

**RESOLUTION AND
RESTATED CERTIFICATE OF FORMATION
FOR
FIRST UNITED METHODIST CHURCH, CALDWELL, TEXAS**

RESOLUTION

RESOLVED THAT the Amended and Restated Certificate of Formation submitted to the members by the Board of Stewards, a true and correct copy of which stated below, is approved.

RESTATED CERTIFICATE OF FORMATION

This Restated Certificate of Formation is submitted for filing pursuant to the applicable provisions of the Texas Business Organizations Code.

**Article I
Entity Name and Type**

The name and type of filing entity being formed (hereinafter the “**Church**”) is:

Name of Filing Entity:	Caldwell Methodist Church
Type of Filing Entity:	a Texas nonprofit corporation

**Article II
Purpose**

The Church is organized pursuant to Section 22.101 of the Texas Business Organizations Code for charitable, benevolent, religious, eleemosynary, missionary, or educational purposes as provided in Section 2.002(1) of the Texas Business Organizations Code. The Church is organized for serving charitable, religious, scientific, literary, or educational purposes within the meaning of Section 508(c)(A) and Section 501(c)(3) of the Internal Revenue Code of 1986 (the “**Code**”), and the Texas Tax Code, Section 11.18. In particular, the Church shall operate as a Church of the Protestant Christian Faith and may conduct itself in all related or associated activities therewith.

**Article III
Constitutional Protections**

The Church and its members enjoy the right of free exercise of religious beliefs, peaceable assembly, and the free speech related thereto. No restriction or limitation herein shall limit these freedoms and rights, or any others protected by law.

Article IV
Restrictions and Limitations

Notwithstanding the foregoing or anything to the contrary herein, the Church may not:

- A. Engage in any activity or take any action prohibited by the applicable provisions of the Texas Business Organizations Code.
- B. Pay any dividend or distribute any part of the income of the Church to its members, if any, directors, if any, or officers. However, the Church may do the following:
 - 1. Pay compensation in a reasonable amount to its members, directors, or officers for services rendered.
 - 2. Confer benefits upon its members in conformity with its purposes.
 - 3. Make distributions of its income to its members on winding up and termination to the extent authorized by Chapter 22 of the Texas Business Organizations Code; and
 - 4. Make distributions of its income to its members who are nonprofit corporations organized under the Texas Business Organizations Code and who are exempt from income taxation under Section 501(a) of the Internal Revenue Code of 1986, by being listed under Section 501(c)(3) of that code, if:
 - a. The distributions are made in accordance with the purpose or purposes of the corporation as stated in the Certificate of Formation and with the fiduciary responsibilities of the Board of Stewards, including the duty to safeguard restricted funds for their intended purposes; and
 - b. After the distributions are complete the church would be able to pay its debts as they become due in the usual course of its activities and its total assets would at least equal the sum of its total liabilities.
- C. Make loans to the Church's directors.
- D. Engage in any activities, except to an insubstantial degree, that are not in furtherance of the purpose or purposes of the Church.
- E. Conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and its regulations, or by an organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and regulations.
- F. Serve any private interest except if clearly incidental to the public benefit provided by the Church.
- G. Allow any of the Church's net earnings to inure to the benefit of the members, if any of the Church, or any private individual.
- H. Engage in more than an insubstantial degree in the carrying on of propaganda, or otherwise attempting, to influence legislation, and the Church shall not directly or indirectly participate in or intervene in (including the publication or distribution of

statements) any political campaign on behalf of any candidate for public office, except as allowed by Internal Revenue Code and its regulations.

- I. Make distributions at such time and in such manner as to subject it to tax under Section 4942 of the Code.
- J. Engage in any act of self-dealing which would be subject to tax under Section 4941 of the Code.
- K. Retain any excess business holdings which would subject it to tax under Section 4943 of the Code.
- L. Make any investments which would subject it to tax under Section 4944 of the Code.
- M. Make any taxable expenditures which would subject it to tax under Section 4945 of the Code.

Article V
Registered Office and Registered Agent

The Registered Agent of the Church is an individual resident of the state whose name is Mark Telg.

The business address of the initial registered agent and the initial registered office is 12338 FM 2000 Caldwell, Tx 77836.

Article VI
Initial Address

The initial mailing address of the Church is 306 West Fox Street, Caldwell, Texas. 77836.

Article VII
Organizational Structure and Governing Authority

The Church will have members who profess a faith in Jesus Christ as their Lord and Savior in accordance with the Church's tenets of doctrinal faith as further provided in the Bylaws of the Church. Management of those activities determined to be a Fundamental Action of the Church is vested in its members and management of the affairs of the Church is vested in the Board of Stewards except those matters related to the conveyance of the real property of the Church is managed as provided herein.

The Church shall have a Board of Directors, hereinafter referred to as the Board of Stewards that shall have the authority (powers) delegated to it herein and in the Church's Bylaws. The number of Board of Stewards shall be between eight (8) and eleven (11). The number of Board of Stewards may be increased or decreased as provided in the Bylaws of the Church, but the number of Board of Stewards may not be less than three (3). Board of Stewards of the Church must be members of the Church. If at any time, a Board of Stewards member ceases to qualify herein, his or her directorship shall at such time become vacant.

Article VIII
Bylaws and Power to Amend Bylaws Delegated to Directors

The Church shall have Bylaws as provided by section 22.102 of the Texas Business Organizations Code. The members of the Board of Stewards by a majority vote may adopt, amend, or repeal the

Bylaws of the Church. The Bylaws shall provide for the regulation and management of the Church that are not inconsistent with the law or the Certificate of Formation. Any tenets of faith, doctrine, or discipline of the church shall be considered part of the Bylaws of the Church as provided herein.

Article IX
Church Property

The ownership and control of the real and personal property of the Church shall be vested in the Church and shall not be subject to the control of any other person as defined in Section 1.002(69-b) of the Texas Business Organizations Code. The power to convey any of the real property of the Church that is regularly used for worship or services is reserved to the membership. The management of the real property, other than that regularly used for worship or services, and the personal property of the Church is vested in the Board of Stewards. For the sake of clarity and notwithstanding anything to the contrary in this Restated Certificate of Formation; the Church bylaws; or the Texas Business Organizations Code, to the extent permitted by said code, it is specifically recognized and provided that any distribution of assets, whether real property or personal property, pursuant to Article XV, Distribution of Assets upon Winding Up, of this Certificate of Formation (a “**Distribution**”) shall be subject to approval of at least two-thirds of the professing members present at a duly called member meeting.

The Church is authorized to hold real and personal property in trust and serve as a trustee for any real or personal property which the owner thereof establishes a trust under law and for which the Church accepts said trustee service. The Board of Stewards is authorized to manage or dispose of any trust property provided that said management or disposition is conducted in accordance with the terms of the trust.

Article X
Member Consent Required for Fundamental Action

The affirmative vote of at least two-thirds of the professing members presents at a duly called meeting of the members at which the action is submitted for a vote shall be sufficient to approve (i) a Fundamental Action (as the term is defined by Section 22.164 of the Texas Business Organizations Code, as amended from time to time) and/or (ii) a Distribution.

Article XI
Action Without a Meeting by Members, Directors or Committees

Any action required by the Texas Business Organizations Code to be taken at a meeting of the members or directors of the Church or any action that may be taken at a meeting of the members or directors or of any committee may be taken without a meeting if a consent in writing, setting forth the action to be taken, is signed by a sufficient number of members, directors, or committee members as would be necessary to take that action at a meeting at which all of the members, directors, or members of the committee were present and voted.

XII
Proxy or Cumulating Votes

No member, director, officer, or committee member is permitted to vote by proxy or cumulate votes.

**Article XIII
Indemnification**

To the full extent permitted by the applicable provisions of Title 1, Chapter 8 of the Texas Business Organizations Code and other applicable law, the Church shall advance or reimburse expenses to and indemnify any present and former directors, officers, employees, and agents of the Church and persons serving or formerly serving at the request of the Church as directors, officers, partners, venturers, proprietors, trustees, employees, agents or similar functionaries of another foreign or domestic corporation, employee benefit plan, other enterprise or entity against judgments, penalties (including excise and similar taxes), fines, settlements and reasonable expenses actually incurred by the person in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrate or investigative, any appeal in such action, suit or proceeding and any inquiry or investigation that could lead to such an action suit or proceeding, because the person is or was acting in one of the capacities set forth above.

**Article XIV
Contracts or Transactions with Interested Directors, Officers and Members**

This provision applies only to a contract or transaction between the Church and one or more of its members, directors, or officers, or between the Church and an entity or other organization in which one or more of the Church's members, directors, or officers is a managerial official or has a financial interest.

An otherwise valid contract or transaction is valid notwithstanding that a director, officer, or member of the Church is present at or participates in the meeting of the Board of Stewards, of a committee of the board, or of the members that authorizes the contract or transaction, or votes or signs, in the person's capacity as a member, director, officer, or committee member, a unanimous written consent of members, directors, officers, or committee members to authorize the contract or transaction, if: (1) the material facts as to the relationship or interest and as to the contract or transaction are disclosed to or known by (a) the Board of Stewards, a committee of the Board of Stewards, or the members, and the board, the committee, or the members in good faith and with ordinary care authorize the contract or transaction by the approval of the majority of the disinterested directors, committee members, or members, regardless of whether the disinterested directors, committee members, or members constitute a quorum; or (b) the members entitled to vote on the authorization of the contract or transaction, and the contract or transaction is specifically approved in good faith and with ordinary care by a vote of the members; or (2) the contract or transaction is fair to the Church when the contract or transaction is authorized, approved, or ratified by the Board of Stewards, a committee of the Board of Stewards, or the members. Common or interested Board of Stewards members or members of a Church may be included in determining the presence of a quorum at a meeting of the board, a committee of the board, or members that authorizes the contract or transaction.

**Article XV
Distribution of Assets Upon Winding Up**

After all liabilities and obligations of the Church in the process of winding up are paid, satisfied and discharged, the property of the Church shall be applied and distributed to another church with like

tenets of faith and doctrinal belief as the Church or to a nonprofit affiliate entity of the Church such as a Cemetery Corporation.

**Article XVI
Choice of Law**

This Certificate of Formation is governed by and shall be construed in accordance with the law of the State of Texas, excluding any conflict-of-laws rule or principle that might refer the governance or the construction of this Certificate of Formation to the law of another jurisdiction.

**Article XVII
Doctrinal Discipline of the Church**

The Church shall adopt a Doctrinal Discipline of the Church. Upon adoption, the Doctrinal Discipline shall be considered part of the Bylaws of the Church. The Doctrinal Discipline of the Church shall not apply as to the ownership and control of the real and personal property of the Church. Any provisions of the Doctrinal Discipline regarding the governance of the Church shall not control over the provisions of these Bylaws unless otherwise allowed herein but may be considered as an alternative to the provisions herein provided said provisions of the Doctrinal Discipline are compliant with Texas Law and the Certificate of Formation.

**Article XVIII
Effective Date of Filing**

This Certificate of Formation becomes effective when the document is filed by the secretary of state.

**Article XIX
Execution**

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute the filing instrument.

Date: March 26th, 2023

By: _____

**MARK TELG
Chair, Board of Stewards**

ATTESTED

By: _____

**BRIDGET INGRAM
Secretary, Board of Stewards**