

BY-LAW NO. 1

A By-Law to regulate the affairs of
ZION EMC FELLOWSHIP, DIDSBURY

CONTENTS

SECTION	SUBJECT
One	Interpretation
Two	Objects, Statement of Faith and Affiliation
Three	Business of the Society
Four	Membership and Meetings of Members
Five	Board of Directors
Six	Committees of the Board
Seven	Notices
Eight	Protection of Members and Officers of the Board
Nine	Pastoral Staff
Ten	Amendment and Effective Date of By-Laws

IT IS HEREBY ENACTED as By-law No. 1 of ZION EMC FELLOWSHIP, Didsbury (hereinafter called the "Society" or the "Local Fellowship") as follows:

1.

SECTION ONE INTERPRETATION

1.01 Definitions

In the by-laws of the Society, unless the context otherwise requires:

"Act" means the Societies Act, R.S.A. 2000, c. S-14 as from time to time amended;

"appoint" includes **"elect"** and vice versa;

"Audit" and "Auditor" means a formal audit and auditor where such may be appointed or mandated by the Members from time to time, but otherwise shall mean the independent review and the independent reviewer referred to in section 4.19 of these by-laws;

"Board" means the Board of Directors of the Local Fellowship;

"by-laws" means this by-law and all other by-laws of the Society from time to time in force and effect;

"Denomination" means the Evangelical Missionary Church, Canada West District;

"Member" means a member of the Local Fellowship in accordance with the provisions of Section Four of this By-Law;

"ordinary resolution" means a resolution passed by a majority of the votes cast by the members of the Board who voted in respect of that resolution;

"signing officer" means, in relation to any instrument, any person authorized to sign the same on behalf of the Society by section 3.04 or by a resolution passed pursuant thereto;

"special resolution" is as defined in the Act.

"Statement of Faith" means the Articles of Faith and Practice of the Evangelical Missionary Church of Canada, as they may be amended from time to time

Save as aforesaid, words and expressions defined in the Act have the same meanings when used herein; and words importing the singular number include the plural and vice versa; words importing gender include the masculine , feminine and neuter genders; and words importing persons include individuals, bodies corporate, trust and unincorporated organizations.

1.02 Conflict with the Act

To the extent of any conflict between the provisions of the by-laws and the provisions of the Act, the provisions of the Act shall govern.

1.03 Headings and Sections

The headings used throughout the by-laws are inserted for convenience of reference only and are not to be used as an aid in the interpretation of the by-laws. "Section" followed by a number means or refers to the specified section of this by-law.

1.04 Invalidity of any Provision of By-laws

The invalidity or unenforceability of any provision of the by-laws shall not affect the validity or enforceability of the remaining provisions of the by-laws.

SECTION TWO OBJECTS, STATEMENT OF FAITH AND AFFILIATION

2.01 Objects and Powers

The objects and powers of the Society shall be those set out in its Application for Incorporation, as amended from time to time.

2.02 Affiliations

The Local Fellowship is affiliated with the Evangelical Missionary Church of Canada (EMCC) as a member congregation and as such adopts the Articles of Faith and Practice of the EMCC as its Statement of Faith. The Society shall operate, and maintain its practices, as an independently incorporated congregation, consistent with that Statement of Faith.

As a member congregation located in Didsbury, Alberta, the Local Fellowship is also affiliated with the Denomination, as a member congregation, and as such shall maintain its operations and practices and its bylaws consistent with the bylaws of the Denomination, as they may be amended from time to time.

2.03 Dissolution

In the event of dissolution or winding-up of the Local Fellowship, all its remaining assets after payment of its liabilities shall be distributed to the Denomination, or its successors or assigns, if it is still then a registered charitable corporation or a recognized charitable organization in Canada, but if not, then to one or more recognized charitable organizations in Canada having cognate or similar objects to those of the Local Fellowship or to one or more registered charitable corporations in Canada as designated by the members at a meeting called for that purpose.

SECTION THREE BUSINESS OF THE SOCIETY

3.01 Head Office

The head office of the Society shall be at Didsbury, Alberta at such address as may be designated from time to time by the Board.

3.02 Corporate Seal

The corporate seal of the Society, if any, shall be in such form as the Board may from time to time by resolution approve, and shall be kept in the custody of the Secretary, if one is appointed, or else the Chief Executive Officer or such other officer as may from time to time be directed by the Board to retain custody of the same.

3.03 Financial Year

The financial year of the Society shall end on December 31 in each year.

3.04 Execution of Instruments

Deeds, transfer, assignments, contracts, obligations, certificates and other instruments may be signed on behalf of the Society by two persons, one of whom holds the office of Chairman of the Board, Vice-Chairman of the Board, or Chief Executive Officer and the other of whom holds one of the said offices or the office of secretary, treasurer or any other office created by by-law or by resolution of the Board. In addition, the Board may from time to time direct the manner in which and the person or persons by whom any instrument or instruments may or shall be signed. Any signing officer may affix the corporate seal to any instrument requiring the same.

3.05 Banking Arrangements

The banking business of the Society including, without limitation, the borrowing of money and the giving of security therefore, shall be transacted with such banks, trust companies or other bodies corporate or organizations as the Board may from time to time prescribe or authorize. Bank accounts of the Society and all auxiliary organizations shall be in the name of the Society and/or organizations, and not in the name of the Treasurer "in trust".

3.06 Financial Disclosure to District

The financial records of the Local Fellowship shall be made available for examination by a duly appointed officer of the Denomination upon the written request of the Denomination when the matter of the good standing of the Local Fellowship as an affiliate of the Denomination is periodically reviewed, or when a request for a loan or financial assistance has been made to the Denomination.

3.07 Borrowing Powers and Capital Expenditures

The directors of the Society may, without authorization of the Members, authorize capital expenditures or borrow money on the credit of the Society, in amount up to but not exceeding TEN PERCENT (10%) of the annual budget, but expenditures or borrowings in excess of that amount shall be subject to the majority approval of the Members of the Local Fellowship present at a meeting duly called to consider

the same, voting by secret ballot on a question clearly worded to admit only a YES or NO answer. In accordance with the foregoing, the directors of the Society may:

1. issue, reissue, sell or pledge debt obligations of the Society, except debentures which may be issued only pursuant to a special resolution of the Members of the Society;
2. mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Society, owned or subsequently acquired, to secure any obligation of the Society.
3. The Denomination shall have final authority over the disposition of property owned by the Fellowship.

3.08 Rules of Order at Meetings

The rules for conducting and adjourning meetings of the Members, the Board, and all committees of either shall be Roberts Rules of Order. It is, however, fitting that the Members, the Board and all committees demonstrate a spirit of unity and brotherly love in the conduct of business in the Lord's work, and consensus, as a worthy goal, is therefore encouraged.

3.09 Governance by Policy

It is the intent that the Local Fellowship should govern its procedures and administrative activities to a reasonable extent by written policy. To that end, the Local Fellowship shall develop and maintain a Policy Handbook or Manual approved by the Board, outlining in appropriate detail policies, standards, regulations and procedures of the Local Fellowship which are, subject to the Society's by-laws, to govern Board, administrative, staff and member standards and discipline. Subject to the by-laws, it shall set out qualifications for Board and other Committee membership, job descriptions for each administrative position of the Local Fellowship, disciplinary procedures in respect of members and adherents, and such other policies and practices the continued observance of which are considered by the Board to be advantageous to the advancement of the objectives of the Local Fellowship.

SECTION FOUR MEMBERSHIP AND MEETINGS OF MEMBERS

4.01 Membership

On incorporation of the Local Fellowship, its membership shall be comprised of all those persons who are shown as members on the active membership roll of Zion Evangelical Missionary Church of Didsbury, Alberta as at the date of such incorporation. The Board shall thereafter appoint a Committee to review the Local Fellowship's Membership Roll, at least every second year. Only those who give credible profession of faith in the Lord Jesus Christ as Saviour (as evidenced both in testimony and in the fruits of the Spirit in their life), who are in agreement with the Statement of Faith, and who agree to undertake the Covenant of Church Membership approved by the Board from time to time, may apply for regular membership in the Local Fellowship. The Board may pass membership rules stipulating, among other things, procedures for application for admission as members, provided that no application for membership shall be finally accepted without the approval of the Board.

4.02 Member in Good Standing

A "member in good standing" shall be a regular member duly accepted as such in accordance with the foregoing who is not under church discipline, but is habitually living a consistent Christian life as expressed in the Covenant of Church Membership and the Constitution of the Evangelical Missionary Church of Canada.

4.03 Discipline of Members

Every person who applies for and maintains membership in the Local Fellowship consents to submit to the process of church discipline described in the Constitution of the Evangelical Missionary Church of Canada, as it may be amended from time to time and supplemented by the Congregational Bylaws of the Local Fellowship.

4.04 Withdrawal of Membership

Any Member wishing to withdraw from membership may do so upon a notice in writing to the Board through its Chairman.

4.05 Calling and Notice of Meetings

An Annual Meeting of members of the Local Fellowship shall be held as early as practical after the end of each calendar year at such time and at such place as the Board may determine, and the secretary or any other officer shall give notice of meetings when directed or authorized by such persons. Notice of the time and place of each meeting of the Members shall be announced from the pulpit and published in the Church bulletin for at least two Sundays preceding the meetings. The Board may from time to time fix a day or days during the year or in any month or months for regular meetings of the Members at a place and hour to be named. A notice of a meeting of the Members need not specify the purpose of or the business to be transacted at the meeting, except where required by the Act or these by-laws.

4.06 Business to be Transacted at Annual Meeting

The annual meeting shall consider the following items of business:

4. hear necessary reports from the Pastor and the Board and other committees.
5. review and approve the financial statements for the immediately preceding year, including the Auditor's report thereon; and
6. approve the budget for the coming year.

The following shall report in writing to the Annual Meeting: Pastor, Trustees/Administrator, Auditors, Church Treasurer, and treasurers and heads of any auxiliary organizations such as women's group, men's group, youth group and seniors group, in addition to any other reports which the Board may require as being advisable or helpful. The Board shall require that the written reports referred to above be circulated to the Members in the form of an Annual Report, at least two Sundays prior to the Annual Meeting.

Any additional items of business to be considered at the annual meeting shall be deemed special business and notice of same must be given in accordance with the requirements for business to be transacted at a special meeting as described below.

4.07 Ballot vote Circulated to Members

The Board may, for the election of Board members or for a decision on a particular question of its choosing, determine to hold a ballot vote circulated to the Members. Those eligible to vote and the conditions for announcing the vote shall be consistent with these bylaws. The ballot vote shall be announced from the pulpit and published in the Church Bulletin for at least two Sundays preceding the vote.

4.08 Special Meetings of Members

A special meeting may be convened by the Secretary of the Local Fellowship upon the written request of the Chairman of the Board, of a majority of the Board, or of at least twenty (20)% of members in good standing, within thirty (30) days of receipt by the Secretary of the request. The purpose of any Special Meeting shall be clearly stated and shall be announced from the pulpit and published in the Church bulletin for at least two Sundays preceding the special meeting.

4.09 Place of Meeting

Meetings of the Members may be held at Didsbury. A Member who attends a meeting, in person or by telephone, is deemed to have consented to the location of the meeting except when he attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

4.10 Persons Entitled to be Present

The only persons entitled to be present at a meeting of Members shall be:

- 4.10.01 members of the Local Fellowship, whether entitled to vote at such meeting or not;
- 4.10.02 adherents, if and as authorized by policy adopted or amended by the Board from time to time;

- 4.10.03 the directors and auditors of the Society;
- 4.10.04 others who, although not entitled to vote, are entitled or required under any provision of the Act, or the by-laws to be present at the meeting;
- 4.10.05 legal counsel to the Society when invited by the Society to attend the meeting; and
- 4.10.06 any other person on the invitation of the chairman or with the consent of the meeting.

4.11 Persons Entitled to Vote

Members, 16 years and older, in good standing of the Local Fellowship are eligible to vote at Annual Meeting and Special Meetings. Adherents may be allowed to vote on certain issues where and as identified by the Board, in order to ascertain support for a proposal or issue, but such votes are to be separately tallied and are not to be binding.

4.12 Meetings by Telephone

With consent of the chairman of the meeting or of a majority of the Members present at the meeting, one or more Members may participate in a meeting by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other. A Member participating in such a meeting in such manner shall be considered present at the meeting and at the place of the meeting.

4.13 Quorum

The quorum for the transaction of business at any meeting of Members shall consist of at least 20% of the current Members in good standing. If a quorum is not present at the time appointed for a Meeting of Members or within such reasonable time thereafter, the Members present and entitled to vote may adjourn the meeting to a fixed time and place but may not transact any other business. No business shall be transacted at any Meeting of Members unless the requisite quorum is present at the time of the transaction of such business.

4.14 Chairman, Secretary and Tellers

The Board of Directors will choose the chairman of the meetings of Members. The Chairman need not be a Member of the Local Fellowship and, therefore, may be a representative of the Denomination. If no such officer or nominee is present and willing to act as chairman within fifteen minutes from the time fixed for holding the meeting, the persons present and entitled to vote shall choose one of their number to be chairman. The chairman shall conduct the proceedings at the meeting in all respects and his or her decision in any matter or thing, including, but without in any way limiting the generality of the foregoing, any question as to the admission or rejection of a vote, shall be conclusive and binding upon the Members. The chairman shall appoint a person, who need not be a Member, to act as secretary of the meeting. The board may from time to time appoint in advance of any meeting of Members one or more persons to act as tellers at such meeting and, in the absence of such appointment, the chairman may appoint one or more persons to act as tellers at any meeting of shareholders. Tellers so appointed may, but need not be, Members, directors, officers or employees of the Society.

4.15 Action by the Members

Except where a special resolution is required pursuant to the Act or these by-laws, at all meetings of Members every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. The powers of the Members may be exercised by resolution passed at a meeting at which a quorum is present.

4.16 Show of Hands

Whenever a vote by show of hands shall have been taken upon a question, unless a ballot thereon is required or demanded, a declaration by the chairman of the meeting that the vote upon the question has been carried or carried by a particular majority or not carried and an entry to that effect in the minutes of the meeting shall be prima facie evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against any resolution or other proceeding in respect of the said question, and the result of the vote so taken shall be the decision of the Members upon the said question.

4.17 Ballots

A ballot required or demanded shall be taken in such manner as the chairman shall direct. A requirement or demand for a ballot may be withdrawn at any time prior to the taking of the ballot.

4.18 Adjourned Meeting

Any meeting of the Members may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting, to a fixed time and place. The adjourned meeting shall be duly constituted if a quorum is present and if it is held in accordance with the terms of the adjournment. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

4.19 Appointment of Auditor

The financial books, accounts and records and the financial statements for each fiscal year shall be the subject of an annual audit performed by an individual, appointed by the Board of Directors or the body it designates, who is competent to carry out such a review and who has not participated in any aspect of preparing the financial records for the fiscal year under review.

4.20 Removal of Auditor

The Members may, by special resolution, at any time remove the auditor(s) from office, and may fill the vacancy so created by ordinary resolution of the Members. An auditor or auditors appointed to fill a vacancy holds office for the unexpired term of his or their predecessor(s).

SECTION FIVE BOARD OF DIRECTORS

5.01 Management by the Board

The Board shall, subject to these by-laws and to directions given it by majority vote at any meeting of the Members properly called and constituted, have full control and management of the affairs of the Society. The Board shall conduct its business on behalf of the Society in keeping with the Constitution of the Evangelical Missionary Church of Canada and these bylaws and any duly approved policies or procedures of the Local Fellowship. The Board shall report on its activity on behalf of the Local Fellowship to a meeting of the Members at least once a year.

5.02 Number of Persons to Constitute Board and Composition

The Board shall be comprised of at least five (5) and not more than eight (8) individuals unless and until otherwise resolved by resolution of the Members. The number of members of the Board which may be related to each other must be no more than two (2), where "related" means persons who are related as spouses, parent/child/ grandchild, or siblings. All salaried pastoral staff are to be advisory, non-voting members of the Board.

5.03 Qualifications for Board Membership

Candidates for election or appointment to the Board, as well as members of the Board, shall be active members in good standing, and must subscribe to and meet the qualifications established for Board members which are set out and described in the Statement of Faith. No paid officer or employee of the Society may act as a voting member of the Board, although such a person may act as an advisory member without the ability to vote. An elected member of the Board who has served *three (3)* consecutive terms as such shall not be eligible for re-election for one year.

5.04 Nomination of Prospective Board Members

Candidates for election to the Board by the Members shall be nominated by a Nominating Committee comprised of five (5) individuals appointed by the Board, one of whom shall be the Senior Pastor, three of whom shall be members-at-large, and one a member of the Board. The Committee shall elect its own chairman

The Nominating Committee shall solicit nominations from the Members by a process it determines. The slate of nominees must be ratified by the Board prior to presentation to the church membership. Members may not be added by nominations from the floor. Where an election is required, those nominees who receive the most votes will be elected. The Board shall establish the process for the election of Board members consistent with these bylaws.

5.05 Term of Office

Elected members of the Board shall hold office for a term stipulated by the Members at the time of their election not longer than three years. A term of office shall commence January 1 of any given year. Each year, all elected members of the Board whose term of office has expired or then expires shall retire but, if qualified in accordance with the by-laws, shall be eligible for re-election. A member not elected for an expressly stated term shall have a one-year term. Notwithstanding the foregoing, if members are not elected to replace a retiring member, that incumbent member continues in office until his or her successor

is elected. The number of members to be elected at any particular time shall be the number of members whose term of office has expired or then expires unless the Members of the Local Fellowship by special resolution otherwise determine, the intention being that approximately one-third of the elected members shall be elected each year. It is not necessary that all members of the Board elected concurrently hold office for the same term. Board Members are required to take a one year sabbatical after serving three consecutive terms.

5.06 Resignation of Members

A member of the Board ceases to hold office when he dies or resigns, or when he is removed in accordance with section 5.07. Resignation shall be by written notice delivered to the chairman of the Board.

5.07 Suspension and Removal of Members of the Board

The Members may at pleasure at any time by special resolution suspend or remove any member or members of the Board from office as members of the Board. In addition, any Board member may, by unanimous resolution of the other Board members, be removed from serving who fails to regularly attend church services or Board meetings, becomes subject to disciplinary action of the Board, or otherwise fails to maintain his or her membership in good standing, provided he or she is given reasonable opportunity to respond to any such allegations and to speak to the meeting at which such removal is to be considered.

5.08 Vacancies on Board

A quorum of the Board may by ordinary resolution appoint an individual to fill a vacancy on the Board, a member so appointed to hold office until the next meeting of the Local Fellowship to elect members to the Board. A partial term so occupied shall be construed as one term in office for purposes of determining sabbatical requirements.

5.09 Calling and Notice of Meetings

Meetings of the Board shall be called and held at least ten (10) times each fiscal year at such time and at such place as the Board, the chairman of the Board, the Chief Executive Officer or any two members of the Board may determine, and the secretary or any other officer shall give notice of meetings when directed or authorized by such persons. Notice of each meeting of the Board shall be given to each member of the Board not less than forty-eight (48) hours before the time when the meeting is to be held. Notice of a meeting of the Board may be given verbally, in writing or by telephone or any other means of communication. A notice of a meeting of the Board need not specify the purpose of or the business to be transacted at the meeting, except where required by the by-laws. Notwithstanding the foregoing, the Board may from time to time fix a day or days during the year or in any month or months for regular meetings of the Board at a place and hour to be named, in which case, provided that a copy of any such resolution is sent to each member of the Board forthwith after being passed and forthwith after the appointment of each new member of the Board, no other notice shall be required for any such regular meeting except where the by-laws require notice to be given of the purpose or the business to be transacted thereat.

5.10 Place of Meeting

Meetings of the Board may be held at any place in Alberta. A member of the Board who attends a meeting of the Board, in person or by telephone, is deemed to have consented to the location of the

meeting except when he attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully held.

5.11 Meetings by Telephone

With consent of the chairman of the meeting or a majority of the Board present at the meeting, one or more members of the Board may participate in a meeting of the Board or of a committee of the Board by means of telephone or other communication facilities that permit all persons participating in the meeting to hear each other. A member of the Board participating in such a meeting in such manner shall be considered present at the meeting and at the place of the meeting.

5.12 Quorum

The quorum for the transaction of business at any meeting of the Board shall consist of at least a majority of the voting members of the Board or such greater or lesser number of members of the Board as the Members may from time to time by special resolution determine. No business shall be transacted at any meeting of the Board unless the requisite quorum is present at the time of the transaction of such business.

5.13 Chairman

The chairman of any meeting of the Board shall be the member of the Board present at the meeting who is the first mentioned of the following officers as have been appointed: chairman of the Board, vice-chairman of the Board, or Chief Executive Officer. If no such officer is present, the members of the Board present shall choose one of their number to be chairman.

5.14 Action by the Board

At all meetings of the Board every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. The powers of the Board may be exercised by resolution passed at a meeting at which a quorum is present or by resolution in writing signed by all the members of the Board who would be entitled to vote on that resolution at a meeting of the Board. Resolutions in writing may be signed in counterparts. All business sessions of the Board shall produce minutes of action taken and reported for approval at its next meeting.

5.15 Adjourned Meeting

Any meeting of the Board may be adjourned from time to time by the chairman of the meeting, with the consent of the meeting, to a fixed time and place. The adjourned meeting shall be duly constituted if a quorum is present and if it is held in accordance with the terms of the adjournment. If there is no quorum present at the adjourned meeting, the original meeting shall be deemed to have terminated forthwith after its adjournment.

5.16 Remuneration and Expenses

The members of the Board shall be paid no remuneration for their services as such, but they shall be entitled to reimbursement for reasonable travelling and other expenses properly incurred by them in attending meetings of the Board or any committee thereof and in their conduct of the business or activities of the Society and the Board. Nothing herein contained shall preclude any member of the Board from serving the Society in any other capacity and receiving remuneration therefor.

5.17 Insurance

The Board shall ensure that reasonably adequate insurance coverage is obtained for the assets of the Local Fellowship, including any buildings occupied by the Society, and insurance against general liability.

5.18 Officers

The Board shall appoint its Chairman from among its members, and shall from time to time appoint a vice-chairman of the Board (who shall be one of its members), a corporate Secretary, and one or more other officers of the Society, as it deems advisable. It shall designate a committee to appoint a Treasurer who need not be a member of the Board of Directors. In addition, and without prejudice to rights under any employment contract, the Board may suspend or remove any officer of the Society which it has the right to appoint. If appointed, the Chief Executive Officer or Chief Administrative Officer shall be the chief operating officer and, subject to the authority of the Board, shall have general supervision of the business of the Society together with such other powers and duties as the Board may specify. The powers and duties of each other officer of the Society shall be those determined from time to time by the Board and, in the absence of such determination, shall be those usually incidental to the office held. The office of Secretary and Treasurer may be filled by one person if the Board shall so decide.

5.19 Secretary

It shall be the duty of the secretary to:

- 5.19.01 attend all meetings of the Local Fellowship and of the Board and to keep accurate minutes of the same;
- 5.19.02 retain the custody of the corporate seal;
- 5.19.03 keep a record of all the members of the Local Fellowship and their addresses;
- 5.19.04 send all notices of the various meetings as required;
- 5.19.05 attend to correspondence on behalf of the Board and subject to the directions of the Board or its Chairman;
- 5.19.06 perform such other duties as may be assigned by the Board from time to time.

If a permanent officer is not appointed, minutes shall be kept by an ad hoc secretary appointed for the meeting in question.

5.20 Treasurer

It shall be the duty of the Treasurer to:

- 5.20.01 assure that adequate systems are in place to receive all monies paid to the Local Fellowship and for deposit of the same in whatever Bank(s), Trust Company(ies), Credit Union(s) or Treasury Branch(es) the Board may order;
- 5.20.02 sign income tax receipts on behalf of the Society, unless another individual is duly appointed by the Board to do so;

- 5.20.03 properly account for the funds of the Local Fellowship and keep such books as may be directed by the Board;
- 5.20.04 present a full detailed account of receipts and disbursements to the Board whenever requested;
- 5.20.05 prepare for submission to the first meeting of the Members following the end of a fiscal year of the Society, a statement duly audited as required by the Act of the financial position of the Society and submit a copy of the same to the Secretary for the records of the Society; and
- 5.20.06 file all required financial returns on behalf of the Society.

In the event of a change of treasurers before his or her term expires, the former treasurer shall submit his/her records to the auditors for examination before turning them over to the treasurer-elect and the auditors shall report to the Board.

5.21 Agents and Attorneys

The Board shall have the power from time to time to appoint agents or attorneys for the Society with such powers as may be thought fit.

SECTION SIX COMMITTEES OF THE BOARD

6.01 Transaction of Business

The powers of any committee of the Board may be exercised by a meeting at which a quorum is present or by resolution in writing signed by all the members of such committee who would have been entitled to vote on that resolution at a meeting of the committee. At all meetings of committees every question shall be decided by a majority of the votes cast on the question. In case of an equality of votes the chairman of the meeting shall not be entitled to a second or casting vote. Resolutions in writing may be signed in counterparts.

6.02 Procedure

Unless otherwise determined by the Board, a quorum for meetings of any committee shall be a majority of its members, each committee shall have the power to appoint its chairman and the rules for calling meetings of the committee shall be the same as those governing the Board. Except as otherwise provided in the by-laws, each member of a committee shall serve during the pleasure of the Board of directors, and the Board may fill vacancies in a committee by appointment from among its members or otherwise as the Board may see fit. Provided that a quorum is maintained, the committee may continue to exercise its powers notwithstanding any vacancy among its members.

6.03 Standing Committees

The Board shall have the following standing committees: Executive, Nominating. In addition, it may in its discretion establish other standing committees to be responsible for ministry and administrative areas of the Fellowship.

6.04 Executive Committee

The Executive Committee shall be appointed by the Board from its members, with authority to prepare agendas, call special meetings, and, subject to the directions of the Board from time to time by resolution, to conduct business on behalf of the Board.

6.05 Nominating Committee

A Nominating Committee, whose duties shall include the preparation of a slate of nominees for election of Board members, shall be appointed by the Board in the manner described in 5.04 above. The Nominating Committee may, by resolution of the Board or by adoption of policy approved by the Board or the Members, be given nomination duties additional to those described in 5.04.

6.06 Other Committees

Other committees and groups may be formed and appointed by the Board as needed to achieve the mission of the Local Fellowship and in accordance with these bylaws.

SECTION SEVEN NOTICES

7.01 Waiver

A member of the Board may in any manner waive notice of a meeting of the Board, and attendance of the member at a meeting of the Board is a waiver of notice of the meeting, except when he or she attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

7.02 Omissions and Errors

The accidental omission to give any notice to any member of the Board, officer, or member of a committee of the board or the non-receipt of any notice by any such person, or any error in any notice not affecting the substance thereof, shall not invalidate any action taken at any meeting held pursuant to such notice or otherwise founded thereon.

7.03 Inspection of Records

The books and records of the Local Fellowship (other than matters undertaken by the Board or its committees subject to obligations of confidentiality given to third parties) may be inspected by any Member of the Local Fellowship at any time upon giving reasonable notice and arranging a time satisfactory to the officer or officers having charge of same. Each member of the Board shall at all times have access to such books and records (again, subject to applicable obligations or undertakings of confidentiality).

**SECTION EIGHT
PROTECTION OF MEMBERS AND OFFICERS OF THE BOARD**

8.01 Limitation of Liability

No member of the Board or its committees, nor any officer for the time being of the Society, shall be liable for the acts, receipts, neglects or defaults of any other member of the Board or committee or officer or employee, or for joining in any receipt or act for conformity, or for any loss, damage or expense happening to the Society through the insufficiency or deficiency of title to any property acquired by the Society or for or on behalf of the Society or for the insufficiency or deficiency of any security in or upon which any of the moneys of or belonging to the Society shall be placed or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, firm or corporation including any person, firm or corporation with whom or with which any moneys, securities or effects shall be lodged or deposited, or for any loss, conversion, misapplication or misappropriation of or any damage resulting from any dealings with any moneys, securities or other assets of or belonging to the Society or for any other loss, damage or misfortune whatsoever which may happen in the execution of the duties of his respective office or trust or in relation thereto unless the same shall happen by or through his failure to exercise the powers and to discharge the duties of his office honestly, in good faith and with a view to the best interests of the Society and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

8.02 Indemnity

The Society shall, to the maximum extent permitted under the Act, indemnify a member of the Board or officer, a former member of the Board or officer, and a person who acts or acted at the Society's request as a member of the Board or officer of a body corporate of which the Society is or was a shareholder or creditor, and his heirs and legal representatives, against all costs, charges and expenses, including any amount paid to settle an action or satisfy a judgment, reasonably incurred by him in respect of any civil, criminal or administrative action or proceeding to which he is made a party by reason of being or having been a member of the Board or officer of the Society or such body corporate.

8.03 Conflict of Interest

A member of the Board or an officer of the Society who is:

- (a) a party to a material contract or proposed material contract with the Society, or
- (b) a director or an officer of, or who has a material interest in, any person who is a party to a material contract or proposed material contract with the Society,

shall disclose in writing to the Board or request to have entered in the minutes of the Board the nature and extent of his interest, in the case of a member of the Board:

- (c) at the meeting at which a proposed contract is first considered, or
- (d) if the member was not interested in a proposed contract at the time of the meeting above referred to, at the first meeting after he becomes so interested, or
- (e) if the member becomes interested after a contract is made, at the first meeting after he becomes so interested; or

- (f) if a person who is interested in a contract later becomes a member of the Board, at the first meeting after he becomes a member;

and in the case of an officer who is not a member of the Board:

- (g) forthwith after he becomes aware that the contract or proposed contract is to be considered or has been considered at a meeting of the Board; or
- (h) if the officer becomes interested after a contract is made, forthwith after he becomes so interested, or
- (i) if a person who is interested in a contract later becomes an officer, forthwith after he becomes an officer.

8.04 Conflict of Interest -- Abstinence from Voting

A Board member referred to in the preceding section shall not vote on any resolution to approve the contract.

8.05 Disclosure Preserves Validity of Contracts

If a material contract is made between the Society and one or more of its Board members or officers, or between the Society and another person of which a Board member or officer of the Society is a director or officer or in which he has a material interest,

- (a) the contract is neither void nor voidable by reason only of that relationship, or by reason only that a Board member with an interest in the contract is present at or is counted to determine the presence of a quorum at a meeting of the Board or committee of the Board that authorized the contract, and
- (b) a Board member or officer of former Board member or officer of the Society to whom a profit accrues as a result of the making of the contract is not liable to account to the Society for that profit by reason only of holding office as a Board member or officer,

if the Board member or officer disclosed his interest in accordance with section 8.03 above, and the contract was approved by the Board and it was reasonable and fair to the Society at the time it was approved.

8.06 Setting Aside Contract for Failure to Disclose

If a Board member or officer of the Society fails to disclose his or her interest in a material contract in accordance with this section, the Court of Queen's Bench of Alberta may, on the application of the Society, set aside the contract on any terms that the Court thinks fit.

SECTION NINE PASTORAL STAFF

9.01 Role

There shall be one or more pastors charged with leadership in the spiritual life and the work of the Church and in the ministry of the Word of God.

9.02 Selection

Each pastor is to be selected in accordance with the following guidelines:

- 9.02.01 The Senior Pastor shall be chosen from candidates approved by the Denomination;
- 9.02.02 Upon the majority vote of the Board recommending a candidate, the Board shall determine the majority percentage required to extend a call prior to the vote and a ballot vote of the members shall be held at a duly called meeting. A call shall be extended to a Senior Pastor when he/she receives the necessary majority vote.
- 9.02.03 Pastors, other than the Senior Pastor, shall be appointed by the board of Directors consistent with its policies.

9.03 Duties

The Senior Pastor shall be considered the spiritual overseer of the Local Fellowship. The Senior Pastor shall be an ex-officio member of all committees and departments, but not of the Board, and shall be responsible for all regular and special services. Ex-officio is defined as, by virtue of office, one who may attend and participate in committee meetings but is not an official member of a committee.

9.04 Review and Evaluation of Pastoral Ministry

The Senior Pastor's ministry shall be reviewed and evaluated by the Board on a yearly basis. This may be done via the Pastoral Relations Committee, where one has been appointed, with a report to the Board. Review of other pastoral and support staff will be according to policies of the Local Fellowship.

9.05 Resignation

A Pastor may resign by giving a minimum of 30 days written notice to the Board. Terms of separation shall be agreed upon between the Board and the Pastor.

9.06 Vacancy

When the pastorate becomes vacant, the Board shall continue to give leadership and congregational care, shall arrange suitable pulpit ministry and shall undertake a search for a suitable pastor.

9.07 Removal

The Senior Pastor may be removed from his/her position with the Local Fellowship for any reason by the Board of Directors. The Board, if removal is being considered, shall consult first with the Regional Minister of the Denomination. The Senior Pastor may then be removed upon an 80% or more vote of the total Board of Directors. Should the Board consider it advisable, a Special Meeting of the Members may

be called to take a vote of confidence in the Senior Pastor. An 80% or more vote of support shall be required for the Senior Pastor to continue. Should the Senior Pastor not receive a vote of support, termination of employment will be effective immediately. Additional terms and conditions of termination shall be the responsibility of the Board of Directors.

The removal of the Senior Pastor from the Local Fellowship shall be deemed to constitute his removal as a Member of the Local Fellowship, and where applicable, as an ex-officio Member on all committees and boards.

**SECTION TEN
AMENDMENTS AND EFFECTIVE DATE OF BY-LAWS**

10.01 Amendment of By-Laws

Subject to the Act, the Members may by special resolution make, amend or repeal any by-laws that regulate the business or affairs of the Local Fellowship.

10.02 Effective Date

This by-law shall come into force upon the approval of the Registrar of Corporate Registry.