meeting at which persons are elected as provided above, the Church Council shall meet at the same location, shall elect the officers of the Church not elected by the Charge Conference, and may transact any other business. Members, and the Chairperson, of the Committee on Nominations and Personnel shall be nominated and elected as provided in *The Book of Discipline*. The Chairperson of the Committee of Trustees shall be elected by the Committee of Trustees in the same manner as provided in *The Book of Discipline* with respect to the chairperson of the board of trustees. The President of United Methodist Women shall be nominated and elected in accordance with the bylaws of the United Methodist Women unit at the Church.

Section 3.4 Resignation. Any member of the Church Council may resign as such by giving written notice to the Chairperson of the Church Council or the Senior Pastor (or, in the case of resignation of the Senior Pastor or the Chairperson of the Church Council, by giving notice to the other of such persons). The resignation shall take effect at the time specified therein, or immediately if no time is specified therein. Unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 3.5 Vacancies. Except as provided in the following sentences of this Section 3.5, any vacancy occurring in the Church Council caused by death, resignation, disqualification, removal from office, or otherwise, shall be filled by affirmative vote of a majority of the remaining Church Council members though less than a quorum. Any person elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. A vacancy occurring for any reason in the position of Chairperson of the Church Council shall be filled by the Chairperson-Elect of the Church Council. A vacancy occurring for any reason in the position of Chairperson-Elect of the Church Council shall be filled by election at the next meeting of the Charge Conference. A vacancy occurring for any reason in the position of the Chairperson of the Committee of Trustees shall be filled by election by the Committee of Trustees in the same manner as provided in *The Book of Discipline* with respect to the chairperson of the board of trustees. A vacancy occurring for any reason in the position of Senior Pastor (who also serves as Chief Executive Officer and as Chairperson of the Committee on Nominations and Personnel) shall be filled pursuant to the appointive process of the North Texas Conference of the United Methodist Church. A vacancy occurring for any reason in the position of President of United Methodist Women shall be filled in accordance with the bylaws of the United Methodist Women unit at the Church.

Section 3.6 Meetings. Meetings of the Church Council may be called by the Chairperson of the Church Council or by the Senior Pastor; meetings of the Church Council may also be called by any five (5) members of the Church Council. Meetings of the Church Council shall be called on not less than seven (7) days' notice given to each Church Council member. The Church Council shall meet no less frequently than once every quarter. Meetings of the Charge Conference shall be

called in accordance with the requirements of *The Book of Discipline*. Except as otherwise expressly provided in these Bylaws, in the Articles, or in *The Book of Discipline*, the purpose of any meeting may, but need not be, specified in the notice or any waiver of notice. The Church Council shall meet at the principal office of the Church or at such other place as the Church Council may approve.

Section 3.7 Quorum and Voting. At all meetings of the Church Council and any committee of the Church Council, the presence of a majority of the members then in office shall be a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Church Council or committee, as applicable, except as may be otherwise specifically provided by statute or by the Articles or these Bylaws. If a quorum shall not be present at any meeting of the Church Council or a committee thereof, the members present may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present. The determination of quorum and voting requirements for the Charge Conference shall be in accordance with *The Book of Discipline*. No person who is a member of the Church Council and a paid employee of the Church shall vote on matters relating to his or her employment relationship.

Section 3.8 Unanimous Consent in Lieu of Meeting. Any action required or permitted to be taken at a meeting of the Church Council or any committee thereof may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the members of the Church Council or committee, and such unanimous consent shall have the same force and effect as a unanimous vote at a meeting.

Section 3.9 Telephone Meetings. Church Council members or members of any committee of the Church Council may participate in and hold a meeting by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other.

Section 3.10 Committees. The following committees provided for in *The Book of Discipline* shall constitute committees of the Church Council: the Program Council; the Committee on Finance; the Committee on Nominations and Personnel; the Lay Delegates to the Annual Conference; the Permanent Endowment Committee; the Committee on Pastor-Parish Relations; and the Committee of Trustees. Such committees provided for in *The Book of Discipline*, subject to the Articles and these Bylaws, shall have such power and authority and shall perform such functions as may be provided in *The Book of Discipline*, except that the Committee of Trustees (which is referred to in *The Book of Discipline* as the board of trustees) shall perform the functions of the board of trustees granted to it in accordance with Section 3.12 of these Bylaws. The Church Council or the Chairperson of the Church Council, subject to ratification by the Church Council, may designate, and appoint members to serve on, other committees, both standing and ad hoc, and any such committee may include persons who are not members of the Church Council. Any such other committee shall have such power and authority and shall perform such functions as the Church Council may determine. The chairperson of any such other committee shall be designated by the Church Council or the Chairperson of the Church Council. If any vacancy or vacancies occur in a

committee of the Church Council caused by death, resignation, disqualification, removal from office, or otherwise, the vacancy or vacancies shall be filled by the Church Council, after input from the Committee on Nominations and Personnel when deemed appropriate by the Church Council or as otherwise required by *The Book of Discipline*. Each committee shall keep regular minutes of its proceedings and report the same to the Church Council when required.

Section 3.11 Compensation of Church Council Members. No Church Council Member or member of any committee of the Church Council, other than the Senior Pastor, may be paid compensation for service as a member of the Church Council or member of any such committee.

Section 3.12 Powers and Duties Relating to Church Property; Committee of Trustees. The Committee of Trustees shall have all powers and duties granted to it through the Church Council by the Charge Conference. The Committee of Trustees shall make recommendations to the Church Council concerning the purchase and sale of real and personal property, the incurring of indebtedness and granting of liens in Church property therefor, and construction and remodeling of Church facilities. The Committee of Trustees shall have oversight and authority with respect to maintenance and repairs of Church Property and purchases and sales of personal property so long as the expenditures therefor do not exceed the amount approved for such expenditures in the annual budget of the Church approved by the Church Council. The Committee of Trustees shall fulfill the functions required in ¶¶ 2532(2) & (6) of *The Book of Discipline*. Any contract, deed, bill of sale, mortgage or deed of trust, or other written instrument relating to property of the Church (collectively, "Property Contracts and Instruments") that is approved in accordance with these Bylaws and *The Book of Discipline* shall be executed on behalf of the Church by two officers of the Church authorized to do so by the Church Council.

Section 3.13 Call of Church Conference. The Church Council may exercise the authority given to it in ¶ 250 of *The Book of Discipline* to request a Church Conference, on any matter which *The Book of Discipline* requires be approved by either a Charge Conference or a Church Conference, upon the request of not less than one-fourth (1/4) of all the members of the Church Council then in office. Such request shall be in writing and signed by no fewer than such required number of members of the Church Council, and shall be sent to the District Superintendent, who shall have authority and discretion to call a Church Conference meeting in accordance with *The Book of Discipline*. Approval by a majority of the members of the Church Council shall not be required as a condition to a formal request by the Church Council for the District Superintendent to call a Church Conference.

ARTICLE 4

ADVISORY COUNCIL

Section 4.1 Advisory Council. The Advisory Council shall consist of all persons who have served in the past as Chairperson of the Church Council or Chairperson of the Administrative Board (prior to incorporation of the Church) and the current Chairperson of the Church Council. The Senior Pastor and the Chairperson-Elect of the Church Council may attend meetings of the Advisory Council, but shall not be members thereof. The Advisory Council shall advise the Church Council on matters deemed appropriate by either body, but shall not have any binding authority or voting privileges in the conduct of Church business. The Advisory Council shall, in accordance with the wishes of the Church Council, act to keep the congregation informed, gather opinion, and help reach consensus within the congregation. Each member of the Advisory Council shall serve without a term limitation. All members serving on the Advisory Council must be full members in good standing of Highland Park United Methodist Church, in accordance with the membership requirements of *The Book of Discipline* and the North Texas Conference of the United Methodist Church.

Section 4.2 Meetings. Meetings of the Advisory Council shall be held on the call of the Chairperson of the Church Council or the Senior Pastor. Notice of all Advisory Council meetings shall be given to all its members.

ARTICLE 5

LEADERSHIP COUNCIL

Section 5.1 Leadership Council. The Leadership Council shall consist of not more than six hundred (600) persons who are active leaders in the Church, including persons who serve on the Church Council, the Advisory Council, chairpersons of all Work Areas, all Age Level Coordinators, all adult Sunday School Class presidents, all regular Sunday School teachers, all United Methodist Women Circle leaders, all Youth Counselors, and all leaders of formal Bible Study classes sanctioned by the Church. The Leadership Council shall advise the Church Council on matters deemed appropriate by either body, but shall not have any binding authority or voting privileges in the conduct of Church business. The Leadership Council shall, in accordance with the wishes of the Church Council, act to keep the congregation informed, gather opinion, and help reach consensus within the congregation. Members of the Leadership Council will serve while serving in the other position within the Church which qualifies them for membership on the Leadership Council. All members serving on the Leadership Council must be full members in good standing of Highland Park United Methodist Church, in accordance with the membership requirements of *The Book of Discipline* and the North Texas Conference of the United Methodist Church.

Section 5.2 Meetings. Meetings of the Leadership Council are to be held no less frequently than three times per year, on such date as specified in the call of each meeting by the Chairperson of the Church Council or the Senior Pastor. In addition to its regular meetings, the

Leadership Council may also hold special meetings upon the call of the Chairperson of the Church Council or the Senior Pastor. Notice of each meeting of the Leadership Council shall be sent to its members not less than seven (7) days prior to each meeting. The purpose of any meeting may, but need not, be specified in the notice.

ARTICLE 6

NOTICE

Section 6.1 Form of Notice. Whenever under the provisions of the statutes or of the Articles of Incorporation or of these Bylaws, notice is required to be given to any member of the Church Council, any committee thereof, the Advisory Council, or the Leadership Council and no provision is made as to how such notice shall be given, it shall not be construed to require personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such member at such address as it appears on the books of the Church, or by telecopy to such member at his or her telecopy number as it appears on the books of the Church. Any notice given by mail shall be deemed to be given on the second business day after it is deposited in the United States mail, postage prepaid; any notice given by telecopy shall be deemed to have been given upon confirmation by the sending telecopy machine that such telecopy has been sent. Notice of any Charge Conference or Church Conference meeting shall be given in accordance with *The Book of Discipline*.

Section 6.2 Waiver. Whenever any notice is required to be given to any member of the Church Council, any committee thereof, the Advisory Council, or the Leadership Council, under the provisions of the statutes or of the Articles of Incorporation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice.

ARTICLE 7

OFFICERS

Section 7.1 In General. The principal officers of the Church shall consist of a Chairperson of the Church Council, a Chairperson-Elect of the Church Council, a Chief Executive Officer, a Treasurer, and a Secretary. No person may hold more than one principal office at the same time. The Church Council may also elect other officers, who shall have the authority specified in these Bylaws or, absent such a provision, the authority granted to any such officer in the resolutions creating the office to which such person is elected.

Section 7.2 Election. The Church Council shall elect the officers of the Church not elected by the Charge Conference at each annual meeting, held pursuant to Section 3.3 of these Bylaws. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 7.3 Other Officers and Agents. The Church Council may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Church Council.

Section 7.4 Salary. No officer of the Church may be paid a salary for his services as an officer; however, (i) officers shall not be barred from serving the Church, under the ministerial appointment system of the North Texas Conference of the United Methodist Church or otherwise, as an employee and receiving reasonable compensation or salary for such services and (ii) the Treasurer shall not be barred from serving the Church as an employee, even if not an appointed minister, and receiving reasonable compensation or salary for such services.

Section 7.5 Term of Office and Removal. Each officer of the Church shall hold office until the earliest of his or her death, resignation, or removal from office, or the election and qualification of his or her successor, or, in the case of a person appointed under the ministerial appointment system of the North Texas Conference of the United Methodist Church, until he or she resigns, retires, or is reappointed to a different charge under such system. Any officer or agent elected or appointed by the Church Council may be removed at any time for or without cause by the affirmative vote of a majority of the whole Church Council, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. If any office becomes vacant for any reason, the vacancy may be filled by the Church Council. Any officer or agent appointed by the Church Council may resign as such by giving written notice to the Chairperson of the Church Council or the Senior Pastor. The resignation shall take effect at the time specified therein, or immediately if no time is specified therein. Unless specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6 Chairperson of the Church Council. The Chairperson of the Church Council shall lead the Church Council in fulfilling its responsibilities; prepare and communicate the agenda of Church Council meetings in consultation with the Senior Pastor and other appropriate persons; in consultation with the Senior Pastor, review and assign responsibility for the implementation of actions taken by the Church Council; communicate with members of the Church Council and others as appropriate to permit informed action at Church Council meetings; coordinate the various activities of the Church Council; provide initiative and leadership for the Church Council as it does the planning, establishing of objectives and goals, and evaluating required in its activities; and participate as appropriate in district and Annual Conference activities. The Chairperson of the Church Council shall preside, when present, at all meetings of the Church Council, the Leadership Council, and the Advisory Council. The Chairperson of the Church Council shall be entitled to attend all meetings of the Administrative Committees and other committees of the Church Council, Work Areas, and other groups created by the Church Council or otherwise functioning at the Church in accordance with these Bylaws or *The Book of Discipline* and shall be a member of the Committee on Pastor-Parish Relations. In the absence of the Chairperson of the Church Council, the Chairperson-Elect of the Church Council shall preside at all meetings of the Church Council, the Leadership Council, or the Advisory Council or, if the Chairperson-Elect is not present thereat,

another member of the Church Council shall be appointed by the Chairperson of the Church Council or members in attendance at such meeting to chair that meeting. Except as the Church Council shall authorize the execution thereof in some other manner, or except as otherwise limited by the Church Council, the Chair of the Church Council shall have authority to (i) execute Property Contracts and Instruments (as defined in Section 3.12) on behalf of the Church along with another officer or member of the Church Council designated by the Church Council and (ii) execute other contracts on behalf of the Church.

Section 7.7 Chairperson-Elect of the Church Council. The Chairperson-Elect of the Church Council shall succeed the Chairperson of the Church Council in office. The Chairperson-Elect shall work with the Chairperson of the Church Council to learn the duties of the office of the Chairperson, shall advise and assist the Chairperson of the Church Council, and shall have such other duties as the Church Council shall direct. The Chairperson-Elect of the Church Council shall be entitled to attend all meetings of the Advisory Council, the Leadership Council, Administrative Committees and other committees of the Church Council, Work Areas, and other groups created by the Church Council or otherwise functioning at the Church in accordance with these Bylaws or *The Book of Discipline*.

Section 7.8 Chief Executive Officer. The Senior Pastor shall hold the office of the Chief Executive Officer. The Chief Executive Officer shall be the chief executive officer of the Church and shall have the general powers and duties of supervision and management usually vested in the office of the president of a corporation, and, subject to *The Book of Discipline* and the powers of the Church Council, he shall have general supervision, direction, and control of the ministries and business of the Church. Except as the Church Council shall authorize the execution thereof in some other manner, or except as otherwise limited by the Church Council, the Chief Executive Officer shall have authority to (i) execute Property Contracts and Instruments (as defined in Section 3.12) on behalf of the Church along with another officer or member of the Church Council designated by the Church Council and (ii) execute other contracts on behalf of the Church.

Section 7.9 Treasurer. The Treasurer shall be elected by the Church Council. The Treasurer shall be the chief financial officer of the Church and shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Church and shall deposit (or cause to be deposited) all moneys and other valuable effects in the name and to the credit of the Church in such depositories as may be designated by the Church Council from time to time. The Treasurer shall disburse (or cause to be disbursed) the funds of the Church as may be ordered by the Church Council, taking proper vouchers for such disbursements, and shall render to the Chief Executive Officer and the Church Council, at its regular meetings or when the Church Council so requires, an account of all his or her transactions as Treasurer and of the financial condition of the Church. The Treasurer shall perform such other duties as may be prescribed by the Church Council, the Chief Executive Officer, or the Treasurer. The Treasurer shall fulfill the functions required of the "church treasurer" by ¶262.4(b) of *The Book of Discipline*.

Section 7.10 Secretary. A member of the Church Council, elected by the Church Council, shall hold the office of the Secretary. The Secretary shall attend all meetings of the Church Council (including its meetings as the Charge Conference) and record all votes and the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall perform such other duties as may be prescribed by the Church Council. The Secretary shall keep in safe custody the seal of the Church, if any, and, when authorized by the Church Council, affix the same to any instrument requiring it.

Section 7.11 Assistant Secretary or Secretaries. In the absence of the Secretary or at his or her request, or in the event of his or her inability or refusal to act, the Assistant Secretary, if any (or, if there be more than one, the Assistant Secretaries in the order designated by the Church Council or the Chairperson of the Church Council or, in the absence of any designation, then in the order of their election), shall perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Church Council, the Chairperson of the Church Council, or the Secretary may from time to time prescribe. Assistant Secretaries need not be members of the Church Council.

Section 7.12 Bonding. Each officer required by the Church Council to do so shall give the Church a bond in such form, in such sum, and with such surety or sureties, as shall be satisfactory to the Church Council, for the faithful performance of the duties of his or her office and for the restoration to the Church, in case of his or her death, resignation, retirement, or removal from office, all books, papers, vouchers, money, and other property belonging to the Church of whatever kind, in his or her possession or under his or her control.

ARTICLE 8

GENERAL PROVISIONS

Section 8.1 Fiscal Year. The fiscal year of the Church shall be the calendar year.

Section 8.2 Seal. The Church may have a seal and said seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or reproduced or otherwise.

Section 8.3 Checks. All checks or demands for money and notes of the Church shall be signed by such officer or officers or such other person or persons as the Church Council from time to time may designate.

ARTICLE 9

INDEMNIFICATION

Section 9.1 General. The Church shall indemnify persons who are or were a member of the Church Council or officer of the Church both in their capacities as members of the Church

Council or officers of the Church and, if serving at the request of the Church as a director, manager, officer, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, limited liability company, trust, partnership, joint venture, sole proprietorship, employee benefit plan, or other enterprise, in each of those capacities, against any and all liability and reasonable expense that may be incurred by them in connection with or resulting from (a) any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitative, or investigative (collectively, a "Proceeding"), (b) an appeal in such a Proceeding, or (c) any inquiry or investigation that could lead to such a Proceeding, all to the fullest extent permitted by Article 2.22A of the Act. The Church may, upon approval of the Church Council in accordance with the Act, indemnify any person who is or was an employee, a member of any committee of the Church Council, Administrative Committee, Work Area, or any other council or committee created by or in accordance with these Bylaws or *The Book of Discipline*, ordained or diaconal clergy employed by the Church, or an agent (other than a member of the Church Council or officer) of the Church, and any person who is not or did not have any such capacity but who is or was serving at the request of the Church as a director, manager, officer, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, limited liability company, trust, partnership, joint venture, sole proprietorship, employee benefit plan, or other enterprise (collectively, along with the members of the Church Council and officers of the Church, such persons are referred to herein as "Corporate Functionaries") against any and all liability and reasonable expense that may be incurred by them in connection with or resulting from (a) any Proceeding, (b) an appeal in such a Proceeding, or (c) any inquiry or investigation that could lead to such a Proceeding, all to the full extent permitted by Article 2.22A of the Act. The Church may, upon approval of the Church Council in accordance with the Act, pay or reimburse, in advance of the final disposition of the Proceeding, to all persons who are or were a Corporate Functionary of the Church all reasonable expenses incurred by any such person who was, is, or is threatened to be made a named defendant or respondent in a Proceeding to the full extent permitted by Article 2.22A of the Act. The rights of indemnification provided for in this Article 9 shall be in addition to all rights to which any Corporate Functionary may be entitled under any agreement or as a matter of law or otherwise.

Section 9.2 Insurance. The Church may purchase or maintain insurance on behalf of any Corporate Functionary against any liability asserted against and incurred by him or her in such a capacity or arising out of his or her status as a Corporate Functionary, whether or not the Church would have the power to indemnify him or her against the liability under the Act or these Bylaws; provided, however, that if the insurance or other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the insurance or arrangement may provide for payment of a liability with respect to which the Church would not have the power to indemnify the person only if including coverage for the additional liability has been approved by the Church Council. Without limiting the power of the Church to procure or maintain any kind of insurance or arrangement, the Church may, for the benefit of persons indemnified by the Church, (i) create a trust fund, (ii) establish any form of self-insurance, (iii) secure its indemnification obligation by grant of any security interest or other lien on the assets of the Church, or (iv) establish a letter of credit, guaranty, or surety arrangement. Any such insurance or other arrangement may be procured, maintained, or established within the Church or its affiliates or with any insurer or other person

deemed appropriate by the Church Council regardless of whether all or part of the stock or other securities thereof are owned in whole or in part by the Church. In the absence of fraud, the judgment of the Church Council as to the terms and conditions of such insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive, and the insurance or arrangement shall not be voidable and shall not subject the Church Council members approving the insurance or arrangement to liability, on any ground, regardless of whether Church Council members participating in approving such insurance or other arrangement shall be beneficiaries thereof.

ARTICLE 10

AMENDMENTS

Section 10.1 Amendments. These Bylaws may be amended, or repealed and new bylaws adopted, at any meeting of the Church Council by the affirmative vote of not less than two-thirds (2/3) of all the members of the Church Council then in office. However, said action may be taken only if the notice of the Church Council meeting specifically designates the provision(s) of these Bylaws proposed for amendment or repeal and sets forth any new provisions proposed to be adopted.

I, the undersigned, being the Secretary of Highland Park United Methodist Church, hereby certify that the foregoing are the Bylaws of the said Church as accepted and approved by the Church Council effective as of January 1, 1999.



Honey Bracken, Secretary

EXHIBIT “F”

RESTATED CERTIFICATE OF FORMATION
FOR
HIGHLAND PARK UNITED METHODIST CHURCH

ARTICLE ONE

Highland Park United Methodist Church, pursuant to the provisions of Sections 3.057, 3.058, 3.059, 3.061 and 22.107 of the Texas Business Organizations Code, hereby adopts a Restated Certificate of Formation that accurately copies its Articles of Incorporation and all amendments thereto that are in effect to date and as further amended by such Restated Certificate of Formation as hereinafter set forth, and that contains no other change in any provision thereof.

ARTICLE TWO

The Articles of Incorporation of the corporation are amended by the Restated Certificate of Formation as follows:

- A. Article I is amended in part to change the name of the corporation.
- B. Article II is amended in part to set forth the powers, duties, authorizations, and responsibilities of the corporation.
- C. Article IV is amended in its entirety to update the purposes of the corporation.
- D. Article V is amended in part to make minor changes in wording.
- E. Article VI is amended in its entirety to provide that the Church Council shall be the governing body of the corporation and to delete the other provisions thereof.
- F. Articles VII, VIII and IX are deleted in their entirety.
- G. A new Article VII is added that shall prohibit private inurement.
- H. A new Article VIII is added that shall prohibit lobbying and political activities.

- I. A new Article IX is added that shall provide that, if the corporation is a private foundation within the meaning of Section 509(a) of the Internal Revenue Code, it shall not take any action which would subject it to the excise taxes imposed by Subchapter A of the Chapter 42 of such Code.
- J. Article X is amended in part to clarify the limitations on the liability of the directors of the corporation.
- K. Article XI, regarding indemnification, is amended in part to delete certain provisions and to make changes in wording.
- L. Article XII is amended in part to delete the word "initial" in two places.
- M. Article XIII is deleted in its entirety, and a new Article XIII is added that shall set forth procedures for action by written consent in lieu of a meeting.
- N. Article XIV is amended in its entirety to change the procedure for the distribution of the assets of the corporation remaining after the payment of any liabilities in the event the corporation is ever dissolved.
- O. Article XV is amended in part to make changes in wording.

ARTICLE THREE

The corporation has no members. Each amendment made by this Restated Certificate of Formation has been effected in conformity with the provisions of the Texas Business Organizations Code and the corporation's governing documents. The Restated Certificate of Formation does not contain any change to the Certificate of Formation other than omissions permitted by Section 3.059 of the Texas Business Organizations Code. The Restated Certificate of Formation, including each such amendment, was duly adopted at a meeting of the Church Council of the corporation held on November 16, 2022 at which a quorum was present throughout, such

Restated Certificate of Formation having received the affirmative vote of at least two-thirds (2/3) of the Church Council members then in office.

ARTICLE FOUR

The Articles of Incorporation of Highland Park United Methodist Church, a Texas nonprofit corporation, and all amendments and supplements thereto are hereby superseded by the following Restated Certificate of Formation, which accurately copies the entire text thereof, as amended as set forth above:

**RESTATED CERTIFICATE OF FORMATION
OF
HIGHLAND PARK METHODIST CHURCH**

**ARTICLE I
NAME**

The name of the corporation (the "Church") is Highland Park Methodist Church.

**ARTICLE II
POWERS**

The Church is a nonprofit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the Texas Business Organizations Code. Notwithstanding the foregoing, the Church shall neither have nor exercise any power, nor engage directly or indirectly in any activity, that would invalidate its status as an organization exempt from federal income tax and described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision or provisions of any subsequent United States Internal Revenue law or laws (the "Code").

**ARTICLE III
DURATION**

The period of duration of the Church is perpetual.

**ARTICLE IV
PURPOSES**

The Church is organized and shall be operated exclusively for religious, charitable and educational purposes within the meaning of Section 501(c)(3) of the Code. Within the scope of the foregoing purposes, the mission of the Church shall be to help people become deeply devoted followers of Christ (the "Mission"). The Church is the successor in law and fact to the church entity that has operated continuously since 1916 at Southern Methodist University and

continuously since 1917 at the property at Southern Methodist University's southwest corner now known as 3300 Mockingbird Lane, Dallas, Texas, as a place of divine worship for the use and ministry of its congregation as a successor to the Methodist Episcopal Church, South. The Church shall continue to conduct regular worship services, Sunday School and other small group activities and meetings, and other missions and ministries in furtherance of the Mission.

ARTICLE V NO MEMBERS

The Church shall have no members.

ARTICLE VI BOARD OF DIRECTORS

The Church Council of the Church shall be the governing body of the Church. The number of members of the Church Council shall be determined from time to time in the manner provided for in the Bylaws of the Church. In no event shall there be fewer than three (3) members of the Church Council.

ARTICLE VII NO PRIVATE INUREMENT

No part of the net earnings of the Church shall inure to the benefit of any director or officer of the Church, or any private individual; provided, however, that reasonable compensation may be paid for services rendered to or for the Church and expenses may be reimbursed or paid in furtherance of one or more of its purposes.

ARTICLE VIII POLITICAL AND LEGISLATIVE ACTIVITIES

No substantial part of the activities of the Church shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as permitted by Section 501(h) of the Code), and the Church shall not participate or intervene in (including the publication or distribution

of statements) any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE IX PRIVATE FOUNDATION PROHIBITIONS

Notwithstanding any other provision of this Certificate of Formation, if the Church shall be, or shall be deemed to be, a private foundation as described in Section 509(a) of the Code, then (a) the Church shall make distributions in each taxable year at such time and in such manner as not to subject the Church to tax under Section 4942 of the Code, and (b) the Church is expressly prohibited from engaging in any act of self-dealing as defined in Section 4941(d) of the Code, from retaining any excess business holdings as defined in Section 4943(c) of the Code, from making any investments in such manner as to subject the Church to tax under Section 4944 of the Code and from making any taxable expenditures as defined in Section 4945(d) of the Code.

ARTICLE X LIMITATION OF DIRECTOR LIABILITY

A member of the Church Council shall not be personally liable to the Church for monetary damages for any act or omission in such person's capacity as a member of the Church Council, except that this Article does not authorize the elimination or limitation of the liability of a member of the Church Council to the extent the member of the Church Council is found liable for: (i) a breach of the duty of loyalty to the Church; (ii) an act or omission not in good faith that constitutes a breach of duty to the Church or an act or omission that involves intentional misconduct or a knowing violation of the law; (iii) a transaction from which the member of the Church Council received an improper benefit, whether or not the benefit resulted from an action taken within the scope of the member of the Church Council's office; or (iv) an act or omission for which the liability of a member of the Church Council is expressly provided by an applicable statute. The foregoing elimination of liability to the Church shall not be deemed exclusive of any other rights,

limitations of liability or indemnity to which a member of the Church Council may be entitled under any other provision of the Restated Certificate of Formation or Bylaws of the Church, contract or agreement, vote of members of the Church Council, principle of law or otherwise. Any repeal or amendment of this Article shall be prospective only, and shall not adversely affect any limitation on the personal liability of a member of the Church Council existing at the time of such repeal or amendment. In addition to the circumstances in which a member of the Church Council is not personally liable as set forth in the foregoing provisions of this Article, the liability of a member of the Church Council shall be eliminated to the fullest extent permitted by any amendment to the Texas Business Organizations Code hereafter enacted that further eliminates or permits the elimination of the liability of a member of the Church Council.

ARTICLE XI INDEMNIFICATION

The Church shall adopt and maintain in force Bylaws providing for indemnification of members of the Church Council and any committee thereof; members of any Appointed Committee or other council or committee created in accordance with the Bylaws; officers of the Church; members of its ordained or diaconal clergy; and employees of the Church. Such indemnification shall be mandatory or in the discretion of the Church Council, and shall otherwise be on terms and conditions as shall be provided in the Bylaws and consistent with the provisions of applicable law.

ARTICLE XII REGISTERED OFFICE AND REGISTERED AGENT

The address of the registered office of the Church is 3300 Mockingbird Lane, Dallas, Texas 75205, and the name of the registered agent at such address is Paul Rasmussen.

ARTICLE XIII ACTION BY WRITTEN CONSENT

Any action required or permitted to be taken at any meeting of members of the Church Council or committee members may be taken without a meeting, if a consent or consents in writing approving the action shall be signed by a sufficient number of members of the Church Council or committee members, as the case may be, as would be necessary to take that action at a meeting at which all persons entitled to vote on the action were present and voted. Prompt notice of the taking of any action by the Church Council or a committee without a meeting by less than unanimous written consent shall be given to those members of the Church Council or committee members who did not consent in writing to the action.

ARTICLE XIV DISSOLUTION

In the event the Church is dissolved, after all liabilities and obligations of the Church are paid or provision is made therefor, the Church Council shall adopt a plan for the distribution of the remaining assets of the Church to such organization or organizations organized and operated exclusively for religious, charitable or educational purposes as shall at that time have purposes similar to those of the Church, and which qualify as religious, charitable or educational organizations described in Section 501(c)(3) of the Internal Revenue Code and public charities under the provisions of Section 509(a) of the Internal Revenue Code. No member of the Church Council or officer of the Church and no private individual will be entitled to share in the distribution of any assets of the Church in the event of its dissolution.

ARTICLE XV AMENDMENTS

The Church Council shall have the exclusive power to amend or restate this Restated Certificate of Formation. Said action may be taken only by the affirmative vote of at least two-

thirds (2/3) of all the members of the Church Council then in office, and only if the notice of the Church Council meeting specifically designates the provision(s) proposed for amendment or repeal and sets forth any new provisions proposed to be adopted.

IN WITNESS WHEREOF, this Restated Certificate of Formation has been executed on this 16th day of November, 2022, by the undersigned officer, thereunto duly authorized.

HIGHLAND PARK METHODIST CHURCH
(f/k/a Highland Park United Methodist Church)

By: 
Matt Craft
Chairperson of the Church Council

EXHIBIT “G”

**AMENDED AND RESTATED BYLAWS
OF
HIGHLAND PARK METHODIST CHURCH
a Texas nonprofit corporation**

Adopted February 20, 2024

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**AMENDED AND RESTATED BYLAWS
OF
HIGHLAND PARK METHODIST CHURCH
a Texas nonprofit corporation**

**ARTICLE 1
THE CHURCH**

Section 1.1 Corporation; Name. Highland Park Methodist Church is a Texas nonprofit corporation governed by its Restated Certificate of Formation (the "Certificate"), these Amended and Restated Bylaws (the "Bylaws") and Chapter 22 of the Texas Business Organizations Code (the "TBOC") and is referred to in these Bylaws as the "Church." The Church shall conduct all its activities using the name "Highland Park Methodist Church" or such other assumed name or names as may be permitted under the TBOC and other applicable Texas law and approved from time to time by the Church Council (as defined in Article 4), including, but not limited to, "Highland Park United Methodist Church," as a continuation of the name being used by the Church as of the date of adoption of these Bylaws.

Section 1.2 Powers. Without limiting the generality of any other provision of these Bylaws, the Church, acting by and through its Church Council, is authorized to do all acts permitted by the TBOC as the same shall be amended from time to time; provided, however, the Church, except to an insubstantial degree, shall not engage in any activities or exercise any powers that are not in furtherance of the purposes of the Church or are inconsistent with the Certificate or its status as a religious, charitable, and educational organization that is exempt from federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code that is a "church or convention or association of churches" described in Section 170(b)(1)(A)(i) of the Internal Revenue Code.

Section 1.3 Church Mission. The Church is the successor in law and fact to the church entity that has operated continuously since 1916 at Southern Methodist University and continuously since 1917 at the property at Southern Methodist University's southwest corner now known as 3300 Mockingbird Lane, Dallas, Texas, as a place of divine worship for the use and ministry of its congregation as a successor to the Methodist Episcopal Church, South. The mission of the Church shall be to help people become deeply devoted followers of Christ (the "Mission"). The Church shall continue to conduct regular worship services, sunday school and other small group activities and meetings, and other missions and ministries in furtherance of its Mission.

**ARTICLE 2
MEMBERS**

The Church shall not have "members," as that term is defined in Chapter 22 of the TBOC, and management of the Church is not vested in any member or members. For ecclesiastical purposes, the Church may have Professing Members (herein so called), who have professed their faith in Jesus Christ in the Church or in any other Christian church or any Christian denomination (or who

have transferred an ecclesiastical membership from such a church or denomination). Individuals baptized in the Church or any other Christian church or by any Christian denomination may be considered ecclesiastical members of the Church, along with Professing Members, and as such are a part of the Body of Christ and the universal church. The Church, acting through its Senior Minister, may make any provisions for profession of faith and for the registration of Professing Members and baptized persons for ecclesiastical purposes. No matter affecting or involving the Church shall require a vote of the Professing Members or baptized persons.

ARTICLE 3

OFFICES

Section 3.1 Registered Agent and Office. The registered agent and/or the registered office of the Church shall be such person and/or place as the Church Council may from time to time designate by causing to be filed an appropriate instrument with the Secretary of State of Texas.

Section 3.2 Offices. The principal office of the Church shall be 3300 Mockingbird Lane, Highland Park, Texas (with a mailing address of 3300 Mockingbird Lane, Dallas, Texas 75205). The Church may have other offices, worship venues, and other facilities at such places, within or without the State of Texas, as the Church Council from time to time may determine.

ARTICLE 4

CHURCH COUNCIL

Section 4.1 Church Council. The Church Council is the "Board of Directors" of the Church as such term is used in the TBOC. All persons serving on the Church Council must be full Professing Members of the Church. The powers of the Church shall be exercised by or under the authority of, and the business and affairs of the Church shall be managed under the direction of the Church Council, which may do or cause to be done all such lawful acts and things as are not by the TBOC, the Certificate, or these Bylaws prohibited. Without in any way limiting the powers granted in the preceding sentence, the Church Council is specifically authorized and empowered to cause the Church to (i) become affiliated with, become associated with, join, become a member of, create a relationship with, or otherwise reach accommodations of any nature with, any religious or other charitable organization, order, denomination, individual church, group of churches, or any other organization or entity the principal purpose of which is religious, educational or charitable in any form, in each case on such terms, restrictions, requirements, and limitations as the Church Council shall from time to time approve, and (ii) amend or terminate any such affiliation, association, joining, membership, relationship, or other accommodation at any time.

Section 4.2 Number and Designation of Church Council Members and Terms of Office. Subject to Section 4.2(b), the Church Council shall consist of the 6 persons serving as *ex-officio*, voting members of the Church Council by virtue of holding other elected positions of the Church in accordance with these Bylaws (the "Designated Members" of the Church Council) and 15 persons elected at-large (the "At-Large Members" of the Church Council). Among the At-Large Members there shall be a representation of inclusivity and diversity of the Church. The number of members of the Church Council may be increased or decreased only by amendment of these

Bylaws. No decrease in the number of members of the Church Council shall shorten the term of any incumbent member of the Church Council. In addition to the Designated Members and At-Large Members of the Church Council, any individual serving as Chairperson of a Standing Committee (as defined in Section 5.1 of these Bylaws) who is not a Designated Member or an At-Large Member shall be *ex-officio*, nonvoting members of the Church Council.

(a) Designated Members. The Designated Members of the Church Council shall be the persons serving in the following positions:

- Chairperson of the Church Council;
- Chairperson-Elect of the Church Council;
- Senior Minister;
- Chairperson of the Pastoral Relations Committee;
- Chairperson of the Finance Committee; and
- Chairperson of the Properties Committee.

Except as may be expressly provided otherwise herein, each Designated Member of the Church Council shall serve on the Church Council for so long as such person holds the elected position that qualifies such person as a Designated Member.

(b) Transition. Upon adoption of these Bylaws, (i) the Church Council shall appoint the Chairperson and members of the Pastoral Relations Committee (as defined in Section 5.8 of these Bylaws) and the at-large members of the Executive Committee (as defined in Section 5.2 of these Bylaws), (ii) the committee in existence immediately prior to the adoption of these Bylaws that was referred to as the “Executive Committee,” as defined in the Amended and Restated Bylaws of the Church dated November 16, 2022 (the “Prior Bylaws”), shall cease to exist, and (iii) the Prior Bylaws of the Church shall be replaced by these Bylaws.

Section 4.3 At-Large Members. The At-Large Members of the Church Council shall have staggered three-year terms; no At-Large Member shall serve more than two consecutive terms unless that person has been elected to a position that makes such person a Designated Member and the term of that office or position would extend beyond the sixth year. No person may hold more than one position on the Church Council simultaneously. At-Large Members of the Church Council shall serve terms beginning on January 1 and ending on December 31 of each year.

Section 4.4 Election and Approval of Church Council and Other Persons; Annual Meeting. At-Large Members and Designated Members, as well as members of the Standing Committees (as defined in Section 5.1 of these Bylaws), shall be nominated by the Nominations Committee and elected by the Church Council at its annual meeting, which shall be held in the fourth quarter of every year. The Church Council may transact any other business at its annual meeting. The Church Council shall also elect the officers of the Church at its first meeting of every year, other than the Chairperson of the Church Council and the Chairperson-Elect of the Church Council who shall be elected at its annual meeting.

Section 4.5 Resignation. Any member of the Church Council may resign as such by giving written notice to the Chairperson of the Church Council or the Senior Minister (or, in the

case of resignation of the Senior Minister and subject in such case to Section 7.5 of these Bylaws or the Chairperson of the Church Council, by giving notice to the other of such persons). The resignation shall take effect at the time specified therein, or immediately if no time is specified therein. Unless otherwise specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 4.6 Removal. Any At-Large Member or Designated Member (other than the Senior Minister, whose removal is governed by Section 7.8(c) of these Bylaws) may be removed, either for or without cause, by the affirmative vote of a majority of the Church Council members then in office present at any meeting of the Church Council at which a quorum is present, if notice of the intention to act upon such matter shall have been given in the notice of such meeting and if such notice is provided to the Church Council member proposed to be removed. A Designated Member shall be removed upon ceasing to serve in the position that qualified the Designated Member to serve on the Church Council.

Section 4.7 Vacancies. Except as provided in the following subsections of this Section 4.7, any vacancy occurring in the Church Council, any Standing Committee, or any officer of the Church caused by death, resignation, disqualification, removal from office, or otherwise, shall be filled by affirmative vote of a majority of the Executive Committee, unless the Executive Committee in its discretion determines that the time until the Annual Appointment Process (as such term is defined in Section 5.6 of these Bylaws) is soon enough to leave the vacancy temporarily unfilled. Any person elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

(a) A vacancy occurring for any reason in the position of Chairperson of the Church Council shall be filled by the Chairperson-Elect of the Church Council. A vacancy occurring for any reason in the position of Chairperson-Elect of the Church Council shall be filled by election at the next meeting of the Church Council.

(b) A vacancy occurring in the Chairperson of any Standing Committee or in any officer position (other than Senior Minister, the Chairperson of the Church Council and the Chairperson-Elect of the Church Council) shall be filled by the Executive Committee unless it occurs within 30 days of the anticipated Church Council vote in the Annual Appointment Process.

(c) A vacancy in the Executive Committee shall be filled by the remaining members of Executive Committee unless it occurs within 30 days of the anticipated Church Council vote in the Annual Appointment Process.

(d) A vacancy occurring for any reason in any Appointed Committee (as defined in Section 5.1 of these Bylaws) may be filled or may be left vacant by whomever or whichever of the Chairperson of the Church Council, Senior Minister, or Church Council appointed such person.

(e) A vacancy occurring for any reason in the position of Senior Minister shall be filled as provided in Section 7.8(c) of these Bylaws.

Section 4.8 Meetings. Meetings of the Church Council may be called by the Chairperson of the Church Council or by the Senior Minister; meetings of the Church Council may also be called by any five members of the Church Council. Meetings of the Church Council shall be called on not less than 10 days' notice given to each Church Council member. The Church Council shall meet no less frequently than once every quarter. Except as otherwise expressly provided in these Bylaws, the Certificate, or the TBOC, the purpose of any meeting may but need not be specified in the notice or any waiver of notice. The Church Council shall meet at the principal office of the Church or at such other place as the Church Council, or the Chairperson of the Church Council acting in concert with the Senior Minister, may approve.

Section 4.9 Quorum and Voting. At all meetings of the Church Council and any committee of the Church Council (whether a Standing Committee or an Appointed Committee), the presence of a majority of the members then in office shall be a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Church Council or committee, as applicable, except as may be otherwise specifically provided by the TBOC or by the Certificate or these Bylaws. If a quorum shall not be present at any meeting of the Church Council or a committee thereof, the members present may adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum shall be present. No person who is a member of the Church Council and a paid employee of the Church shall vote on matters relating to his or her employment relationship.

Section 4.10 Matters Requiring Supermajority Vote. The following actions shall require the affirmative vote of at least two-thirds (2/3) of the Church Council members then in office:

- (a) Any change from the Wesleyan Methodist theological tradition of the Church or any change in the Mission of the Church as provided in Section 1.3 of these Bylaws and Article IV of the Certificate;
- (b) Alteration, amendment, or repeal of the Certificate or of these Bylaws;
- (c) Adoption of a plan of merger or a plan of consolidation with another entity;
- (d) Voluntary dissolution of the Church; and
- (e) Any voluntary declaration of bankruptcy or assignment for the benefit of creditors.

Section 4.11 No Compensation. No Church Council Member or member of any Standing Committee of the Church may receive separate compensation for service as a member of the Church Council or member of any such committee. Employees of the Church may serve on Standing Committees or Appointed Committees (as such terms are defined in Section 5.1 of these Bylaws), and shall receive only their normal compensation from employment without additional compensation for service on the committee(s).

ARTICLE 5

COMMITTEES

Section 5.1 Committees.

(a) The following committees shall constitute the Standing Committees (herein so called) of the Church Council: the Audit Committee, the Executive Committee, the Finance Committee; the Investment Committee, the Nominations Committee, the Outreach Committee, the Pastoral Relations Committee, the Properties Committee, and the Stewardship Committee. Such Standing Committees shall have such power and authority and shall perform such functions as may be provided in these Bylaws or in authorizing resolutions of the Church Council. The number of individuals serving on the Standing Committees shall be determined by the Church Council as part of the Annual Appointment Process.

(b) Any of the Church Council, the Chairperson of the Church Council, or the Senior Minister may designate and appoint members to serve on other committees deemed appropriate to the mission or affairs of the Church ("Appointed Committees"), which may be ad hoc, for a term, or standing, and any such committee may include persons who are not members of the Church Council. Any Appointed Committee shall have such power and authority and shall perform such functions as the appointing person or Church Council may determine. The chairperson of any Appointed Committee shall be designated by the appointing person or the Church Council.

(c) Strict confidentiality shall be observed by members of the Standing Committees and Appointed Committees in all matters addressed by such committees, except where a decision is made by the committee (whether formally or informally by consensus) that disclosure of specified information to one or more specified individuals not a member of the committee is necessary. Notwithstanding the forgoing, representatives of the Standing Committees and Appointed Committees shall, as applicable, make reports to the Church Council, as appropriate.

Section 5.2 Executive Committee.

(a) Only when the full Church Council is unable to do so due to timing and/or emergency, the Executive Committee of the Church Council shall possess and may exercise any and all of the powers and functions of the Church Council in the management and direction of the affairs of the Church, except for the actions of the Church Council specified in Section 4.10 of these Bylaws and other actions reserved to the Church Council by the TBOC. Either the Chairperson of the Church Council or the Senior Minister shall have the ability to decide whether the Executive Committee has the authority to act in such a matter.

(b) The Executive Committee of the Church Council shall consist of individuals who are then serving as members of the Church Council (which may include *ex-officio*, nonvoting members). Members of the Executive Committee shall be comprised of the Chairperson of the Church Council, the Chairperson-Elect of the Church Council, the Chairperson of the Pastoral Relations Committee, the Senior Minister, and at-large members (the number of which shall be determined by the Church Council as part of the Annual Appointment Process). The Chairperson

of the Church Council shall serve as Chairperson of the Executive Committee. The Executive Committee shall meet at times designated by the Chairperson of the Executive Committee or the Senior Minister. Its meetings may be held in closed session whenever the Chairperson of the Executive Committee and the Senior Minister agree that it is appropriate due to the sensitivity or confidentiality of matters to be discussed.

Section 5.3 Audit Committee. The Audit Committee shall study and make recommendations to the Finance Committee and to the Church Council regarding all financial procedures and controls. The Audit Committee shall also cause to be prepared by a certified public accountant external audited financial statements for the Church as of the end of each calendar year, review all audited financial statements, and report on the audit and any recommendations in the audit to the Church Council annually.

Section 5.4 Finance Committee.

(a) The Finance Committee shall coordinate the Church Council's financial oversight responsibilities by recommending fiscal policies to the Church Council and monitoring the implementation of such policies, and shall oversee budgets and spending of the Church. Without limiting the generality of the foregoing, the Finance Committee shall do the following:

- (i) review the annual Operating Budget (herein so called) of the Church and recommend it to the Church Council for approval;
- (ii) review and approve annual operating budgets for programs and ministries carried outside the annual Church operating budget ("Non-Operating Program Budgets");
- (iii) monitor budget implementation of the Operating Budget and Non-Operating Program budgets;
- (iv) approve and monitor compliance with financial procedures; and
- (v) review monthly and annual financial reports.

(b) From time to time undesignated gifts are given to the Church which are intended by the donor to be used for purposes of the Church other than supporting the Operating Budget or Non-Operating Program Budgets or any formal capital or endowment raising campaign ("Undesignated Gifts"). The Chief Financial Officer will account for these Undesignated Gifts in a manner similar to Non-Operating Program funds and will report changes in the Undesignated Gifts fund to both the Finance Committee and Pastoral Relations Committee at their regularly-scheduled meetings. Expenditures of Undesignated Gifts funds shall be in compliance with the TBOC, Section 501(c)(3) of the Internal Revenue Code and Regulations promulgated thereunder that are applicable to the Church, and any policies or procedures consistent with this subsection (b) which are recommended from time to time by the Finance Committee and approved by the Pastoral Relations Committee. Absent express written donor intent to the contrary, and so long as

compliant with the preceding sentence, such gifts shall be used for purposes of the Church designated by the Senior Minister and funds so designated shall be disbursed by the Chief Financial Officer in accordance with the Church's financial policies.

(c) The Finance Committee, working in conjunction with the Investment Committee, shall create and approve investment policies and limits relating to the investment of liquid Church assets held for use in the Operating Budget, the Non-Operating Program Budgets, budgeted or unbudgeted cash or near-cash reserves, amounts held for expenditure in capital programs, and amounts held temporarily from Undesignated Gifts.

Section 5.5 Investment Committee. The Investment Committee shall manage, invest, and oversee the investment of assets of the Church, including all endowment funds and any of the following which the Finance Committee determines should be invested in other than cash or cash-equivalent securities ("Non-Cash Investments"): other assets held for use in the Operating Budget, the Non-Operating Program Budgets, budgeted or unbudgeted reserves, amounts held for expenditure in capital programs, and amounts held temporarily from Undesignated Gifts. The Investment Committee shall monitor and review the performance of all such investments and report periodically to the Finance Committee and to the Church Council about their performance. The Investment Committee shall create an Investment Policy Statement for the endowment funds and Non-Cash Investments (the "IPS") and recommend it to the Church Council. The Church Council shall adopt the IPS and any modifications thereof. The Investment Committee shall review the IPS at least biennially and make recommendations for any modifications of it from time to time. Consistent with the IPS, the Investment Committee shall approve the retention (or discharge, if necessary) of one or more investment advisors and consultants as well as any managers of investment funds or separately managed accounts (collectively, "Investment Professionals"), and conduct periodic reviews of the overall performance and services of those Investment Professionals, as well as regularly review reports of such Investment Professionals. The Investment Committee shall assist the Finance Committee in creating investment policies and limits relating to the investment of liquid Church assets which do not constitute endowment funds or Non-Cash Investments. The Investment Committee shall monitor compliance with such investment policies by the Chief Financial Officer and finance department of the Church.

Section 5.6 Nominations Committee. The Nominations Committee shall identify, encourage, evaluate, and monitor lay Christian leadership for the Church. Annually, the Nominations Committee shall nominate for election by the Church Council persons other than employed staff to serve in all positions on the Church Council, including both Designated Members and At-Large Members; provided, however, that the Senior Minister, who is one of the Designated Members of the Church Council, shall be an employee of the Church. The Nominations Committee shall also nominate for election by the Church Council persons to serve as members of the Standing Committees. In fulfilling its role, the Nominations Committee shall focus on mission and ministry as the context for leadership and service, shall work with the Chairperson of the Church Council and the Senior Minister and other designated staff in assessing the Church's ever-evolving leadership needs, and shall give care that the lay leadership of the Church reflects inclusivity and diversity. The process described in this Section 5.6, together with the annual vote of the Church Council described in Section 4.4 of these Bylaws, is referred to herein as the "Annual Appointment Process."

Section 5.7 Outreach Committee. The Outreach Committee shall oversee the outreach, impact, and mission activities of the Church. Its mission shall be to engage people to fight poverty, promote justice, and serve others (the “Impact Mission”). The Outreach Committee shall fulfill its functions through internal Church ministries and programs, partnerships with external religious, nonprofit, and government agencies aligned with the Impact Mission, and partnerships with foreign religious, nonprofit, and non-governmental agencies aligned with the Impact Mission. Activities of the Outreach Committee to raise funds shall be coordinated with other Church activities through the Stewardship Committee.

Section 5.8 Pastoral Relations Committee

(a) The Pastoral Relations Committee shall consist of the Senior Minister and individuals who are Professing Members of the Church (the number of which shall be determined by the Church Council as part of the Annual Appointment Process).

(b) The duties of the Pastoral Relations Committee shall also include the following in regard to the Senior Minister and clergy employed by the Church:

(i) To confer with and advise the Senior Minister on matters pertaining to the ministry and mission of the Church, the strategic priorities of the Church, the effectiveness of existing and proposed programs and activities of the Church, and the opportunities and challenges for the ministry and mission of the Church;

(ii) To encourage, strengthen, nurture, support, and respect the Senior Minister and all employed clergy of the Church;

(iii) To confer with and advise the Senior Minister (or any other employed clergy of the Church on request of the Senior Minister) on the pastor’s relationships with the congregation, priorities in the use of gifts, skills, and time of the pastor, spiritual renewal and growth time and opportunities, support for career growth, work-life balance of the pastor, the pastor’s health and self-care, and (if requested) the family focus and needs of the pastor;

(iv) To provide evaluation at least annually to the Senior Minister about her or his performance;

(v) To determine and approve the compensation, including salary, bonuses, other cash and non-cash compensation, retirement and other benefits and plans, and other employment benefits, reimbursements, plans, contracts, and other similar matters for the Senior Minister;

(vi) To review and approve compensation arrangements for the Senior Minister and other key employees and executives of the Church who may be considered

"disqualified persons" under Internal Revenue Service ("IRS") guidelines in "excess benefit transactions" and "rebuttable presumption of reasonableness" and otherwise follow practices so the Church's executive compensation program meets the IRS requirements and achieves the "rebuttable presumption of reasonableness." Notwithstanding the forgoing, the Senior Minister shall be recused from, and shall not be involved in, any decisions with respect to his or her compensation arrangements.

(vii) To be involved as appropriate with preparation for professional ministry by individuals in the congregation; and

(viii) To perform the functions specified in Sections 7.8(b), 7.8(c), and 7.8(d) of these Bylaws.

(c) In order to secure experience and stability, the Chairperson of the Pastoral Relations Committee shall serve a three-year term as Chairperson, and may be re-elected to serve as Chairperson for a second, consecutive three-year term.

(d) Meetings of the Pastoral Relations Committee shall be held in closed session due to the sensitivity and confidentiality of the matters to be discussed.

Section 5.9 Stewardship Committee. The Stewardship Committee shall have general oversight for the planning and execution of stewardship and growing of the Church's resources through planned giving, capital and endowment giving, and annual support giving. In fulfilling these functions the Stewardship Committee shall make recommendations to the Church Council as to fund raising of all types and as to the disposition and use of the funds held in the permanent endowments of the Church. The Stewardship Committee shall also create, review at least biennially, and modify as applicable from time to time gift receipt and retention policies for the Church.

Section 5.10 Properties Committee. The Properties Committee shall steward all Church facilities, buildings, and related equipment by planning and providing oversight of cleaning, maintenance, aesthetic beauty, usefulness, and adequacy, in the most effective and efficient manner possible. With the assistance of appropriate Church staff, the Properties Committee shall also:

(a) Make recommendations to the Church Council concerning the purchase and sale of real property, facilities, buildings, and related equipment, the incurring of indebtedness and granting of liens in Church property therefor, construction of Church facilities, and remodeling, in each case only in the event such expenditure, borrowing, or lien exceeds an amount included in an approved Operating Budget or capital budget by more than an estimated \$250,000.

(b) Inspect the buildings, grounds, furniture, and equipment owned by the Church to see that they are kept clean, neat, attractive, and in good repair.

(c) Work with staff to ensure that repairs are made at a reasonable price, keeping in mind quality of workmanship and materials, and in acquiring new furniture, fixtures, and equipment when necessary.

(d) Monitor guarantees on buildings, roofs, and building equipment and manage claims thereunder and insurance claims relating to property, equipment, and potential related liability.

(e) Recommend labor-saving devices to be purchased that will increase efficiency and save money.

(f) Maintain and recommend policies and policy changes related to use of Church buildings and properties.

(g) Review annual budget preparation related to Church properties.

(h) Manage and maintain appropriate levels of insurance with respect to all Church property, consistent with Section 7.12 of these Bylaws.

Recommendations regarding annual budgeting and expenditures outside the budget relating to Church facilities and properties shall be made by the Properties Committee to the Finance Committee.

Section 5.11 Terms of Committee Members. Standing Committee members shall be elected for terms of three years, commencing upon their election by the Church Council. In order to secure experience and stability, the three year terms of office of the members of each Standing Committee shall be staggered, so that approximately one-third (1/3) of the terms of the members of each Standing Committee shall expire each year. No Standing Committee member shall serve more than two consecutive terms unless that person has been elected chairperson of that committee. Members of Appointed Committees shall serve at the pleasure of the appointing body or officer.

Section 5.12 Appointments, Resignations and Removals. Any member of a committee may resign at any time by giving notice to the chairperson of the committee or to the Secretary. Unless otherwise specified in the notice, such resignation shall take effect upon receipt thereof, and the acceptance of such resignation shall not be necessary to make it effective. The Chairperson of the Church Council may remove at any time with or without cause any member of any committee other than a Standing Committee whenever in the sole and exclusive judgment of the Chairperson of the Church Council the best interest of the Church will be served thereby.

Section 5.13 Meetings and Notices. Meetings of a committee may be called by the chairperson of the committee or a majority of the members of the committee. Unless otherwise specified in these Bylaws or in the action creating it, each committee shall meet as often as is necessary to perform its duties. The person or persons calling such meeting shall cause notice to be given at any time and in any manner reasonably designed to inform the members of the time, date, and place of the meeting. Except as otherwise provided in the TBOC, the Certificate, or these Bylaws, notice of a meeting of any committee of the Church Council may but shall not be required to include information about the purpose of the meeting. Each Standing Committee shall keep minutes of its proceedings, other than the Pastoral Relations Committee due to the sensitivity and confidentiality of the matters discussed at its meetings. Each committee may adopt rules or practices for its own governance not inconsistent with these Bylaws.

ARTICLE 6

NOTICE

Section 6.1 Form of Notice. Whenever under the provisions of the TBOC, the Certificate or these Bylaws, notice is required to be given to any member of the Church Council or any Church committee appointed in accordance with these Bylaws and no provision is made as to how such notice shall be given, it shall not be construed to require personal notice, but any such notice may be given in writing, by mail, postage prepaid, addressed to such member at such address as it appears on the books of the Church, or by email to such member at his or her email address as it appears on the books of the Church. Any notice given by mail shall be deemed to be given on the second business day after it is deposited in the United States mail, postage prepaid; any notice given by email shall be deemed to have been given when sent.

Section 6.2 Waiver. Whenever any notice is required to be given to any member of the Church Council or any committee thereof under the provisions of the statutes or of the Certificate or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated in such notice, shall be deemed equivalent to the giving of such notice. The attendance of a person at a meeting shall constitute a waiver of notice of the meeting unless such person objects at the beginning of the meeting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

ARTICLE 7

OFFICERS

Section 7.1 In General. The principal officers of the Church shall consist of a Chairperson of the Church Council, a Chairperson-Elect of the Church Council, a Senior Minister, a Chief Financial Officer, a Secretary, and one or more Assistant Secretaries. The Chairperson of the Church Council shall also act as the lay leader of the Church, with such duties in that capacity as may be prescribed from time to time by the Church Council. No person may hold more than one principal office at the same time. The Church Council may also elect other officers, who shall have the authority specified in these Bylaws or, absent such a provision, the authority granted to any such officer in the resolutions creating the office to which such person is elected.

Section 7.2 Election. The Church Council shall elect the officers of the Church as provided in Section 4.4 of these Bylaws. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 7.3 Other Officers and Agents. The Church Council may appoint such other officers and agents as it shall deem necessary, who shall be appointed for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Church Council.

Section 7.4 Compensation. The Chairperson of the Church Council and the Chairperson-Elect of the Church Council shall not receive any compensation for their services as officers. Any officers who are employees of the Church shall receive reasonable compensation for their services.

Section 7.5 Term of Office and Removal. Each officer of the Church shall hold office until the earliest of his or her death, resignation, or removal, or the election and qualification of his or her successor. Any officer or agent elected or appointed by the Church Council other than the Senior Minister, the Chairperson of the Church Council and the Chairperson-Elect of the Church Council may be removed from that position at any time for or without cause by the Senior Minister or by the affirmative vote of a majority of the Pastoral Relations Committee. Any removal of the Senior Minister shall only be in accordance with Section 7.8(c) of these Bylaws. Any removal of the Chairperson of the Church Council or the Chairperson-Elect of the Church Council shall only be in accordance with Section 4.6 of these Bylaws. Any officer or agent appointed by the Church Council may resign as such by giving written notice to the Chairperson of the Church Council or the Senior Minister. The resignation shall take effect at the time specified therein, or immediately if no time is specified therein; provided, however, that any resignation or retirement of the Senior Minister shall require at least 60 days written notice to the Pastoral Relations Committee unless the Chairperson of the Pastoral Relations Committee consents otherwise in writing to the Senior Minister. Unless specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.6 Chairperson of the Church Council. The Chairperson of the Church Council shall lead the Church Council in fulfilling its responsibilities; prepare and communicate the agendas of Church Council meetings in consultation with the Senior Minister and other appropriate persons; in consultation with the Senior Minister, review and assign responsibility for the implementation of actions taken by the Church Council; communicate with members of the Church Council and others as appropriate to permit informed action at Church Council meetings; coordinate the various activities of the Church Council; and provide initiative and leadership for the Church Council as they do the planning, establishing of objectives and goals, and evaluating required in their activities. The Chairperson of the Church Council shall preside, when present, at all meetings of the Church Council. The Chairperson of the Church Council shall be a voting member of all Standing and Appointed Committees. In the absence of the Chairperson of the Church Council, the Chairperson-Elect of the Church Council shall preside at all meetings of the Church Council or, if the Chairperson-Elect is not present thereat, another member of the Church Council shall be appointed by the Chairperson of the Church Council or members in attendance at such meeting to chair that meeting. Except as the Church Council shall authorize the execution thereof in some other manner, or except as otherwise limited by the Church Council, the Chairperson of the Church Council shall have authority to (i) in accordance with Section 10.2 of these Bylaws, execute contracts, deeds, bills of sale, mortgages or deeds of trust, or other written instruments relating to real property of the Church (collectively, "Property Contracts and Instruments") that are approved in accordance with these Bylaws on behalf of the Church along with another officer or member of the Church Council designated by the Church Council and (ii) execute other contracts on behalf of the Church.

Section 7.7 Chairperson-Elect of the Church Council. The Chairperson-Elect of the Church Council shall succeed the Chairperson of the Church Council in office. The Chairperson-Elect shall work with the Chairperson of the Church Council to learn the duties of the office of the Chairperson, shall advise and assist the Chairperson of the Church Council, and shall have such other duties as the Church Council shall direct. The Chairperson-Elect of the Church Council shall be entitled to attend and participate in all meetings of the Standing Committees and Appointed

Committees, and other groups otherwise functioning at the Church in accordance with these Bylaws.

Section 7.8 Senior Minister.

(a) The Senior Minister shall be the chief executive officer of the Church, having the general powers and duties of supervision and management usually vested in the office of the president of a corporation, and, subject to the powers of the Church Council, she or he shall have general supervision, direction, and control of the ministries and business of the Church. Except as the Church Council shall authorize the execution thereof in some other manner, or except as otherwise limited by the Church Council, the Senior Minister shall have authority to (i) in accordance with Section 10.2 of these Bylaws, execute Property Contracts and Instruments on behalf of the Church along with another officer or member of the Church Council designated by the Church Council and (ii) execute other contracts on behalf of the Church.

(b) The Senior Minister shall be the leader and executive member of all clergy. The Senior Minister shall recommend the hiring of new clergy, the termination of employment of any clergy, and (subject to delegation to other supervisory clergy) the assignment and duties of clergy. New clergy shall be hired only upon the vote to do so by the Pastoral Relations Committee after the recommendation to the committee of the Senior Minister to do so. If at any time the Senior Minister believes that any other clergy should be terminated, the Senior Minister shall recommend that to the Pastoral Relations Committee, which shall gather appropriate information about the situation and vote whether to terminate that clergy.

(c) Should it become evident that the best interests of the Church and the congregation may be served by a change of Senior Minister, the Pastoral Relations Committee shall confer with the Senior Minister, lay leaders, and others considered by the Pastoral Relations Committee to be appropriate and shall gather all information it deems relevant or appropriate (all in the sole discretion of the members of the Pastoral Relations Committee) to analyze and reach a decision about removal of the Senior Minister. The Pastoral Relations Committee may, after such gathering of information and prayerful consideration of all the issues, by a vote of not less than two-thirds of all members of the Pastoral Relations Committee then serving, remove a Senior Minister from continuing to serve in that role. The vote to remove shall take place only at an in-person meeting of the Pastoral Relations Committee, and not by written consent or at any meeting pursuant to Section 8.1 or Section 10.8 of these Bylaws.

(d) In the event of action by the Pastoral Relations Committee in accordance with Section 7.8(c) above removing a Senior Minister from that role, or upon the resignation, retirement, or death of a Senior Minister, the Pastoral Relations Committee shall manage entirely the process for identifying a new Senior Minister. In such process it shall consult with lay leaders and other persons, make determinations about the qualifications and experience desired in a new Senior Minister, engage candidates and potential candidates to apply for the position, review the qualifications and experience of the candidates, and interview those finalists selected by it. Following that process, the Pastoral Relations Committee shall, by a vote of not less than two-thirds of all members of the Pastoral Relations Committee then serving, elect a new Senior Minister. The vote to elect shall take place only at an in-person meeting of the Pastoral Relations

Committee, and not by written consent or at any meeting pursuant to Section 8.1 or Section 10.8 of these Bylaws. All actions of the Pastoral Relations Committee in the selection process shall be those deemed appropriate by the committee, acting in the sole discretion of the members of the committee. Such actions may include hiring a search firm to be involved in the process.

Section 7.9 Chief Financial Officer. The Chief Financial Officer shall be the chief financial officer of the Church and shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Church and shall deposit (or cause to be deposited) all moneys and other valuable effects in the name and to the credit of the Church in such depositories as may be designated by the Church Council or Finance Committee from time to time (or, in the case of investment assets, with such custodians as may be designated by the Investment Committee in accordance with the Investment Policy Statement of the Church). The Chief Financial Officer shall disburse (or cause to be disbursed) the funds of the Church as may be ordered by the Church Council, taking proper vouchers for such disbursements, and shall render to the Senior Minister and the Church Council, at its regular meetings or when the Church Council so requires, an account of all his or her transactions as Chief Financial Officer and of the financial condition of the Church. The Chief Financial Officer shall perform such other duties as may be prescribed by the Church Council or the Senior Minister or Chairperson of the Finance Committee. The Chief Financial Officer shall be the staff liaison to the Audit Committee, the Finance Committee, and the Investment Committee.

Section 7.10 Secretary. The Secretary may be, but shall not be required to be, a member of the Church Council. The Secretary shall perform such duties as may be prescribed by the Church Council. Minutes of Church Council meetings shall be kept by the Secretary or any Assistant Secretary.

Section 7.11 Assistant Secretary or Secretaries. An Assistant Secretary shall attend all meetings of the Church Council and record all votes and the minutes of all proceedings in a book to be kept for that purpose. In the absence of the Secretary or at his or her request, or in the event of his or her inability or refusal to act, the Assistant Secretary shall perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Church Council, the Chairperson of the Church Council, or the Secretary may from time to time prescribe. Assistant Secretaries need not be members of the Church Council. If more than one Assistant Secretary is at any time elected and serving, then such Assistant Secretaries shall serve in the order designated by the Church Council or the Chairperson of the Church Council or, in the absence of any designation, then in the order of their election.

Section 7.12 Insurance. The Church shall maintain insurance coverage in amounts at least sufficient to qualify the Church and its employees and other agents for the protections of the Texas Charitable Immunity and Liability Act of 1987 (as it may be amended from time to time), and shall maintain such director and officer liability insurance, errors & omissions insurance and any other crime or fiduciary insurance covering employees of the Church as the Church Council or the Pastoral Relations Committee deems advisable.

ARTICLE 8

ACTIONS WITHOUT MEETINGS

Section 8.1 Action Without a Meeting. Any action required or permitted to be taken at any meeting of Church Council members or committee members may be taken without a meeting, if a consent or consents in writing, setting forth the action so taken, shall be signed by at least a majority (or such greater percentage as may be required for the particular action under the TBOC, the Certificate or these Bylaws) of all the Church Council Members or committee members, as the case may be. Prompt notice of the taking of any action by the Church Council or a committee without a meeting by less than unanimous written consent shall be given to those Church Council members or committee members who did not consent in writing to the action.

Section 8.2 Electronic Transmission. An electronic transmission of a consent by Church Council member or committee member is considered a signed writing if the transmission contains or is accompanied by information from which it can be determined that the electronic transmission was transmitted by the Church Council member or committee member, as the case may be, and the date on which it was transmitted.

ARTICLE 9

INDEMNIFICATION

Section 9.1 Intent. Chapter 8 of the TBOC requires a Texas nonprofit corporation such as the Church to indemnify its directors and officers in certain circumstances and for certain items, and permits a Texas nonprofit Church to indemnify its directors and officers in other circumstances and for other items. The intent of this Article 9 is that the Church shall indemnify its Church Council members, officers, and members of Standing Committees and Appointed Committees to the fullest extent mandated or permitted by the TBOC or any successor statute.

Section 9.2 Scope of Indemnification. The Church hereby elects to and shall indemnify and hold harmless any present or former Church Council member, officer of the Church, or member of a Standing Committee or Appointed Committee (each, a "Covered Person") to the fullest extent permitted by Chapter 8 of the TBOC, or the corresponding provision or provisions of any successor statute. Such indemnification shall be provided promptly upon request of any such Covered Person making a request for indemnity hereunder. Accordingly, the Church shall indemnify a Covered Person against (i) reasonable expenses (including but not limited to attorneys' fees and court costs) actually incurred by the Covered Person in connection with a proceeding in which the Covered Person is or was a respondent because the Covered Person is or was a Covered Person if the Covered Person is wholly successful, on the merits or otherwise, in the defense of the proceeding; and (ii) subject to the limitations in Section 8.102(b) of the TBOC, a judgment, penalty, fine, excise or similar tax and reasonable expenses (including but not limited to attorneys' fees and court costs) actually incurred in connection with a proceeding, if the Covered Person met the standard of conduct set forth in Section 8.101(a) of the TBOC.

Section 9.3 Advancement of Expenses. The Church shall advance or pay the reasonable expenses (including but not limited to attorneys' fees and court costs) incurred by any Covered

Person in defending any civil, criminal, administrative or investigative action, suit or proceeding to the fullest extent permitted by the TBOC and subject to the conditions thereof.

Section 9.4 Persons Other than Covered Persons. The Church may indemnify, hold harmless and advance expenses to any present or former employee or agent of the Church, or any other person serving at the request of the Church, to the same extent that the Church is required to indemnify, hold harmless and advance expenses to a Covered Person under this Article 9.

Section 9.5 Insurance. The Church shall purchase and maintain insurance or a similar arrangement (including, but not limited to, a trust fund, self-insurance, a security interest or lien on the assets of the Church, or a letter of credit, guaranty or surety arrangement) on behalf of any Covered Person against any liability asserted against such person and incurred by such person in such a capacity or arising out of status as such a person, whether or not the Church would have the power to indemnify such person against that liability under this Article 9 or by statute.

Section 9.6 Delegates. The provisions of this Article Nine shall extend to Covered Persons serving at the request of the Church as a representative of another “enterprise,” as that term is defined in Section 8.001(2) of the TBOC.

Section 9.7 Limitation. Notwithstanding the other provisions of this Article 9, the Church may not indemnify or maintain insurance or a similar arrangement on behalf of any person if such indemnification or maintenance of insurance or similar arrangement would subject the Church or such person to income tax or excise tax under the Internal Revenue Code.

Section 9.8 Provisions Cumulative. The provisions of this Article 9 shall be deemed cumulative of and in addition to any other limitation of liability or right of indemnity to which a Covered Person may be entitled under any statute, bylaw, agreement, vote of directors, principle of law or otherwise.

ARTICLE 10

MISCELLANEOUS PROVISIONS

Section 10.1 Fiscal Year. The fiscal year of the Church shall be the calendar year.

Section 10.2 Contracts. The Church Council may authorize any officer(s) or agent(s) of the Church, 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 such authority may be general or confined to specific instances. Any Property Contract or Instrument that is approved in accordance with these Bylaws shall be executed on behalf of the Church by two officers of the Church authorized to do so by the Church Council.

Section 10.3 Checks, Drafts, or Orders for Payment. All checks, drafts, or orders for payment of money, notes or other evidences of indebtedness issued in the name of the Church shall be signed by such officer(s), employees, or agent(s) of the Church and in such a manner as shall from time to time be determined by Church Council. The authority of any such authorized officer or officers or employees to sign checks, drafts, or orders for the payment of money, notes, or other

evidences of indebtedness issued in the name of the Church may be limited to amounts up to a specific dollar amount determined from time to time by the Church Council with amounts in excess of that amount requiring two authorized signatures or prior approval by the Church Council.

Section 10.4 Books and Records. The Church shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Church Council and all Standing Committees, other than the Pastoral Relations Committee due to the sensitivity and confidentiality of the matters discussed at its meetings. All books and records of the Church may be inspected by any member of the Church Council for any proper purpose at any reasonable time.

Section 10.5 Conflict of Interest. No contract or agreement may be entered into by and between the Church and any of the following: (a) a Church Council member, officer, committee member, or employee of the Church (hereinafter an “Insider”); or (b) any corporation, partnership, trust, sole proprietorship or any other entity (hereinafter an “Entity”) in which an interest is owned or held, directly or indirectly, by or for the benefit of an Insider, unless (i) the transaction is approved in accordance with Section 22.230 of the Texas Business Organizations Code; and (ii) if one or more of the parties to the contract is a “disqualified person” with respect to the Church within the meaning of Section 4958 of the Internal Revenue Code, either (x) such transaction is reviewed and approved in accordance with the “rebuttable presumption safe harbor” provisions set forth in the regulations promulgated under Section 4958 of the Internal Revenue Code or (y) the Church Council or any committee thereof determines that such procedures are not necessary for the transaction involved and records its specific findings for making such determination; provided, however, that the following contracts and agreements shall not be subject to the foregoing prohibition: a wholly gratuitous transfer of assets or promise to transfer assets to the Church of any kind, including, but not limited to, a charitable contribution of cash or property to the Church, an interest-free loan, a wholly gratuitous lease, a pledge, a guarantee, an assumption of liability, a bailment, or a consignment. All Insiders shall, as a condition of qualifying and continuing to qualify as a director, officer, committee member and/or employee of the Church, abide by such conflict of interest policies as the Church Council shall adopt from time to time.

Section 10.6 Loans to Officers and Church Council Members Prohibited. No loans shall be made by the Church to its officers or to its Church Council members. Any Church Council members voting for or assenting to the making of any loan to a Church Council member or officer which is prohibited by the TBOC, and any officer participating in the making thereof, shall be jointly and severally liable to the Church for the amount of such loan until repayment thereof.

Section 10.7 Dividends Prohibited. No dividend shall be paid to, and no part of the income of the Church shall be distributed to, the Church Council members or officers of the Church.

Section 10.8 Meetings By Telephone or Other Remote Electronic Communications Technology. Subject to the provisions of applicable law and these Bylaws regarding notice of meetings, members of the Church Council, or members of any committee designated by the Church Council, may, unless otherwise restricted by statute, by the Certificate or by these Bylaws, participate in and hold a meeting of or committee, as the case may be, by using conference telephone or similar electronic communications equipment by means of which all persons

participating in the meeting can hear each other, or by using any other suitable electronic communications system, including video conference technology or the Internet (but only if, in the case of such other suitable communications system, each member entitled to participate in the meeting consents to the meeting being held by means of that system, and the system provides access to the meeting in a manner or using a method by which each member participating in the meeting can communicate concurrently with each other participant). Participation in such a meeting pursuant to this section shall constitute presence for quorum purposes and presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened.

Section 10.9 Limitations on Liability. Limitations on liability of officers and Church Council members shall be as provided in the Certificate.

Section 10.10 Invalid Provisions. If any part of these Bylaws shall be invalid or inoperative for any reason, the remaining parts, as far as is possible and reasonable, shall remain, valid and operative.

Section 10.11 Headings. The headings used in these Bylaws are for convenience only and do not constitute matter to be construed in the interpretation of these Bylaws.

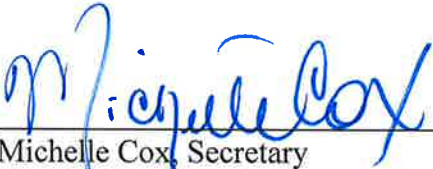
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ARTICLE 11
AMENDMENT OR REPEAL OF BYLAWS

These Bylaws may be amended or repealed, or new Bylaws may be adopted, by the affirmative vote of a least two-thirds (2/3) of the number of Church Council members then in office at any annual, regular or special meeting, so long as notice of such proposed amendment, repeal or adoption is contained in the notice of the meeting, and such amendment or repeal does not cause the Church to cease to be exclusively organized and operated as an entity described in Section 501(c)(3) of the Internal Revenue Code and a "church or convention or association of churches" described in Section 170(b)(1)(A)(i) of the Internal Revenue Code. The foregoing notice requirement shall not prohibit the Church Council from adopting the proposed amendment, effecting the proposed repeal or adopting the proposed new bylaws, as the case may be, in a modified form which is not identical to that described or set forth in the notice of such meeting.

* * * * *

I, the undersigned, being the Secretary of Highland Park Methodist Church, hereby certify that the foregoing are the Bylaws of the said Church as accepted and approved by the Church Council effective as of February 20, 2024.



Michelle Cox, Secretary
Highland Park Methodist Church

APPENDIX

DEFINED TERMS

"Annual Appointment Process" is defined in Section 5.6.

"Appointed Committee" is defined in Section 5.1.

"At-Large Members" is defined in Section 4.2.

"Bylaws" is defined in Section 1.1.

"Certificate" is defined in Section 1.1.

"Church" is defined in Section 1.1.

"Designated Members" is defined in Section 4.2.

"Highland Park Methodist Church" is defined in Section 1.1.

"Highland Park United Methodist Church" is defined in Section 1.1.

"Impact Mission" is defined in Section 5.7.

"Internal Revenue Service" is defined in Section 5.8(b)(vi).

"Investment Professionals" is defined in Section 5.5.

"IPS" is defined in Section 5.5.

"Mission" is defined in Section 1.3.

"Non-Cash Investments" is defined in Section 5.5.

"Non-Operating Program Budget" is defined in Section 5.4(a)(ii).

"Operating Budget" is defined in Section 5.4(a)(i).

"Prior Bylaws" is defined in Section 4.2(b).

"Property Contracts and Instruments" is defined in Section 7.6.

"Professing Members" is defined in Article 2.

"Standing Committee" is defined in Section 5.1.

"TBOC" is defined in Section 1.1.

"Undesignated Gifts" is defined in Section 5.4(b).