

BY-LAWS, RULES AND REGULATIONS

ARTICLE I

NAME AND OBJECT

The name of the corporation shall be:

CALVARY CHAPEL MORRIS HILLS
A Not For Profit Corporation

ARTICLE II

PURPOSE AND OBJECTIVES OF CORPORATION

The purpose for which this corporation is formed is:

To proclaim the good news of salvation by faith in our Lord Jesus Christ by any suitable method or media, which includes but is not limited to the following:

1. Establishing and operating a local church for the worship of Jesus Christ, using personal evangelism, television and radio for crusades, conventions, preaching, teaching, missions, and other Christian purposes.
2. Assisting and furthering the task of providing Biblical Scripture to groups of the world through the Holy Scriptures and other printed material by providing speakers and other instructional and educational programs, which may be deemed necessary or convenient in effecting the above purposes.
3. Establishing of new programs of outreach and ministry, and the strengthening of existing programs and organizations, which have a similar purpose and dedication to presenting Christ as Savior.
4. The purpose of this church shall be: To win men and women to faith in Jesus Christ as Lord and Savior; to increase Christian faithfulness "as good stewards of the manifold grace of God"(1 Pet.4: 10); to encourage individual Christians toward attaining "the measure of the stature of the fullness of Christ" (Eph.4: 13); to serve the community in every possible Christian way; to send personal and Christian influence throughout the world by gifts and prayers for Missions.

ARTICLE III

CHARACTER, BELIEFS AND ORDINANCES

1. Calvary Chapel Morris Hills shall be a non-denominational church. It shall seek

to emphasize the spiritual unity of all true believers. It shall be the policy of this church to give preeminence to the preaching of the gospel, to studying the Word of God, and to exalting the Lord Jesus Christ.

2. In order to identify the church as conservative in theology, and evangelical in spirit, we set forth this general statement of fundamental beliefs:
 - a. We believe the Bible to be the inspired, the only infallible, authoritative Word of God and inerrant in the original writings.
 - b. We believe that the lost and sinful man must be saved, and that man's only hope of redemption is through the shed blood of Jesus Christ, the Son of God.
 - c. We believe in the present ministry of the Holy Spirit by whose indwelling the Christian is enabled to live a Godly life.
 - d. We believe in the resurrection of both the saved and the unsaved; they that are saved unto the resurrection of life and they that are unsaved unto the resurrection of damnation.
 - e. We believe in the spiritual unity of believers in our Lord Jesus Christ.
3. The church will observe regularly the two New Testament ordinances of water baptism and the Lord's Supper. These ordinances are observed in obedience to our Lord Jesus Christ, as Acts of love and devotion, and are not considered to be necessary for our salvation.
4. Sovereignty and fellowship of the local church:
 - a. Believing in the independence of the local church with full freedom of deliberation, decision, and deportment under God without restriction, supervision or domination from any outside individual, organization, or institution, this church is to be completely autonomous and self-governing and will not affiliate with any organization which seeks to exercise control over the local church.
 - b. This church desires the fellowship of all evangelical churches and Christian groups and will cooperate with them to promote the cause of Jesus Christ.
5. This corporation, including all of its educational programs and church sponsored activities admits students of any race, color and national or ethnic origin, to all the rights, privileges, programs and activities generally accorded or made available to students or other participants in any of its educational or church sponsored programs. It does not discriminate on the basis of race, color, national or ethnic origin in administration of its educational policies, admissions policies, scholarships and loan programs, athletic and other educational or church sponsored programs.

ARTICLE IV

DEDICATION OF ASSETS

The properties and assets of this nonprofit corporation are irrevocably dedicated to religious or charitable purposes. No part of the net earnings, properties or assets of this corporation, on dissolution or otherwise, shall injure to the benefit of any private person or individual, or any member or director of this corporation.

ARTICLE V

GOVERNMENT

The Board of Trustees shall oversee the administration of all of the affairs of the corporation. The business affairs of the corporation shall be managed and administered by the corporate officers. The spiritual matters of the Church shall be administered by those offices established by scripture (See Section 8 below).

SECTION 1: Corporate Officers

Its officers shall consist of a President, one or more Vice-Presidents, a Secretary, a Chief Financial Officer, and such additional officers who shall be designated by the Board of Trustees. The corporation may also have, at the discretion of the Board of Trustees, a chairman of the board, one or more vice presidents, one or more assistant secretaries and other such officers as may be appointed by the Board of Trustees. Any number of offices may be held by the same person, except that the offices of president and secretary may not be held by the same person.

SECTION 2: Election of Officers

The officers of the corporation, except those in accordance with the provision of Section 3 of this Article 5, shall be elected by the Board of Trustees, and each shall serve at the pleasure of the board.

SECTION 3: Subordinate Officers

The Board of Trustees may appoint, and may authorize the chairman of the board or the president or another officer to appoint, any other officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified in the By-laws or determined from time to time by the Board of Trustees.

SECTION 4: Removal of Officers

Any officer may be removed, with or without cause, by the Board of Trustees, at any regular or special meeting of the board, or by an officer on whom the Board of Trustees may confer such power of removal.

SECTION 5: Resignation of Officers

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

SECTION 6: Vacancies in Offices

A vacancy in any office because of death, resignation, removal, disqualification, or other cause shall be filled only in the manner prescribed in these By-Laws of regular appointments to that office.

SECTION 7: Responsibilities of Officers

(a) **Chairman of the Board**

If such an officer be elected, the chairman of the board shall preside at meetings of the Board of Trustees and exercise and perform such other powers and duties as may be from time to time assigned to him by the Board of Trustees or prescribed by the By-laws. If there is no president, the chairman of the board shall, in addition, be the chief executive officer of the corporation and shall have the powers and duties prescribed in paragraph (b) below.

(b) **President**

The Senior Pastor shall be the President of the corporation. The President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Trustees, supervise and control the affairs of the corporation and the activities of the officers. He shall perform all duties incident to his office and such other duties as may be required by law, by the Articles of Incorporation of this corporation, or by these By-Laws, or which may be prescribed from time to time by the Board of Trustees. Unless another person is specifically appointed as Chairman of the Board of Trustees, he shall preside at all meetings of the Board or Trustees. Except as otherwise expressly provided by law, by the Articles of Incorporation or by these By-Laws, he shall in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments, which may from time to time be authorized by the Board of Trustees. He shall also have such other powers and perform such other duties as necessary.

(c) Vice-President(s)

The Vice-Presidents shall, in the order of their seniority as fixed by the Board of Trustees, in the absence or disability of the President, perform all of the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. They shall also have such other powers and perform such duties as maybe assigned to them by the Board of Trustees

(d) Secretary and Assistant Secretaries

Secretary -- The Secretary, appointed by the Board of Trustees, shall keep a record of the proceedings of the Board of Trustees and actions of trustees and committees of trustees. He/She shall serve all notices required by law or the By-Laws of the corporation and in case of his/her absence, refusal or inability to act, his/her duties may be performed by any person whom the Board of Trustees may direct.

(e) Chief Financial Officer, Treasurer and Assistant Treasurer

Chief Financial Officer – The Chief Financial Officer, appointed by the Board of Trustees, shall, on behalf of the Board of Trustees, oversee and direct all aspects of the financial management of the corporation. The chief financial officer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any trustee at all reasonable times.

Treasurer -- The Treasurer, appointed by the Board of Trustees, may hold other offices in the corporation. His duties shall be such as are implied by the name and prescribed by the Board of Directors. This position shall be a non-voting office. The treasurer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Trustees; shall disburse the funds of the corporation as may be ordered by the Board of Trustees; shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the corporation. He shall furnish financial data and such other information as may be, in the judgment of said Treasurer, pertinent, or such as may be required by the Board of Trustees.

SECTION 8: Church Offices

Elders

- A. Their Ministry -- The elders are responsible for overseeing the church, specifically the spiritual well being of the sheep. This includes counseling, teaching, and prayer for the body.
- B. Their Qualifications (see 1 Timothy 3:1-7; Titus 1:5-9).
 - 1. An elder shall be a man of high moral character, a one-women man, temperate, prudent, respectable, not self-willed, self-controlled, just, devout, not covetous.
 - 2. An elder shall be a man who rules his home well and whose children follow his example.
 - 3. An elder shall be a man who handles himself uprightly among others; not a drunkard, not a striker, gentle, uncontentious, hospitable, a lover of good, of good reputation in the world.
 - 4. An elder shall be a mature believer who is able to teach.
- C. Their Number, Appointment and Organization.
 - 1. The number of elders shall be left to the discretion of the senior pastor according to the needs of the congregation.
 - 2. With the counsel of the elders, the pastor shall appoint the elders for an indefinite duration and shall review each appointment yearly.
 - 3. The elders shall be in regular contact with the pastor and pastoral staff and shall meet at the discretion of the pastor.

Deacons

- A. Their Ministry
 - 1. The deacons shall carry on various ministries within the body to meet the physical needs of the church under the direction and encouragement of the senior pastor, pastoral staff, and elders.
 - 2. The deacons shall counsel with the senior pastor, pastoral staff, and the elders regarding the physical needs which arise in the body; they shall pray for any in the flock for whom they are caring; they shall serve the flock for exercising hospitality, love, care, and good counsel.

B. Their Qualifications (see 1 Timothy 3:8-13)

1. Personal qualifications: serious, not double-tongued and not a drunkard.
2. Regarding family: a one-woman man.
3. As to faith: obedience to the faith; mature, tested walk.

C. Their Number, Appointment, and Organization.

1. The number of deacons shall be left to the discretion of the pastor according to the needs of the congregation.
2. With the counsel of the Board of Trustees, the pastor shall appoint the deacons for an indefinite duration and shall review each appointment yearly.
3. The deacons shall be in regular contact with the pastor, pastoral staff, and elders and shall meet at the discretion of the pastor.

Senior Pastor

A. His Ministry

1. The Senior Pastor shall minister unto the Lord in regular personal worship and praise. He shall give himself to the ministry of the Word and prayer (Acts 6:4) and seek to walk uprightly before the Lord in his personal life. He shall seek the mind of God.
2. The pastor shall be the teaching-shepherd of the church. He shall give considerable time to the study of the Word and shall teach the Scriptures to the flock by precept and example. He shall aim to feed the flock, equip the saints for the ministry, and guard the church against the attack of the enemy.
3. The pastor shall be the president of the corporation, its Chief Executive Officer and Chairman of the Board. He shall oversee the business of the church on a daily basis and give leadership to the associate and assistant pastors, deacons, elders, the general church body and its ministries. The pastor shall have general supervision of the entire church and charge of all services, gatherings, and meetings.

B. His Qualifications (see 1 Timothy 3:1-7; Titus 1:5-9).

1. The pastor shall be generally qualified, according to the qualifications for an elder.

2. The pastor shall be a Spirit-gifted teacher of the Word, an ordained pastor of good reputation and Biblically conservative theology, Christ-centered, Spirit filled and willing to serve a non-denominational church without promoting denominational interests.

C. His Appointment.

1. In the event of a vacancy, a committee of five (5) Elders shall be appointed by the Board of Trustees and shall constitute a nominating committee. The qualifications for serving on this nominating committee shall be as follows:
 - i. The member shall have been serving actively as an Elder for at least two years.
 - ii. The Elder shall not be a member of the Board of Trustees of the corporation.
 - iii. The Elder shall not be an officer of the corporation or a staff member of the church or any ministry, subsidiary or affiliate of the church.

Should there be less than five (5) elders in the fellowship who meet the qualifications above, the nominating committee shall consist of the existing elders who meet the qualifications and other Calvary Chapel Pastors appointed by the Senior Pastor of Calvary Chapel of Old Bridge. This nominating committee shall elect a chairman who shall administrate the activity and deliberations of the committee. The committee shall seek, find, and nominate a candidate. The committee shall seek candidates internally from within the fellowship and externally. The nominated candidate shall be elected by a two-thirds (2/3rds) majority vote of the Board of Trustees.

2. The resigned or retiring senior pastor may upon appointment by the Board of Trustees, participate as one of the five (5) Elders serving on the nominating committee, provided however that the senior pastor had not been terminated.

D. His Compensation.

The Board of Trustees shall specify the pastor's initial compensation and subsequent annual compensation reviews. The church shall provide, as possible, adequate salary, housing allowance, health insurance, expense allowance, conference funds, vacation time, continued education, pension and other special funds as needed for his ministry. The church shall also defray the costs of sending the pastor to out-of-town conferences or conventions attended for the church, as approved by the Board of Trustees.

E. His Termination.

The Board of Trustees only under the following conditions may terminate the senior

pastor:

1. He is declared of unsound mind by final order of a court.
2. He is convicted of a felony.
3. He is living in sin, and is unwilling to repent.
4. He has willfully acknowledged not to be in the same mind or same judgment (1 Corinthians 1:10) as the philosophy of ministry of Calvary Chapel of Costa Mesa.

If any of the above four conditions are met, the senior pastor may be terminated by two-thirds (2/3rds) majority vote of the Board of Trustees.

Associate or Assistant Pastors

A. Their Ministries

1. An associate or assistant pastor shall minister unto the Lord in regular personal worship and praise. He shall give himself to the ministry of the Word and prayer (Acts 6:4) and seek to walk uprightly before the Lord in his personal life. He shall seek the mind of God.
2. The pastor shall define an associate or assistant pastor's ministry upon his appointment. He shall serve under the pastor's direction and with the pastor in the teaching of the Word.

B. Their Qualifications

1. An associate or assistant pastor shall meet the same qualifications as the pastor.

C. Their Appointment

1. The pastor shall appoint and ordain an associate or assistant pastor to share in the ministry.

D. Their Compensation

The associate or assistant pastor's compensation shall be specified by the senior pastor to be ratified by the Board of Trustees. The church shall also defray the costs of sending the associate or assistant pastor to out-of-town conferences or conventions attended for the church, as approved by the Board of Trustees. For part-time assistant, the church shall provide as seems appropriate by the Board of Trustees.

E. Potential Termination.

It shall be the prerogative of the pastor, after counseling with the Board of Trustees, to ask for the resignation of the pastoral associates or assistants if they are not in harmony with the ministry of the church as directed by the pastor.

ARTICLE VI

BOARD OF TRUSTEES

SECTION 1: Number, Term and Election of Trustees

The Board of Trustees shall consist of no less than three (3) and no more than (9) Trustees. Each Trustee shall serve a term of three (3) years. The expiration of the terms of the Trustees shall alternate so that no more than three (3) Trustee's terms expire in any single year. A Trustee may succeed himself. The President of the corporation shall appoint Trustees and the Board of Trustees shall ratify the appointment by a two-thirds (2/3rds) majority vote.

SECTION 2: Powers

General Corporate Powers of Trustees-- The Board of Trustees shall have the management of the business of the corporation, and subject to the restrictions imposed by law and general superceding authority of the Senior Pastor, by the Articles of Incorporation or by these By-Laws, may exercise all of the powers of the corporation.

Specific Powers of Trustees-- Without prejudice to such general powers, it is hereby expressly declared that the directors shall have the following powers, to-wit:

1. To adopt and alter a common seal of the corporation.
2. To adopt an annual business plan and budget for the corporation.
3. To make and change regulations not inconsistent with these By-Laws, for the management of the corporation's business and affairs.
4. To advise on the appointment, removal, or suspension of all officers, agents and employees of the corporation, except the President; prescribe their duties; fix their compensation, if they so deem necessary, and in their discretion, from time to time, to assign powers and duties of any officer upon any other person.
5. To pay for any property purchased/leased/rented by the corporation, either wholly or partly in money, bonds, debentures or other securities of the corporation.
6. To borrow money and incur indebtedness on behalf of the corporation and cause

to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, corporate guarantees, and other evidence of debt and service.

7. To enter into, make, perform and carry out contracts of every kind for any lawful purpose without limit on amount, with any person, firm association or corporation, municipality, county, state, or other municipal or governmental agency.
8. To designate from time to time, the time and place of its meetings or to authorize the President to do so. To appoint such committee or committees on any subject within the powers of the corporation's Articles of Incorporation and to define the powers and duties of such committee.
9. To select and designate such bank or trust company, as they may deem advisable, as official depository of the funds of the corporation and to prescribe and order the manner in which such deposits shall be made and /or withdrawn.
10. To license and ordain ministers of the Gospel and missionaries for the furtherance of the work of this corporation and our Lord and Savior Jesus Christ in the United States and all foreign countries in accordance with Section 12.

SECTION 3: Compensation of Trustees

Trustees shall serve without compensation. In addition, they shall be allowed reasonable advancement or reimbursement for expenses incurred in the performance of their regular duties.

SECTION 4: Vacancies

- A. **Events causing vacancy.** A vacancy or vacancies in the Board of Trustees shall be deemed to exist on the occurrence of the death, resignation, or removal of any Trustee or the increase in any authorized number of directors.
- B. **Resignations.** Except as provided in this paragraph, any Trustee may resign, which resignation shall be effective on giving written notice to the chairman of the board, the president, the secretary, or the Board of Trustees, unless the notice specifies a later time for the resignation to become effective. If the resignation of a Trustee is effective at a future time, the Board of Trustees may elect a successor to take office when the resignation becomes effective. No Trustee may resign when the corporation would then be left without a duly elected Trustee or Trustees in charge of its affairs.
- C. **Removals.** A Trustee, other than the Senior Pastor may be removed from office by a two-thirds (2/3rds) majority vote of the Board of Trustees

D. Vacancies. Vacancies in the Board of Trustees shall be filled in accordance with Section 1 above.

SECTION 5: Place of Meeting; Meetings By Telephone

Regular or special meetings of the Board of Trustees may be held at any place within or outside the State of New Jersey that has been designated from time to time by resolution of the Board. In the absence of such designation, regular or special meetings shall be held at the principal executive office of the corporation. Any meeting, regular or special may be held by conference telephone or similar communication equipment, so long as all directors in the meeting can hear one another, and all such directors shall be deemed to be present at such meeting.

SECTION 6: Regular Meetings

Regular meeting of the Board of Trustees shall be held without call at such time as shall from time to time be fixed by the Board of Trustees. Such regular meetings may be held without notice.

SECTION 7: Special Meetings

The chairman of the board or the president may call special meetings of the Board of Trustees for any purpose at any time. Notice of the time and place of the special meetings shall be given to each director at least two (2) days in advance of the time and date of the special meeting.

SECTION 8: Quorum

A majority of the authorized number Trustees shall constitute a quorum. Every act or decision done or made by a majority of the Trustees present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Trustees.

SECTION 9: Adjournment

A majority of Trustees present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

ARTICLE VII

COMMITTEES

SECTION 1: Committees of Trustees

The Board of Trustees may, by resolution adopted by a majority of the Trustees then in office, designate one or more committees, each consist of two or more Trustees, to serve at the pleasure of the Board of Trustees. Any committee, to the extent provided in the resolution of the Board,

shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- A. Fill vacancies on the Board of Trustees or in any committee;
- B. Fix compensation of the Trustees for serving on the Board or on any committee;
- C. Amend or repeal By-Laws or adopt new By-laws;
- D. Amend or repeal any resolution of the Board which by its express terms is not subject to amendment or repeal;
- E. Appoint any other committee of the Board or the members of these committees;
- F. Expend corporate funds to support a nominee for Trustee;
- G. Approve any transaction to which the corporation is a party and one or more Trustees have a material financial interest; or between the corporation and one or more of its Trustees or between the corporation or any person in which one or more of its Trustees have a material financial interest.

SECTION 2: Meetings and Action of Committees

Meetings and action of committees shall be governed by, and held and taken in accordance with the provisions of Article VII of these By-Laws, concerning meetings of Trustees, with such changes in the context of those By-Laws as are necessary to substitute the committee and its members for the Board and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of committees shall be given to all members of the committee and any alternate members, who shall have the right to attend all meetings. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Trustees may adopt rules for the governance of any committee not inconsistent with the provisions of these By-laws.

ARTICLE VIII

**INDEMNIFICATION OF TRUSTEES, OFFICERS, EMPLOYEES AND OTHER
AGENTS**

SECTION 1: Definitions

For the purpose of this Article,

- A. "Agent" means any person who is or was a Trustee, Officer, employee, or other agent of this corporation, or is or was serving at the request of this corporation as a Trustee, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise.

- B. **“Proceeding”** means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and
- C. **“Expenses”** includes, without limitation, all attorneys’ fees, costs, and other expenses incurred in the defense of any claims or proceedings against an agent by reason of his position or relationship as agent and all attorneys’ fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.

SECTION 2: Successful Defense by Agent

To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonable incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Section 3 through 5 shall determine whether the agent is entitled to indemnification.

SECTION 3: Actions Brought by Persons Other Than the Corporation

Subject to the required findings to be made pursuant to Section 5(a) below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party to any proceeding other than an action by or in the right of the corporation to procure a judgment in its favor, or an action brought by the Attorney General by reason of the fact that such person is or was an agent of the corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding.

SECTION 4: Actions Brought By or On Behalf of the Corporation

- A. **Claims settled out of court.** If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, without express written consent of this corporation, whether with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding.
- B. **Claims and suits awarded against agent.** This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this corporation by reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:
 - i. The determination of good faith conduct required by Section 5(b), below must be made in the manner provided for in that section; and
 - ii. Upon application, the court in which the action was brought must

determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

SECTION 5: Determination of Agent's Good Faith Conduct

- A. Required standard of conduct-actions brought by persons other than on behalf of corporation. As a condition for the indemnification described in Section 3 of this Article VIII, the agent seeking reimbursement must be found, in the manner provided below, that he acted in good faith and in a manner such person believed to be in the best interests of the corporation, and in the case of a criminal proceeding, had no reasonable cause to believe to conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the corporation or that the person had reasonable cause to believe that the person's conduct was unlawful.
- B. Required standard of conduct-actions by or on behalf of the corporation. As a condition for the indemnification described in Section 4 of this Article VIII, the agent seeking reimbursement must be found, in the manner provided below, that he acted in good faith, in a manner which such person believed to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances
- C. Manner of determination of good faith conduct. The determination that the agent did act in a manner complying with paragraph (A) or (B) above shall be made by:
- i. the Board of Trustees by a majority vote of a quorum consisting of Trustees who are not parties to the proceeding; or
 - ii. the court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation or the agent or the attorney or other person rendering a defense to the agent, whether or not the application by the agent, attorney, or other person is opposed by this corporation.

SECTION 6: Limitations

No indemnification or advance shall be made under this Article, except as provided in Sections 2 or 5(C)(ii), in any circumstance when it appears:

- A. That the indemnification or advance would be inconsistent with a provision of the articles or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other

amounts were paid, which prohibits or otherwise limits indemnification; or

- B. That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

SECTION 7: Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by this corporation before the final disposition of the proceeding on receipt of and undertaking by or on behalf of the agent to repay the amount of the advance unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

SECTION 8: Contractual Rights of Non-trustees and Non-officers

Nothing contained in this Article shall affect any right to indemnification to which persons other than Trustees and officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

SECTION 9: Insurance

The Board of Trustees may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this corporation would have the power to indemnify the agent against that liability under the provisions of this section.

SECTION 10: Fiduciaries or Corporate Employee Benefit Plan

This Article does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation as defined in Section 1 of this Article. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

ARTICLE IX

RECORDS AND REPORTS

SECTION 1: Maintenance and Inspection of Corporate Records

The articles of incorporation, By-Laws, accounting books, records, minutes of the proceeding of the Board of Trustees and committee(s) of the Board of Trustees shall be kept at such place or

places as designated by the Board of Trustees, or, in the absence of such designation, at the principal executive office of the corporation. Minutes shall be kept in written or typed form and other books and records shall be kept in either written form or any other form capable of being converted into written form. Every Trustee shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation for any reason reasonably related to his interests as a trustee. This inspection by a trustee may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

ARTICLE X

MEMBERS

The corporation shall not have any voting members. Any action, which would otherwise require approval by a majority of all members or approval by the members, shall require only approval of the Board of Trustees. All rights, which would otherwise vest under the Nonprofit Religious Law, the members shall vest in the Trustees.

ARTICLE XI

DONATIONS

This corporation may accept gifts, legacies, donations and/or contributions and in any amount and any form, from time to time, upon such terms and conditions as may be decided from time to time by the Board of Trustees.

ARTICLE XII

MISCELLANEOUS PROVISIONS

SECTION 1: Corporate Seal

The corporate seal of the corporation shall be in such form as the Board of Trustees shall determine and shall contain the name of the corporation, the date and state of its creation and such other matters as the Board of Trustees, in their discretion may determine. Said seal may be used by causing it or a facsimile thereof to be impressed, affixed, reproduced or otherwise.

SECTION 2: Principal Office

The principal office shall be established and maintained in the Township of Rockaway, County of Morris, and State of New Jersey.

SECTION 3: Other Offices

Other offices of the corporation may be established at such places as the Board of Trustees may, from time to time, designate or the business of the corporation may require.

SECTION 4: Checks, Drafts, and Notes

All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of the corporation for all debts of the corporation shall require two signatures and shall be signed by the President, a Vice President or Chief Financial Officer and countersigned by the Secretary or Treasurer or by such corporate officers as shall from time to time be determined by the Board of Trustees.

SECTION 5: Fiscal Year

The fiscal year of this corporation shall be the calendar year.

SECTION 6: Amendments of By-Laws

The Board of Trustees, by the affirmative vote of a two-thirds (2/3rds) majority of the Trustees, may at any regular or special meeting, provided the substance of the proposed amendment shall have been stated in the notice of the meeting, amend or alter any of these By-Laws. All amendments of By-Laws shall be subject to appropriate laws governing religious non-profit organizations.

ARTICLE XIII

rites of ordination

- A. Principal of Ordination-- Candidate for ordination recognizes that only our Sovereign Holy God can truly call and ordain His children for service in the ministry of the Gospel of Jesus Christ.
1. The calling of a minister is not the result of a title; rather the title is a result of His calling. This calling being recognized as from the true and living God.
 2. It is men's privilege and specifically the privilege of the overseers of the true church of Jesus Christ to ratify the ordination of God when such is obviously placed upon a man's life.
 3. The purpose of this Article is to provide for the ordination rites of ministers of the Gospel by Calvary Chapel Morris Hills.

B. Qualifications -- The qualifications for ordination are as follows:

1. A candidate for ordination must be a "born again" believer in Jesus Christ as described by our Lord in the third chapter of the Gospel of John.
2. A candidate must believe that there is only one God, who manifests Himself in three persons: God the Father, God the Son, and God the Holy Spirit.
3. A candidate must meet the scriptural requirements for the office of bishop as described in the Holy Bible, references in 1 Timothy 3:1-7 and Titus 1:6-9.
4. A candidate must believe and render evidence of his belief that the Holy Bible is the complete and divinely inspired Word of God and that God had not added, deleted, or altered this work with subsequent writings and revelations.
5. A candidate must have completed four (4) years of concentrated Bible study under a known, approved Bible teacher comparable to Pastor Charles W. Smith of Calvary Chapel Costa Mesa or Pastor Lloyd Pulley of Calvary Chapel of Old Bridge.
6. A candidate must believe in the objectives of this body and its concepts concerning the work of the Holy Spirit today.
7. A candidate should have evidenced the obvious calling of God upon his life in terms of ministerial experience and report.

C. Procedure for ordination shall be as follows:

1. Each person fulfilling the above qualifications and upon their proper presentation to the Board of Trustees of this body will receive full consideration for Ordination into the Ministry of the Gospel of Jesus Christ by Calvary Chapel Morris Hills.
2. The Board may make exceptions to these qualifying standards wherein in the unanimous opinion of the Board and under the strong compelling conviction of the Holy Spirit such exception is according to the will of God and consistent with His Word.
3. Upon unanimous approval of the Board of Trustees, the candidate will be ordained as a minister of the Gospel with the right to perform ministerial functions in accordance with the laws of the land and the ordinances of God's Holy Word with all prerogatives of such a calling and office.
4. All candidates, successful or otherwise, will be notified of the Board's decision in writing within one week of the final Board action.

- D. Term of Ordination -- The term of ordination will be for life as long as the person maintains an obedient and fruitful ministry and continues under the doctrines taught at Calvary Chapel Morris Hills and following the Apostles' Doctrine and such ordination may be terminated by the discretion of the senior pastor of Calvary Chapel Morris Hills.
- E. The following is the text of the certificate of ordination to be issued to each successful candidate:

CERTIFICATE OF ORDINATION

THIS IS TO CERTIFY THAT _____ WAS DULY ORDAINED ON THIS DAY OF _____ BY CALVARY CHAPEL MORRIS HILLS, AT _____, NEW JERSEY, AS A MINISTER OF THE GOSPEL OF JESUS CHRIST; FURTHER HE HAS COMPLETED ALL STUDIES AND REQUIREMENTS OF THIS BODY FOR RECOGNITION OF SUCH OFFICE; FURTHER BY RITE OF ORDINATION THIS DATE. HE IS DULY LICENSED AND ORDAINED TO PERFORM ALL MINISTERIAL FUNCTIONS WITHOUT LIMIT AS ACCORDED BY THE LAWS OF THE LAND AND IN COMPLIANCE WITH THE ORDINANCES OF GOD'S HOLY CHURCH.

WE NOW PRAY FOR GOD'S DIVINE BLESSING AND THE POWER OF THE HOLY SPIRIT UPON HIM. ORDAINING COUNCIL

PRESIDENT _____

SECRETARY _____

VICE PRESIDENT _____

ELDER _____

We the undersigned, are all of the persons named as Trustees of Calvary Chapel Morris Hills, a New Jersey non-profit corporation, and, pursuant to the authority granted to the Trustees by these By-laws to take action by unanimous written consent with a meeting; consent to, and hereby do, adopt the foregoing By-laws, consisting of 21 pages, as the By-laws of this corporation.

DATED: 2/20/05



TRUSTEE



TRUSTEE



TRUSTEE

**CALVARY CHAPEL MORRIS HILLS
BY-LAWS, RULES AND REGULATIONS**

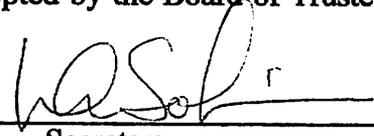
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CERTIFICATE

This is to certify that the foregoing is a true and correct copy of the By-laws of the corporation named in the title thereto and that such By-laws were duly adopted by the Board of Trustees of said corporation on the date set forth above.

DATED:

2/20/05



Secretary