

Bylaws
of the Endowment Fund of
Northside Baptist Church of Mechanicsville, Virginia, Inc.

ARTICLE I NAME AND LOCATION

Section 1. The name of the Corporation shall be the Endowment Fund [Fund] of Northside Baptist Church of Mechanicsville, Virginia, Inc., ["Corporation"].

Section 2. The principle office shall be located in the County of Hanover, VA.

ARTICLE II MEMBERSHIP

The sole membership of this Corporation shall be members of Northside Baptist Church of Mechanicsville Virginia, Inc. ["Member"].

ARTICLE III DIRECTORS

Section 1. Number of Directors: The number of Directors of this Corporation shall be 5 (five).

Section 2. Terms of Office: Directors shall serve a term of five years and may be re-elected for an additional five-year term. Directors elected to serve the remaining portion of an unexpired term for a vacant Director seat will be eligible to serve an additional five-year term.

Section 3. Election of Directors: Directors are to be elected by the Member after being nominated by Endowment Fund's Nominating Committee or as nominated from the floor at a regular or special meeting of the Endowment Fund held in accordance with the terms of its Bylaws. All Directors must be and remain members of the Member in good standing while serving as Directors of the Corporation.

Section 4. Officers and their Duties: The officers of the Corporation shall consist of a Chairman, Vice Chairman, Secretary and Assistant Secretary. All officers shall be Directors of the Corporation and shall be elected annually by the members of the Board of Directors.

The **Chairman** shall preside at all meetings of the Corporation and of the Board of Directors at which he/she is present; call special meetings of the Corporation and of the Board whenever he/she may think such meeting necessary, or as requested to do so in accordance with these By-laws; and to sign contracts and other documents on behalf of the Corporation. He/she will use reasonable efforts to see that all other officers and Directors of the Corporation perform their duties faithfully, and shall have general supervision and direction of the affairs of the Corporation. He/she shall make a report at the annual meeting of the Corporation to include the operation of the Corporation for the preceding fiscal year and make such recommendations as he/she may deem proper.

The **Vice Chairman** shall, in the absence or disability of the Chairman, perform any or all of the duties of the Chairman.

The **Secretary** shall see that full and accurate minutes are kept of all meetings of the Directors. He/she shall sign such instruments as require his/her signature and shall make

such reports and perform other duties as incidental to his/her office or may be required of him/her by the Board of Directors.

The **Assistant Secretary** shall, in the absence or disability of the Secretary, perform any or all of the duties of the Secretary.

All legal documents shall require two signatures. Documents must be signed by either the Chairman or Vice Chairman and the Secretary or Assistant Secretary.

ARTICLE IV MEETINGS AND DECORUM

Section 1. The Corporate Directors will meet as they determine necessary. An annual meeting of the Corporation shall be held each year immediately following the adjournment of the annual meeting of Northside Baptist Church.

Section 2. A majority of the Directors present at a meeting of the Board of Directors and a quorum of members of the Member present at a meeting of the Corporation shall represent a quorum to conduct business. A "Quorum" is hereby defined as at least 10% of the active members of the Member.

Section 3. The Corporate year shall be the calendar year.

ARTICLE V REPORT TO THE MEMBER

The Directors of the Corporation shall make a report of the Corporation's financial assets, liabilities, net worth and income and expenses to the Member at regular intervals, but not less frequently than annually.

ARTICLE VI AMENDMENTS

Amendments to the Bylaws shall be offered in writing to the Member at a regular or special meeting of the Fund. Following the meeting at which the amendment is offered, the Fund shall publish the proposed amendment to the Member and submit it to a vote at the next regular meeting of the Fund or at a special meeting of the Fund called in accordance with its Bylaws. Amendments to the Bylaws require an affirmative vote of 2/3 (two-thirds) of the members present. Notwithstanding the foregoing, if the proposed amendment receives the unanimous approval of members of the Member present at the regular or special meeting during which the amendment is first offered, the Member may vote to waive the requirement of the subsequent meeting contemplated above and adopt the amendment to be effective as of the date of such waiver.

Revised 12/12/2012

Revised: March 12, 2014 Approved: July 13, 2014

Revision Approved: September 14, 2016

Procedure Guide
of the Endowment Fund of
Northside Baptist Church of Mechanicsville, Virginia, Inc.

Corporate Directors

Purpose: To serve as the legal officers of the Corporation.

Responsibilities:

1. Serve as the legal representatives of the Member and as the official signers for the corporation. Directors and their successors shall be elected each year as appropriate at the annual meeting of the Church for a term of service beginning January 1 of the next succeeding year.
2. Engage the services of investment advisors, stock brokers, attorneys, accountants, realtors, fund management organizations, or other such professional advisors as needed to assist in the management of the Fund.
3. Create awareness of the Fund.
4. Manage all income and expenses associated with the Fund.
5. Serve without compensation, either directly or indirectly.
- 6.

Fund Purpose

The Endowment Fund (Fund) of Northside Baptist Church of Mechanicsville, Virginia, Inc., (Church), is a permanent endowment providing a means by which cash, securities and property may be received, managed, and applied in such a manner as will advance the objectives of the Church as stated in the Articles of Incorporation, By-Laws and this Procedure Guide, as well as all applicable state and federal regulations.

The Directors shall exercise prudent management of the Fund to assure its permanency. As required by the Uniformed Prudential Management of Institutional Fund Act (UPMIFA), in making a determination to appropriate or accumulate funds, the Fund's Directors shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under a similar circumstances, and shall consider, if relevant the following factors:

1. The duration and preservation of the endowment fund;
2. the purpose of the institution and the endowment fund;
3. general economic conditions;
4. the possible effect of inflation or deflation;
5. the expected total return from income and the appreciation of investments;

6. other resources of the institution; and
7. the investment policy of the institution.

All requests for funds from the Fund shall come from the Church Council of Northside Baptist Church of Mechanicsville, VA, Inc. Upon receipt of a request from the Church Council the Fund's Directors will consider each request within the Fund's Purpose and will report the Fund's recommendation back to the Church Council.

The Fund shall not be permitted to detract from the Scriptural commands neither of tithes and offerings, to which the Church is dedicated, nor in any manner undermine or compete with the annual budget promotion of the Church.

The Fund does not supersede or limit the traditional manner by which gifts of property, whether designated or otherwise, may be made to the Church, but all gifts which are restricted or designated for specific purposes may be administratively incompatible with the function of the Fund and may be refused.

The Fund

The Fund shall consist of all property, real and personal, which has been transferred or otherwise designated or assigned to it to be held, managed and applied as outlined in the Fund's purpose as stated above.

Gifts: Consideration will be given to accepting gifts of all types, including but not limited to, bequests by wills or other gifts deemed appropriate. Gifts may be in the form of cash, securities, real estate, insurance policies, personal property or other assets and will be considered as part of the Fund. The Directors may refuse gifts that, in their discretion, do not meet the purpose of the Fund or have restrictions unacceptable to the Directors and that contain stipulations or restrictions to the use of the gift.

Principal: Principal is hereby defined as the fair market value of all assets transferred to the Fund consisting of the initial contribution that established the Fund, any subsequent contributions to the Fund, plus the assets reinvested annually in the Fund from any income derived. The principal shall be invested according to prudent investment guidelines as agreed upon by the Directors.

Income: Income is hereby defined as any earnings actually or constructively received on the Principal as defined above. Income does not include amounts not actually or constructively received on the Principal as defined above.

Distributions:

The following guidelines are to be used by the Directors in authorizing distributions from the Fund:

1. Funds available for distribution are first used to meet any necessary expenses incidental to the care, management and administration of the Fund.

2. Disbursement of available funds as determined by the Directors to be consistent with the Fund Purpose shall be used for activities of the Church in the furtherance of its mission “to live and share the gospel of Jesus Christ in our community and world”.
3. Disbursements in the amount of up to \$5,000 may be approved by the Directors and reported to the membership at the Fund’s next regular business meeting. Disbursements of over \$5,000 may only be made with the approval of the Directors and an affirmative vote of a majority of the persons present at a business meeting of the Fund.
4. Any authorized distribution from the Fund not used for the original purpose intended must be returned to the Fund for either re-appropriation or reinvestment by the Directors.

No assets contained within the Fund may be loaned, pledged or used as collateral.

Nominating Committee

The Nominating Committee shall meet annually and consist of the Fund’s five Directors.

Ad Hoc Committees

As the need arises, the Directors may appoint ad hoc committees. Ad hoc committees are appointed for the duration of their assigned task.

Amendments to Procedure Guide

Proposed amendments to this Procedure Guide shall be published to the membership at least seven days prior to any called or regular meeting, and voted upon at that meeting. Amendments to the Procedure Guide require an affirmative vote of the majority of the people voting. Proposed amendments shall be considered by the Directors for grammar, consistency and other such corrections considered necessary for clarity prior to the vote of the membership.

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