

Summary of Changes to MDPC's Articles of Incorporation and Bylaws

With the completion and adoption by the session of the new Policy and Operations Manual, it was also time to have a thorough legal review of the current foundational corporate documents of MDPC, the Articles of Incorporation and bylaws. There has been no comprehensive legal review of these documents since the initial formation of the church in 1955. The Restated and Amended Certificate of Formation and the Restated and Amended Bylaws which will go to session and the congregation for approval were developed with the guidance of MDPC's corporate attorney, Frank Sommerville. Below is a brief summary of the substantive changes in these documents.

1. **Name change:** Texas law now defines "Articles of Incorporation" as "Certificate of Formation." Therefore, the revised articles are termed the "Restated and Amended Certificate of Formation."
2. **Elimination of Trustees:** The office of Trustee is no longer included in the Certificate of Formation or the bylaws. In 1955 many states did not permit churches to form corporations and therefore the office of Trustee gave churches the means to conduct business on behalf of the church such as buying, selling or mortgaging properties. Subsequently most states changed their laws to permit churches to form non-profit corporations. Both our former denomination, the PCUSA, and our current denomination, ECO, provide in the Book of Order (PCUSA) and the Constitution (ECO) that affiliated churches should incorporate if permitted in their state and if not then they may create the office of Trustee. Continuing to have the office of Trustee puts MDPC out of compliance with the ECO Constitution.

Elimination of the office of Trustee means that the Session, instead of the Trustees, will act as the church's board of directors for all purposes, including buying, selling and mortgaging property. Since MDPC's Trustees currently are the same elders elected to serve as Clerks of Session, Treasurers, and the Personnel Elder, the number of elders serving on Session will not be affected.

3. **Financial Restrictions and Requirements.** Provisions have been added to both the Certificate of Formation and the bylaws that restrict the church's financial activity in accordance with current state and federal law governing non-profit corporations. This includes a list of prohibited acts by Session members and officers, or committee members included in the new bylaws as well as restrictions and procedures relating to indemnification. Most of these regulations came into effect after the adoption of the original corporate documents. MDPC has been following all relevant laws and regulations, but these restrictions need to be included in the foundational corporate documents.
4. **Action by Consent of Session or Committee Without a Meeting.** Guidelines permitting the session and church committees to act by written consent (email, fax, photocopies, etc.) without a face to face meeting are included in both the Certificate of Formation and the bylaws in compliance with Texas corporate law. Email and similar technologies for communicating written consent had not been invented at the time of the original formation of the church.